Review: The Emic and Etic Uses of the Term ‘Corporate Culture’
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ABSTRACT

Corporate culture has been studied widely both as the focus of research or as one of the significant contributing factors in the operation of a company/organization. In studies on culture, social researchers acknowledge two different views: emic and etic. However, these two contrasting views have not been a concern of corporate or organizational culture researchers. This paper aims to shed light on this issue by reviewing different narrative analyses from various corporate culture studies. The author proposes a solution which enables researchers to ensure the inclusion of both emic and etic views on corporate culture in their research which is by using a model which adopts a continuum consisting of corporate culture and corporate cultural policy.

Keywords: corporate culture; organizational culture; company policy; cultural policy; emic analysis; etic analysis.

INTRODUCTION

Corporate culture, in its simplest definition, is “a set of certain ideas, attitudes and values that are generally accepted in the enterprise and at the same time an important aspect is that they are accepted and followed by employees in the work process” (Urbanovičová et al., 2019: p. 79). This definition is identical to the general definition of ‘culture’ universally yet loosely used by anthropologists, only here the jargons ‘enterprise’, ‘employee’ and ‘work’ are used in place of other concepts related to the life of a community in its most fundamental discourse.

Similar to a general discussion of a society and its culture, employees and their interactions are affected by cultural values and norms (Mlíkva et al., 2019). There are two possibilities of the inception of a corporate culture: ones that are deliberately shaped and ones that are not (Fehr, 2018). This notion has the implication that company leaders may possess the awareness that it is their obligation to lead their companies through a set of values. Such awareness results in interaction patterns between the various chains of command being molded by corporate culture through conscious efforts.

The word ‘culture’ is also used in a more general term of ‘organizational culture’. Schabracq (2007) argued that the use of the word ‘culture’ in ‘organizational culture’ is for the mere purpose of brevity, which causes difficulties in defining the concept of ‘organizational culture’ partly because of the general “wide and diverse use of the term culture” (p. 7). According to Rathje (2007), the concept of ‘culture’ itself, in the various contexts of its use (e.g. in “customer-oriented...
corporate culture"), expresses the concept of 'coherence' (p. 35). While anthropologists use culture as a concept through which they analyze a society’s set of norms, symbols and interpretations of phenomena and treat them as observable aspects within equally observable social interactions, the word ‘culture’ in ‘organizational culture’ is used to express a set of coherence or logical framework which is used within an organization and its operations. One then can argue that through this perspective, an organization’s formal written policy can already adequately represent ‘coherence’ within an organization. Discussions on corporate or organizational culture can then use their significance, especially when they are in reference to companies or organizations which implement corporate culture through formal corporate policies.

This review paper aims to pinpoint the possible epistemological flaws in the etic and emic uses of the terms ‘corporate culture’ and ‘organizational culture’, both in studies on phenomena directly revolving around them or in studies which use them as variables/conceptual backdrop. The author proposes a new conceptual framework in order to ensure the validity and accuracy of future studies which involve corporate/organizational culture, especially those related to the direct/indirect stipulation of corporate culture. The discussion begins with an extensive literature review on the use of the concept of corporate/organizational culture in numerous research on organizations/companies. The analysis is centered around the various trends of the use of the concept which make up the basis of logic for the new analytical model the author proposes.

METHODS

A qualitative-narrative analysis of selected research and sources on corporate or organizational culture were used as this article’s basis of analysis. A wide range of corporate culture literature were chosen and had been extracted for their analyses on corporate culture and definitions of key concepts (especially that of corporate/organizational culture). Articles that were chosen were of different topics under the broader context of corporate culture; they focused on different types and instances of cultural values and norms in different companies from all over the world. These analyses and definitions were then put through different sub-categories which helped the author form a compelling and coherent analysis. A sociolinguistic analytical approach was mainly used to analyze these external sources for their categorization of phenomena and social concepts.

LITERATURE REVIEW

Multiple Definitions of the Term ‘Corporate Culture’

There have been numerous definitions of corporate culture in various research articles of different discussions. In his paper titled “Behavioral Foundations of Corporate Culture”, Ernst Fehr (2018) discussed his definition of the term ‘corporate culture’:

‘We define corporate culture as the set of formal and informal social norms in a company that affect employee’s perceptions, motives, intentions, and behaviors.’ (p. 6)

Similar to Fehr, Anjan V. Thakor (2016) in his paper “Corporate Culture in Banking” also chose to have his own definition of ‘corporate culture’:

‘I define culture as the collective assumptions, expectations, and values that reflect the explicit and implicit rules determining how people think and behave within the organization.’ (p. 8)
In a broader context, ‘organizational culture’ is defined by authors quite similarly to ‘corporate culture’. Alvesson and Sveningsson (2008) in their book “Changing Organizational Culture: Cultural Change Work in Progress” provided an elaboration of how the concept of ‘organizational culture’ is perceived:

‘The governing assumptions constitute the core of the organizational culture and consist of taken-for-granted beliefs about the nature of reality, the nature of the organization and its relations to the environment, the nature of human nature, the nature of time and the nature of people’s relations to each other. The governing assumptions are the beliefs that guide everyday thinking and action in organizations.’ (p. 37)

The terms ‘corporate culture’ and ‘organizational culture’ differ slightly in scope. ‘Organization’ refers to a social interactions system which is governed by “values, norms, rules and principles of behavior”, and in it, the concept of ‘corporate culture’ is a part of the broader concept of ‘organizational culture’ which is specific to discussions on corporations (Khilukha, Levchuk & Maksymchuk, 2017: p. 48). In short, there are no intrinsic differences in meaning between the two apart from the specific scale each concept covers.

Culture: Etic VS Emic

In social science, one of the most prominent dichotomies of research approaches is the etic and emic contrast. An emic approach to studying culture would involve data from ethnographic field research & observations which are used as main descriptions of culture, while an etic approach would involve functionalist logic which is put through a comparison of cultures in order to get a solid answer (Morris, et al., 1999, cited in Zhu & Bargiela-Chiappini, 2013: p. 382). This enables two options for social researchers when interpreting symbols/products of a culture: utilizing a community’s internal understanding of its culture or utilizing the researchers’ analysis of a certain culture based on their comparative knowledge of cultures. Researchers may have a general approach towards culture, either it be emic or etic, and have distinctively different assumptions towards cultures: emic researchers see a culture as an “interconnected whole or system”, while etic researchers “are more likely to isolate particular components of culture and state hypotheses about their distinct antecedents and consequences” (Leung et al., 1999: p. 782).

Despite the two opposing paradigms that the etic and emic approaches present, there has been an argument that proposes the notion of not contrasting the two approaches, instead, researchers could utilize them in one continuum. Morris et al. (1999) stated that rich accounts from research (emic) can be formulated within transcultural dimensions and that synergy makes a continuum (Morris, et al., 1999, cited in Zhu & Bargiela-Chiappini, 2013, p: 382). A researcher does not need to align themselves strictly with one approach as according to the argument above, both approaches are equally important to an interpretation.

Corporate Culture and Its Significance in Different Contexts of Discussion

Organizational culture and corporate culture have been one of the basic aspects analyzed in different research of various organizational/corporate phenomena. The first instance of such discussions that the author would like to bring forth is the discussion on the relation of generational gap in a company and its effects towards corporate culture, and here the author especially refers to an article titled “How Millennials Affect Corporate Culture” by
Urbanovičová et al. (2019). A brief definition of corporate culture by Urbanovičová et al. has been used in the introduction of this article. According to Urbanovičová et al., a corporate culture refers to a set of “certain ideas, attitudes and values” which are accepted in an enterprise and should be followed by employees of that particular enterprise (Urbanovičová et al., 2019: p. 79). Based on this definition of corporate culture, Urbanovičová et al. proceeded to collect data from the Faculty of Materials Science and Technology at Trnava of the Slovak University of Technology and produced these conclusions that state that Gen Z could bring about these changes to corporate culture: high-level of technical and language skills, high workload, the need for regular feedback, the need to hear praise for goals that are met, the willingness to work a lot, work-life balance, the tendency to switch companies when an employee is dissatisfied and more emphasis on work satisfaction in comparison to employees’ actual earnings (p. 82).

The conclusions produced by Urbanovičová et al. above refer to ideas, attitudes and values which are exclusively produced by employees and are not developed through managers’ formal decision to issue a formal organizational/company conduct procedure. Urbanovičová et al. (2019), after reaching a consensus with readers on a definition of corporate culture, stated that corporate culture is created by employees based on external influences each of them may acquire from different environments outside the company—corporate culture changes with time as changes in generations within employees occur (p. 79). This view of what corporate culture can be understood as is not the only view adopted by organizational researchers as the author will prove how researchers can have differing views towards analyzing organizational behavior through corporate culture.

Fathoni & Rodoni (2018), in their article titled “The Impact of Corporate Culture on Marking Performance”, stated that corporate culture refers to organizational culture. In the paper, Fathoni & Rodoni used four different profile categories of organizational culture based on OCAI (Organizational Culture Assessment Instrument) made by Kim S. Cameron and Robert E. Quinn—these four profile categories are:

1. Clan (refers to when “intimate relationships and family systems” exists in an organization);
2. Hierarchy (refers to when an organization has rigid, formal environment which is regulated systematically; similar to a bureaucracy);
3. Adhocracy (involves emphasis on freedom for employees to be creative and innovative);
4. Market (refers to when the focus of the company is on results) (Cameron & Quinn, 2016, cited in Fathoni & Rodoni: 2018: pp. 132-133).

The four profile categories above are directly related to managerial decisions which enable them to prevail and be accepted in organizations or companies that adhere to them. The different managerial and leadership styles are characterized as: a) a company which falls under the ‘clan’ category has a leadership which acts as a facilitator for problems and management guidelines focuses on employee participation; b) a company which falls under the ‘hierarchy’ category has a leadership which acts as a coordinator which implements controlling management guidelines; c) a company which falls under the ‘adhocracy’ category promotes a leadership which leads innovations, entrepreneurship and visions; and c) a company which falls under the ‘market’ category is managed through a focus on competing to achieve the

In reference to analyzing employee management attributes of two different sharia banks, Fathoni & Rodoni (2018) stated the following:

‘For both Islamic bank, every employee is marketer and every marketer must participate and be responsible for the company’s reputation and sustainability. Every employee is required to behave in accordance with the value expected by the company (value adopted), namely upholding the moral values and aqidah in accordance with Islam for Bank Muamalat and the value of amanah and jama’ah for BNI Syariah.’ (pp. 138-139)

This analysis resonates the aforementioned culture categorization above. An emphasis on conscious managerial decision is prevalently used in this paper in terms of its view on how corporate or organizational culture can be implemented in a certain organization. This particular analysis and the categorization of organizational culture used in the paper show a differing view of corporate/organizational culture when compared to the one which can be seen in the paper by Urbanovičová et al. where corporate/organizational culture is more affected by employees (and external influences they bring) instead of by conscious managerial decisions (Fathoni & Rodoni, 2018; Urbanovičová et al., 2019).

Mlkva et al. (2019) published their research article titled “Concept of Corporate Culture in the Context of Age Diversity”. The article is similar in discussion with the article by Urbanovičová et al. (2019), which also pinpoints the impact of age/generational gap towards the corporate culture of a company/organization. Mlkva et al. acknowledged the multiple definitions of corporate culture, however, they arrived at an explanation that the available definitions all refer to “some form of shared meaning, interpretations, values and norms” (Mlkva et al., 2019: p. 50). This view was used as the basis of their analysis of age management in the article.

Mlkva et al. (2019) used samples from employees of different age generations who are included in the labor market of the Slovak Republic; the study was conducted on different factors of corporate culture (i.e. employment certainty, leadership styles of different generations and employees’ levels of fulfillment) (p. 31). In relation to retaining and recruiting qualified employees, Mlkva et al. concluded that companies should put a special emphasis on corporate culture and how it can be designed (p. 56). This conclusion addresses how corporate culture could be shaped by employees, while at the same time, a company’s management could have an equally influential decision in reference to forming/changing corporate culture.

Wehde (2018) wrote a paper on corporate culture and its contribution to employee discrimination titled “Corporate Culture, Stereotypes, and Discrimination”. In the paper, Wehde directly quoted a statement which shows a strong view on corporate culture as an aspect of a company which bears “a loosely coordinated social policy to ensure homogeneity”—this enables companies to rejects certain candidates when they are deemed unfit for their company culture (Kane, 2013, cited in Wehde, 2018: p. 17). This view towards corporate culture further affirms that the concept is affected significantly by conscious managerial decisions.

Wehde (2018) proposed several different solutions to counter the homogenizing effects of corporate culture such as reviewing job descriptions and application forms and processes, creating standardized interview procedures, making interviewers more
diverse, reviewing recruitment documents for bias, and other solutions related to recruitment (pp. 17-18). Wehde’s solutions can all be categorized strictly as conscious managerial decisions, in this particular case, conscious human resources management decisions.

In his conclusion, Wehde also mentioned the emphasis on managers having to adapt to the more egalitarian society in reference to their decisions towards building corporate culture; it is also stated that discriminatory recruitment retention of employees from the minority should be worked on by organizations (Wehde, 2018: p. 18). Wehde’s concerns towards discriminatory company policy are at the center of his discussions on corporate culture: discriminatory recruitment creates homogenous culture which can preserve the existing cultural hegemony which, as stated by Kane, are all based on a company’s “loosely coordinated social policy” (Kane, 2013, cited in Wehde, 2018: p. 17).

**Cultural Policy**

In 2019, Chukwuma Anyanwu published an article titled “Nigeria’s Cultural Policy and the Needs of the Performing Arts” which discusses the Nigerian cultural policy as an effort to accommodate the needs of both the arts and the artists themselves, especially those of performing arts. In his paper, Anyanwu (2019) provided an extensive definition of the term ‘cultural policy’ based on the Nigerian cultural policy:

‘Thus, the cultural policy for Nigeria is a set of proceedings designed by the government or its relevant agency to preserve, protect and promote its cultural milieu in the interest of its past, present and future generation. It is intended to be a guide to proper decision making and implementation regarding Nigeria’s culture.’ (p. 719)

In the case of Nigeria, the concept of cultural policy refers to the preservation and promotion of more tangible cultural products, particularly the country’s cultural artistic properties, such as dance, music, drama, crafts, etc (p. 721). The policy’s implementation is political in nature as Anyanwu stated in his conclusion that one of the reasons why its proper implementation is deemed important is mainly due to “selfish interest of well-placed individuals” (p. 726).

In a study similar to Anyanwu’s, in 2019, Rojas et al. published their research on the organization that governs a community of artists in the town of Oñati, Basque Country, Spain, titled “Community Administration as Cultural Policy: Empowering Citizens in Eltzia”. Eltzia refers to a collective community project in the town of Oñati which focuses on managing the collaboration of different artists to execute new initiatives (Rojas et al., 2019). Rojas et al. view Eltzia as a “participatory governance” where there is a “process of policymaking” amongst its members (p.10). Despite the organization being more prominent for its governing of local artists’ activities, it still encourages the value of community participation as it was founded in response to the council’s demand for a “participatory process to develop a local cultural project” (p. 7). In their conclusion, Rojas et al. (2019) stated that the organization, especially in relation to its cultural policy, had been successful in encouraging the new initiatives (p. 18).

**DISCUSSION**

The Multi-Interpretative Nature of Corporate Culture

As demonstrated in the literature review above, there have been numerous definitions of corporate culture. In numerous articles, authors chose to include different definitions of corporate/organizational culture rather than settling with one definition only (Acebo & Viltard, 2018; Mlkva et al., 2019; Khilukha, Levchuk & Maksymchuk, 2017; Thakor, 2016;
Guzak, Crandall & Alavinejad, 2017; Fathoni & Rodoni, 2018). The multi-interpretative nature of the concept has also been recognized in several different articles (Khilukha, Levchuk & Maksymchuk, 2017; O’Donnell & Boyle, 2008). A rather interesting approach to defining ‘corporate culture’ can also be seen in certain articles as these instances opted to depart from the explanation of the concept of ‘culture’ before reaching a consensus of the definition of ‘corporate culture’ with the readers (Kerr & Slocum Jr., 1985; van Rooij & Fine, 2018). These different approaches to referring to the definition of ‘corporate culture’ show a specific trend by authors to not choose one prevailing definition of the concept; this trend continued to the most recent paper the author could harvest from online repositories.

This phenomenon can be related to, as stated by Schein (2004), the equally multi-interpretative and the various contexts that the concept of ‘culture’ bears (Schein, 2004: p. 7).

**Organizational Researchers and Their Etic and Emic Views on Corporate Culture**

The line that separates the emics and the etics of ‘corporate culture’ as a concept is a convoluted one. If we take Almanna & Farghal’s (2015) explanation, the line that separates the emics and the etics of a concept clearly distinguishes the observer’s interpretation towards a language through concepts that are familiar to them—such concepts are not used by the speakers of the actual language (Almanna & Farghal, 2015). The term ‘corporate culture’ is used for two different contexts of communications: one used by researchers (in research or conceptual discussion) and one used by business managers (mainly for internal company/inter-company communications) (Khilukha, Levchuk & Maksymchuk, 2017: p. 48); the two contexts do not entail different meanings, the difference lies only on purposes of utterance.

The concept of ‘culture’ has been defined through perspectives of researchers and stakeholders of different settings, but mainly, in various disciplines, it is a concept used to study “the behavior of people in social settings” (Kerr & Slocum Jr., 1985: p. 1). Schein (2004) proposed a more specific look at the origin of the concept of ‘culture’:

‘It has been used by the layman as a word to indicate sophistication, as when we say that someone is very “cultured.” It has been used by anthropologists to refer to the customs and rituals that societies develop over the course of their history. In the last several decades it has been used by some organizational researchers and managers to refer to the climate and practices that organizations develop around their handling of people, or to the espoused values and credo of an organization.’ (p. 7)

Schein then proceeded to explain that culture, in this context, has been used by managers as a concept which is related to values that they want their organizations to implement; e.g. in regards to implement the “right kind of culture”, “culture of quality” or “culture of customer service (Schein, 2004: p. 7).

Schein’s explanation underlies one specific approach in the utilization of the concept of culture where there are cultures better than the others—a view that is evaluative towards different cultures for organizations which Schein claims as a “dangerous tendency” (Schein, 2004: pp. 7-8). Casson (2016) echoes this as he points out that in an effective culture, there is a “strong moral content”, and morality can solve certain problems more effectively than formal procedures (Casson, 2016, cited in Mullakhmetov, Sadriev & Akhmetshin, 2018: p. 520). This view bears subjective managerial judgment—an emic
view can be seen as the spectrum from which the term ‘organizational culture’, or, in a narrower scale, ‘corporate culture’ originated. Another issue should then be put into question: in an etic discussion, is the term ‘culture’ valid as a point of entry in analyzing elements of a specific style of corporate management? Are the terms ‘corporate culture’ can represent both informal and formal social norms of a company?

Implementation of Policy for Corporate Culture

Eltzia, along with the Nigerian cultural policy, have been examples of how cultural products and values can be governed through a formal written policy or through a collective initiative (Rojas et al., 2019; Anyanwu, 2019). The term ‘cultural policy’ itself has been commonly used by social researchers to discuss similar topics in different communities/regions (Hartley, 2018; Fletcher, 2019; Birkeland, 2007; Hesmondhalgh & Pratt, 2005). Fletcher (2019) has especially put special emphasis on the evolution of cultural policy: compared to its first inception as a written policy that is more instrumental in nature, the more recent views on cultural policy have also been focusing on different cultural concepts, one of them being social cohesion (p. 574).

What Fletcher (2019) and the examples above implicitly communicate is that a special type of policy can be used to govern the culture of a certain community, not just for its tangible cultural products, but also for its more abstract cultural values. The sample models demonstrated by Anyanwu (2019) and Rojas et al. (2019) offer a new possibility for a new view: other cultures of different natures can actually be governed or managed, be it collectively or not, through similar conceptual and practical restrictors. In the context of corporate culture, any corporate policy that may govern the culture of a company/organization, can also be categorized as ‘corporate cultural policy’, a term which the author proposes to represent company/organizational policy which stipulates social norms and moral values among employees/organization members.

The Corporate Culture-Corporate Cultural Policy Continuum

The author proposes the use of the term ‘corporate cultural policy’ as part of a continuum in future discussions which involve corporate culture. This continuum is rooted back to the emic-etic continuum as demonstrated above by Morris et al. where the two views should not be used in a contrasting manner, but rather as a continuum to reach a thorough analysis (Morris, et al., 1999, cited in Zhu & Bargiela-Chiappini, 2013: p. 382). In this case, the term ‘corporate culture analysis’ can help with the etic analyses of a research and create a clear distinction between cultural values adhered with or without conscious managerial decisions and cultural values that are clearly products of company direction.

The author’s proposed continuum can be broken down through the different elements of a religion. ‘Corporate culture’ refers to the rites, moral values and cosmology of a culture which are accepted by employees of a company; while ‘corporate cultural policy’ refers to written and verbal dogmas that explicitly, or implicitly, express those elements analyzed through the former spectrum of the continuum (Durkheim, 1915). Under this perspective, from an etic view, researchers can see the actual process of the inception of a corporate culture and its elements: some elements of a corporate culture are products of leadership, while some others are products of each employee’s contribution as shaped by external influences each person might bring to a company (Urbanovičová et al., 2019). A company’s
moral values and cosmology can be shaped either by a dogmatic policy or by employees themselves as time passes, however, company’s policy and employees’ own cosmologies can influence each other to create a synthesis of one ideal corporate culture.

Urbanovičová et al. (2019) argued that one of the characteristics of a company influenced by the culture of its millennial employees is that there is a tendency among employees where if they find any sort of dissatisfaction, they will leave the company (p. 82). Claims of this nature can be true when a culture is seen through an objective etic perspective, however, from an emic perspective, managers may not acknowledge this as one of their company’s moral values. Urbanovičová et al. came to this conclusion based on a survey on workers of different generations and stated that generation Z workers tend to keep looking for their “dream job” before they stop actively looking for different opportunities (p. 80), and this dream job is the result of each employee’s personal professional cosmology and endgame (eschatology). Through the proposed corporate culture-corporate cultural policy continuum, such a conclusion can be extended to two different categories: the emic group of moral values which managers can confirm as their company’s culture, and the etic group of moral values which researchers can acknowledge as the general culture of a company.

CONCLUSION

This article was written in an effort to shed light on the importance of putting emphasis on creating a line between analyzing corporate culture from emic and etic views. The author proposed a new model in the form of a continuum in order to help researchers further enhance their analyses on corporate culture and acknowledge it as a product of synthesis between external influences and conscious managerial decisions, and in it, there are differences between researchers’ observation of corporate culture to that of company managers. The corporate culture-corporate cultural model can also be implemented in the studies of companies, but also in a broader context of organizations to cover organizational culture. However, further research is needed in order to validate the accuracy of this model through studies on companies with different mechanisms of culture formation. This article is purely based on reviews on previous research and the emphasis is put on the narrative analyses contained in these texts.

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