

## THE ROLE OF ORGANIZATIONAL CULTURE IN COMPANY ACTIVITIES

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### ABSTRACT

This article is devoted to the analysis of organizational culture. Under the conditions of economic modernization, current scientific publications on theories and models of organizational culture were studied to determine ways of analyzing and developing organizational culture in companies. The study of organizational culture made it possible to gain a deeper understanding of how organizations function internally and adapt to changing external environments. The article begins with an analysis of empirical patterns observed in organizational cultures around the world and presents general conclusions about their manifestation in companies in Uzbekistan.

**Keywords:** organizational culture, employees, organizational effectiveness

### INTRODUCTION

In the context of the transition of our country to a market economy, the most important and valuable resource of any organization is its employees—those who are hired with the primary goal of ensuring a stable position in the market and achieving sustainable development. In this regard, organizational culture serves as the most effective tool for purposeful management of personnel within the organization.

Organizational culture is closely linked to employee satisfaction and motivation. When employees feel part of a team and share common values, it directly affects their performance and productivity. Many organizations strive to develop and implement an effective organizational culture that contributes to success. Indeed, organizational culture gives a company a distinctive image in the eyes of clients, partners, and competitors—an important factor in ensuring competitiveness in the market. In the current stage of economic reforms in the Republic, increasing attention is being paid to the organization of labor in service enterprises and the rational use of factors that contribute to its development. Among such factors, scientific studies on the effective use of the inexhaustible capabilities inherent in human beings are particularly significant. The relevance of the topic arises from the need to organize, analyze, and develop organizational culture in enterprises that form the foundation of the service sector. The research problem addressed in the article is determining how organizational culture can be analyzed and developed in companies under conditions of economic modernization, especially within Uzbekistan's evolving market environment.

**The purpose** of this research is to analyze the organizational culture of companies under the conditions of economic modernization.

#### **Research objectives:**

- To analyze existing literature on the topic of organizational culture;
- To identify ways of developing organizational culture in modern business.

**Literature review.** It is generally accepted that the concept of “organizational culture” was first introduced by the German general and theorist Helmuth von Moltke. By this term, he referred to the moral norms, traditions, and behavioral standards among officers that gave strength and stability to the German army.

The systematic study of organizational culture began in the 1970s–1980s, when the works of the founders of this field appeared, including W. Ouchi, T. Peters, E. Schein, T. Deal, A. Kennedy, D. Denison, and Geert Hofstede.

In the 1980s, William Ouchi and Tom Peters, based on extensive research by leading economists, concluded that companies with strong organizational cultures tend to be more successful than those with weak ones. This finding led to increased global attention to the issue.

In 1980, American management professor Edgar Schein developed a model of organizational culture that made it possible to better define and analyze it, as well as to identify steps necessary for cultural change. According to Schein, organizational culture is influenced by both direct and indirect mechanisms. Direct mechanisms include roles, opinions, status, and environment; indirect mechanisms, while not acting directly, are crucial and include the company's mission, vision, formal guidelines, rituals, and structures. From this period onward, global interest in organizational culture increased significantly.

In 1982, Terrence Deal and Allan Kennedy proposed the first comprehensive model of organizational culture. They identified six interrelated cultural elements: history, values and beliefs, rituals and customs, corporate stories, hero figures, and cultural networks.

In 1990, Daniel Denison studied the relationship between organizational culture and key business indicators such as return on investment, sales growth, quality, innovation, and employee satisfaction. Dutch researcher Geert Hofstede conducted surveys in over 40 (later more than 60) countries, involving more than 160,000 managers and employees, examining their attitudes toward work, colleagues, leadership, and workplace problems. His analysis revealed significant differences in managerial behavior across nations: "Many differences in work values and attitudes are explained by national culture, as well as by employees' positions, professions, age, and gender."

In recent years, a number of dissertations have explored organizational culture in greater depth. Research by A.K. Gastev stands out for introducing new perspectives on this issue. He wrote: "An employee's general culture is a necessary condition for his or her production, labor, and organizational culture." From this, it follows that the organizational culture of a company is influenced by external factors—particularly the cultural development of society. Gastev demonstrated the relationship between an employee's general cultural level and his or her technical culture, production culture, and behavior within the work collective.

**Research methodology.** The study employed the induction, analysis, and comparison methods.

**Research results.** An analysis of scientific publications shows that organizational culture in global companies is a multidimensional phenomenon encompassing structural, behavioral, and symbolic elements. Several common characteristics can be observed across countries and regions.

First, global trends demonstrate a movement toward flexibility, innovation, and employee participation. In many developed economies, organizations tend to adopt decentralized structures that promote open communication, shared responsibility, and personal development. Such approaches enable organizations to respond effectively to complex and rapidly changing environments.

Second, the alignment of values between employees and organizations is increasingly recognized as essential. Research on corporate behavior indicates that when employees identify with their organization's mission and values, their motivation and performance levels rise. This alignment contributes to the creation of cohesive and adaptive cultures that support both individual and

collective success.

Third, there is a growing emphasis on ethical standards and corporate social responsibility as integral components of organizational culture. Globally, organizations are embedding ethical principles and social awareness into their operational and strategic processes. This reflects an understanding that sustainable success depends not only on financial outcomes but also on long-term social and environmental contributions.

From these observations, it can be concluded that organizational culture in the global context functions as a strategic asset that ensures adaptability, coherence, and long-term competitiveness.

In Uzbekistan, organizational culture has been shaped by historical, social, and economic factors. The transition to a market economy and increasing integration into global markets have led to gradual transformations in organizational values and management practices.

Traditionally, organizational culture in Uzbekistan has been characterized by collectivism, respect for authority, and strong interpersonal loyalty. Hierarchical relationships and formal communication patterns have played a central role in maintaining order and stability within organizations. While such characteristics promote reliability and discipline, they may also limit openness to innovation and participatory decision-making.

In recent years, however, the organizational environment in Uzbekistan has undergone significant changes. The expansion of private enterprises, foreign investment, and exposure to international standards have stimulated the emergence of more flexible and adaptive cultural models. Organizations are increasingly recognizing the importance of teamwork, professional development, and transparency.

At the same time, many Uzbek companies are striving to balance global management practices with local cultural values. This synthesis has resulted in the formation of hybrid organizational cultures that combine efficiency-oriented global norms with traditional principles of mutual respect, social harmony, and collective responsibility.

**Conclusion.** Through the inductive study of organizational culture worldwide and in Uzbekistan, several generalized conclusions can be drawn:

Global organizational culture prioritizes innovation, openness, and ethical responsibility, enhancing flexibility and competitiveness.

Uzbek organizational culture is in a state of transformation, gradually integrating global trends while preserving traditional social values.

The inductive analysis of organizational cultures across the world and within Uzbekistan shows that while globalization promotes the spread of common cultural elements such as openness, innovation, and ethical awareness, local traditions continue to have a significant influence on organizational behavior.

For companies in Uzbekistan, the ongoing challenge is to develop organizational cultures that integrate international best practices while maintaining harmony with national identity and social values. Such an approach enables organizations to achieve sustainable growth, internal cohesion, and competitiveness in the global economy.

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