
Considerations Regarding Cultural Values in Multinational Companies

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Multinational companies are the main object of interest in international management. Practicing a multinational strategy, the company has locations in a wide geographic area, offers standardized products and encompasses a large market worldwide.

Although there are specific values that can be established at the organizational level, however in this case the cultural dimension is based on work practices learned in the organization, especially through social processes that act later in the life of the individual.

This paper presents the considerations on the international cultural values in Oracle Company.

Keywords: *companies; organization; cultural*

Introduction

International management is an intercultural management as it pertains to relationships that are established and developed between different countries (different national cultural areas). Also this type of management is considering interactions between organizations -

company, customers, and competitors - that have different values and behaviors that have different business cultures.

Multinational companies are the main object of interest in international management, but its scope is not limited to those corporate activities. International management refers to the practice of leadership of all organizations operating internationally and the management of multinational companies is restricted to the business strategy of the agents of the global economy.

The "intercultural" is based on the fundamental values shared by the community (a social organization), those that are integrated structure of that organization. Instead, approach 'international' has a more pronounced institutional and political differentiation gives a major international actors life.

World organizations and managers has grown dramatically in the last decade. Providers, beneficiaries, competitors and staff all move easily from one country to another.

A number of developments and integration in the European Union Free Trade Agreement North application - American (NAFTA), the Uruguay Round outcome: the General Agreement on Tariffs and Trade (GATT) and the subsequent establishment of the World Trade Organization (WTO), all these generated favorable opportunities for the development of international economic relations. Managers and customers a growing number of organizations, be they commercial or non-profit, international encounter this reality in their thinking strategically or tactically, as in their daily work. In parallel with the expansion of the international economic environment, there was an ongoing revolution communications technology that enabled a rapid contact between individuals or groups of geographically dispersed.

Negotiation of contracts takes place in real time between groups located on different continents. Multinational organizations can more closely monitor the performance of foreign subsidiaries, potentially more rapid correction of deficiencies. Achieving organizational tasks, evolving

world of business can be tracked and coordinated details from virtually any place on earth.

These constant changes led to new problems that organizations must be able to solve. An international economic environment in perpetual development requires managers to be aware of developments in the world. This means that in order to make decisions quickly and correctly, to be new systems for collecting, processing that information.

The basic idea to be presented in the context of international relations is multinational executive persons are sent to foreign countries, but on the manager, increasingly, to employees in lower levels of organizations must operate in a context multicultural, wherever they find them.¹

Growing international activity involves new requirements for those participating in cross-cultural activities. They have to deal with issues such as the interpretation of the actions and attitudes of individuals or organizations that operate in a context different from that to which they were accustomed.

All they have to negotiate with groups that have different purposes not only theirs, but also different ways of reaching these goals, with different expectations vis-à-vis the behavior dialogue partner. The increasing diversity of the world organization, coupled with the increased pace of change in the environment, bring new requirements and problems to be solved on the shoulders of the organization's members, and they often are not prepared to deal with the situation properly.

Benefits of Multiculturalism

An important component of management strategy refers to specific intercultural communication in the global environment that may be affected by a number of barriers such as the following:

¹ Păunescu, L. Statistics Indicators on the Labour Market, Journal of Knowledge Management, Economics and Information Technology, Special issue – December 2012, ISSN-L 2069-5934, p.36-42

- Misunderstanding the language of communication, leading to inability correct interpretation of the message;
 - Culture shock, or the inability to understand or to accept people with values, norms and different lifestyles;
 - Ethnocentrism, belief in the absolute superiority of their culture;
 - No opening date for the adoption of a rigid and formal attitude that impedes the free exchange of views.
- The main benefits of multiculturalism are :²
- Reduce costs - low level of integration of minorities (local staff) lead to job dissatisfaction and absenteeism, which translates into higher costs
 - Procurement of resources - companies with a good reputation in terms of intercultural relations easily attract local human resources and can get better staff
 - Advantages in Marketing - the existence of a multicultural staff allows the company to understand local prices and adopt appropriate marketing strategies
 - Creativity - multiculturalism, as opposed to conformism and favorable diversity of perspectives, stimulates creativity
 - Optimal Solutions - A diverse experiences and knowledge base allows to analyze issues from different perspectives and facilitate correct decision making
 - Organizational Flexibility - to accommodate the cultural diversity firms adopt more flexible organizational policies and procedures

Most elaborate study on the influence of national culture on management practices belongs to the scientist Geert Hofstede (Consequences of Culture, 1980).

National culture includes a set of guidelines rather diffuse appeared as primary values formed the beginning of life in the family and other social mechanisms that operate early in childhood.

² Bibu N. A., Management comparat – o abordare interculturală, o abordare modernă (ediția a II - a), Editura Mirton, Timișoara. 2002

Although there are specific values that can be established at the organizational level, however in this case the cultural dimension here is based on work practices learned in the organization, especially through social processes that act later in the life of the individual.³

Hofstede and his team postulated the existence of a cultural level, namely the level of employment that interferes and is influenced by certain practices.

Cultural Values in Oracle

Culture of a society directly affects international management practices by:

➤ Centralization / decentralization of decision

In some organizations all important decisions are taken by top-managers, and others participate actively and managers at medium and low levels. Intercultural managers are faced with a key issue: to what extent foreign cultures must impose rules and procedures that can make differences?

These relationships are based on what the customer wants and the best possible sources of supply in the international system. The role of the office is not only to give directions without assessing what coordinates to ensure that certain countries have taken a course of growth and the other is based on their experience. Headquarters facilitates this. He can also help other countries to follow that example.

Oracle has a general direction which is the thumbnail of the entire system. Does the office executives German, Dutch, French, Japanese, Indian, Italian to the extent that the company made a large amount of business with the relevant countries. It is not delegates or representatives in foreign countries but individuals who bring their contribution to multicultural management.

➤ Safety / risk

³ Bollinger D., Hofstede G., Les différences culturelles dans le management. Comment chaque pays gere-t-il ses hommes? Editions d'Organisation, 1989.

Some managers have problems under uncertainty, they need to measure risk, but for others, risk taking is encouraged, and decision making under uncertainty is common.

Oracle are keen streamline sales and presales stage, the stage of collection of business analysis of how much information just to decrease the risk in solutions implementation stages, stages of post-sale.

Reward individual / group: employees who do great work is rewarded individually (bonuses and commissions), other countries, however, cultural norms require group rewards;

Depending on the country in which it operates, Oracle will permit both individual bonuses based on individual performance, and group packages for the teams with the best results. In Oracle, human resources are the most important key, which invests in continuous process half performance proved so national, international and productive and healthy environment held.

➤ Formal / informal

In some formal procedures are followed rigidly, while in others. Although it seeks to eliminate bureaucracy, the most important Oracle processes are marked deliverables in writing. Both investment plans, business, pursuing ongoing projects are submitted and monitored by project managers who have the responsibility to submit to any step status reports, progress, potential problems encountered journals. Tenders and contracts are made in writing and become available after completing a well-established route, accepting and signing all the responsible chain of command.

➤ Organizational Loyalty high / low

In some societies people strongly identify with the organization or their employer, in other people identifies themselves with their job.

Through team-building programs, training, seminars and workshops are aimed both nationally and internationally, Oracle team loyalty. This is proven human resources "roots" accumulated years of experience and leave the company only in exceptional circumstances.

➤ Cooperation / Competition

Some organizations encourage competition among employees, other cooperation;

In the company studied these processes are harmonized periodic competitions are set to achieve some goals, but most of times Oracle promotes teamwork and achieving goals by joining forces the entire staff. The sale of software performance would not be possible were it not for a continuous collaboration between the team of developers, consultants, sales and marketing.

➤ Vision on short / long term

Some companies focus on short-term objectives (profit, efficiency), others are more interested in long-term objectives (market share, technological development);

The annual plans are developed short-term goals (current investments, acquisitions immediate) and long-term plans (covering a certain segment, eg, at the moment we want to develop financial applications covering global banking activity is to terminate the application software compatibility with Intel's Itanium processors)

➤ Stability / innovation

Country's culture encourages stability and resistance to change others brings value innovation and change. In this case, corporations from countries like USA, India, and Netherlands put more emphasis on developing research-development departments than in Romania. This is due to the lack of national (in Romania) of interest represented by faulty policies, minimum allocations to this sector, encouraging poor training of researchers who eventually remain in the country to develop this sector.

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Oracle provides the most complete, open and integrated business software and Systems Company's international hardware. Company's activities are organized into several major geographic areas, whose managers have subordinate heads of departments in each country of the area acting company. The activity of each regional department should be part of the overall strategy of the company; the directors shall be responsible area director of the company, which by functional department's located headquarters make overall planning and control activities of each department.

Advantages - since the main objective is to meet the needs of some markets, the power of decision to the local directory is one of the great advantages of this type of structure; it has the effect of a more rapid adjustment of product prices and channels distribution. Another advantage is the thorough understanding of the local conditions, which enables regional economies of scale. When problems arise in a particular country, area manager can find and implement solutions more quickly through a transfer of technology or resources. Meanwhile, if the headquarters deciding on a new market penetration, area director is best able to decide which of the existing subsidiaries is best able to achieve penetration into that market.

We analyzed a series of values that are relevant to international affairs, in an approach that highlights landmarks - time, space, man, action - against which define the values.

Time, time plays a decisive role in the culture of a community and therefore business practice.

Characteristic elements:

- Careful planning of activities, lack of plan, haphazard actions etc. treated with caution or disapproval;
- Efficiency in tasks / activities; "delayed" repeated delays are negatively charged;

- Punctuality in business relationships, delays, failure limits are interpreted as lack of interest in the business;
- Perseverance and consistency in achieving the goal: in a certain period of time undertake one action and it must be completed before hiring a new action.

Area-cultures differ depending on how the reality around, back physical existence distance.

Cultures "frontier" (USA, Russia) are more extroverted and dynamic, they characterized by expansionary trends in surrounding areas, but also greater capacity for innovation. For example, in the U.S. there are four types of distances between people who communicate face to face "intimate" when sending confidential information, "personal" in relationships with family members and close friends, "social" is used in relations business, "public" when the exposure group.

Language-culture is characterized by a certain degree of complexity, as the communication of messages and how to interpret them involve more or less contextual information.

Oracle has a low contextual cultures is more open in communication and social interaction processes. Communication is direct and explicit agreements are made in writing.

American culture is characterized by low importance given to traditions ceremonies and rituals.

Another feature of American business practice - that the sudden jump to call spades a spade - can be counterproductive in dealing with partners in the Middle East or Latin America, where the actual negotiations are preceded by general approach, informal comments, actions "create the atmosphere."

In cultures "individualistic" (e.g. USA), the individual must fulfill certain functions with precise responsibilities.

The way the action is considered, in different cultures, the role of social action exceed the attitude towards change and progress. In Western cultures, it is considered that the future is not predestined and volunteer effort is necessary to achieve change in the desired direction.

Man is part of a mechanism that runs itself, but they can impact the course of things. As such, being active, the action plan matter and spirit is not only justified, but necessary.

Internationalization as a process taking place over time premise has global objectives, given the overall evolution of the business environment under the influence of several factors such as technological, economic, political and cultural.

Oracle - Specific Policies

Oracle is organized by regions and business segments. There are two major business segments: products (including product licensing, customization, implementation and post-implementation support) and IT consulting services.

Oracle offers a consulting partnership end-to-end. It provides global business consulting and technology solutions that enable service providers to improve business process efficiency, optimize costs, meet compliance requirements and risk, define IT architecture and manage business processes.

The products are offered as a perpetual license to use, which are priced based on the number of accounts or users application.

A. Pricing Policy

Besides licensing Oracle products, customers can also optionally use integration services to other integrated systems.

Customers usually sign an annual maintenance contract with Oracle which provides technical support, maintenance and upgrades for licensed products. These support agreements usually cover a period of 12 months and generate another revenue stream for the company

B. Investment Policy

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Commercial investment refers to investment made in order to strengthen the

company's business interests in providing information technology solutions for the financial services industry worldwide. The company wills reinvest in business growth globally. Dividends from the years 2012, 2013 will be reinvested in product development, infrastructure expansion, growth of research and maintaining market leadership and financial applications database.

Philosophy is conservative treasury operations, funds investing predominantly Oracle deposits. The company has secured adequate internal controls, asset management, including cash management operations, credit and debt collection.

C. Monetary Policy

Foreign currency transactions during the year are recorded at the exchange rates prevailing at the transaction date. Non-monetary items which are carried in terms of historical cost in a foreign currency are reported using the exchange rate at the transaction date. Exchange differences arising on the settlement of monetary items or on reporting company monetary items at rates different from those at which they were initially recorded or reported in previous financial statements are recognized as income or expense in the year in which they arise.

In terms of forward exchange contracts entered into by the company to cover currency risk premium or discount arising at the beginning of forward exchange contracts (are amortized as income or expense over the life of the contract).

D. Environmental Policy

Oracle is a responsible point of view of the polluter pays principle. Internal policies which promote environmental protection are:

- Virtualization-running multiple virtual machines on a single server, reducing electricity consumption (savings were achieved by 50%)
- Controlling print-as a member of the campaign "Go Green" Oracle monitors and controls the printing (have achieved savings of 40%)

- Other operations performed: light green, recycling paper, investing in energy storage equipment, spreading messages and emails which urge active participation in the cause.

E. Social Policy

The "i-flex for children" program is in its 8th successful year. It requires the support of disadvantaged children and performing actions to improve the living environment: building schools, hospitals, and tuition programs, sponsorship of sporting events, without regard to religion or political affiliation.

European Specificity in Oracle Romania

The main features of the European model of management would be: orientation to the human person: internal negotiation, mastering cultural diversity harmonizes extremes.

Orientation to the human person - European firms are inclined to give their employees more individual freedom. Caring for employees is materialized in social protection compliance requirements (pension system, protection for redundancies) in more important leisure time as concerns insurance and social integration of the individual. However, European firms are characterized by a high degree of social responsibility

Internal negotiations - If European firms' negotiations and activities for achieving compromises between competing parties - are not only business relationship with the external environment, ie with different interest owners, employees between headquarters and the various units of the company. European countries are generally aware of a strong trade union movement, whose demands must be considered in management decisions. European managers will need, therefore, to have as a negotiator in the ability to explain problems and convince the social partners; skills 'diplomatic', a flexible management style, open to compromise are traits European manager.

Cultural Diversity Management - Culturally diverse "old continent must meet certain requirements, such as the following: respect

for foreign cultures, promoting decentralization in management documents, the need to integrate international operations, integration of culture in human resources.

Diversity management and integration through people (integration through people) involve both specific culture enhancement of company personnel and the development of intercultural communication skills and training of human resources in an internationalist and multicultural conception.

Oracle Management Romania known as a "middle model", avoiding attitudes limit (imposed by the U.S. corporate values, "time is money") and seeks harmonization extremes. This is evidenced by:

a) relationship between the individual and the firm, characterized by a pragmatic approach to the European model between the personalist conception of American and Japanese corporate (eg, loyalty to the company) orientation with respect to time, the median between the pursuit of profit in the short term (USA) and long-term development of the company (Japan);

b) individualism-collectivism, European firms seeking balance between the enhancement of individuality and teamwork requirements.

Vision of human resources - During its evolution, Oracle Romania, has continuously developed its own culture. If at first reflected American culture, with international expansion (corporate influences from Asia, Europe), Oracle has become increasingly influenced by national culture. Parallel to this process, the company develops its own personnel policy. This includes the selection, training, evaluating, rewarding and motivating employees.

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Recruitment methods used in Oracle are multiple and could be divided into two categories: formal and informal. For example, on the website www.oracle.ro displaying vacancies, recruitment portals are employment ads, a selection is made and the campus but there is kind of informal employment (persons recommended by the staff). Each employee has to fulfill its duties under the job description. Periodically, the company verifies that they have been met and, especially, how they have been met. For Oracle, assessment of the staff is a rather difficult problem. Although the goals to be achieved are the same, the efficiency of their achievement is measured differently from country to country. This data is based on the different meanings of labor. In Japan, for example, it is estimated the activity of a working day, no matter how many targets are actually made by an employee of the day, while in the United States is estimated objectives. In Romania are Ponte days worked but are monitored and evaluated and the results of the employee in the work.

Conclusions

Factors outside the company reflects, on the one hand, business conditions in Romania (national factors), and on the other hand, the context of general economic, technological, political, cultural, the company carries out its activities worldwide (international factors). The two types of factors are interrelated and business of the company has always looked a dual perspective: international and intercultural.

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It can be concluded that during its evolution, Oracle Romania, has continuously developed its own culture. If at first reflected American culture, with international expansion (corporate influences from Asia, Europe), Oracle has become increasingly influenced by national culture. Parallel to this process, the company develops its own personnel policy. This includes the selection, training, evaluating, rewarding and motivating employees.

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