ANALYSIS OF THE STATE OF CORPORATE CULTURE
IN KAZAKHOIL AKTOBE LLP

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Abstract. The development of corporate culture through strong unity and motivational measures is a mechanism for the company's high efficiency. If earlier consumers chose only the company's products and services, now everything is different. Now consumers are choosing the corporate culture of the organization. In developed countries, corporate culture is the basis of a company's life potential. Recently, corporate cultural development management has been organized and developed in Kazakhstan. However, unfortunately, the methods and theories of domestic experts on this issue are insufficient. From a practical point of view, this does not allow for managing the development of corporate culture and solving the main problems of its change and improvement. As a data source for this study, we used data from Kazakhoil Aktobe LLP and various publications on this topic. We conducted a survey of employees of selected oil and gas companies, and studied the characteristics to determine the shortcomings and features of the corporate culture of the organization. Based on the results obtained, we pointed out the identified problems in Kazakhoil Aktobe LLP.

Key words: corporate culture, values, norms, corporate behavior.

Introduction

Many foreign researchers seek to study corporate culture and its impact on the structural activities of large enterprises. Analysis and development of positive trends in a dynamic corporate culture make it possible to increase the efficiency of management of any economic object, including a company, especially in conditions of uncertainty and an unstable external environment.

Improving the corporate culture and turning it into a powerful incentive can become one of the mechanisms for improving the efficiency of the company. In recent years, corporate culture has just begun to be considered the main indicator necessary for a proper understanding of company management. Three typical situations are reflecting the relevance of corporate culture issues: mergers and acquisitions, acquisition of enterprises by other persons; accelerated development of enterprises in new business areas; creation and operation of foreign enterprises in the domestic market. However, the emergence of interest in this issue is not due to its novelty, which indicates an accumulated understanding of the foundations and laws of the social structure.

In developed foreign countries, it has long been realized that corporate culture is considered the basis of a company's current capabilities: for what reason people become employees of one company, how their relationships are formed, and they also believe that stable norms and principles of the company's existence and work, which they distribute, are considered excellent or insufficient.

The purpose of this study is to analyze the corporate culture of Kazakhoil Aktobe LLP for improving its efficiency. Research methods used in the paper are system analysis, diagnostic analysis and evaluation, etc. The research question is: "How does corporate culture affect employees and the effectiveness of the company?".

The article is structured as follows. The literature review is presented in the second part of the article devoted to corporate culture, as well as the methodology for studying the corporate culture of companies from different countries. The methodology is presented in the third chapter, covering the data, and the methodology of the study. The fourth chapter presents the results and discussion of the analysis of the corporate culture of Kazakhoil Aktobe LLP. Conclusions and recommendations are then presented.

Literature review

The definition of corporate culture, as we understand and use it in today's corporate world, has evolved over the years. Based on the cultural definition, managers have established that every organi-

zation has a corporate culture, along with personal management, which holds significant importance in the company's activities.Since the concept of corporate culture appeared, it has begun to develop in stages, it can be structured as follows:

1. The emergence of the company as a social organism. In 1957, the famous American writer Theodore Selnich defined corporate culture. Subsequently, studies conducted in many large companies, such as IBM, have shown that culture within an organization has a special impact on economic characteristics.

2. Vision of the company as a cultural identity. Jean and Luc-Vachette said that the concept of corporate culture appeared in the United States in the late 1970s, and the emergence of the definition of corporate culture coincided with the need for organizations to "mobilize all employees of the company and force them to follow the outstanding details of the organization." The emergence of the concept of "corporate culture" in management is associated with the need to adapt personnel to strategic changes caused by the economic crisis. It should also be noted that the operational aspect of culture is mainly used in France as part of the national intervention policy, which has been strengthened in later periods (Vachetta, 1984).

Many American writers have defined corporate culture as rituals, symbols and dialogues of people belonging to a certain category, which are the beliefs and values of people.

There are more than a hundred definitions of corporate culture. However, if we focus on the definitions of those authors who mention "corporate culture" in the field of management.

Antonio Strati: "Corporate culture is a set of symbols, beliefs and behaviors. These symbols, beliefs and behaviors are mastered, created, and restored by those who devote their energy and life's work to the organization. This is evident in the design of the organization and work, the established forms of cultural expression and the services provided by the organization."

Gert Hofstede: "Corporate culture is a collective psychological programming that distinguishes members of an organization from other members of an organization.

R. Daft: "Corporate culture is an important part of organizational culture."

Not only the author in the field of management but also the manager of a successful company has also introduced this concept into the corporate culture.

Louis G. Gerstner (2004), IBM Manager: "Corporate culture is what people do without showing it. This is the simplest and most popular definition of this concept, which many people cannot understand. If we use this definition in the company, we, Moderna, will learn something new about modern corporate culture.

The implementation of corporate economic development is ensured through the efficient use of resources, effective procedures and, equally important, the appropriate corporate culture. In fact, under the influence of a dynamically changing business environment, corporate culture is becoming more and more important and reasonable, says Silvia Lorinkova, Andrei Mikloshik, Milos Hitka (2021) in the article "The role of corporate culture in the economic development of small and medium-sized enterprises". The study examines the key values that should be applied to the corporate culture at the strategic level to support the economic development of small and medium-sized enterprises.

To find out whether the value of the company will increase if the corporate culture is improved, Graham, John R. (2017). Thus, 92% of the surveyed North American executives believe that improving the corporate culture will increase the value of the company. 84% of respondents believe that their company needs to improve its culture.

Since we have chosen an oil and gas company as the subject of the article, an intriguing question arises: "How does corporate culture contribute to reducing emissions?" We found the answer to this question in the article titled "How can corporate culture help reduce emissions in the construction industry? Case studies of small and medium-sized enterprises with beliefs, actions, and results" by Izenzi, Carmen; Toiteberg, Frank; Griz, Kai-Michael. The article raises the question of companies playing a crucial role in responding to climate change. To clarify the contribution of corporate culture to reducing corporate emissions, it is helpful to consider three perspectives: corporate culture as a driving force and obstacle, current and planned actions to develop corporate culture, and a review of corporate culture. As the first application of the extended concept, the author conducted a separate case study called "Persuasion-action-result." This study showcases the role of corporate culture in German metallurgy and manufacturing. The study revealed that the company under examination achieved emissions reduction by increasing revenue and became one of the pioneers in implementing sustainable and digital development. The authors gathered rich information through

employee surveys, semi-structured interviews, observations, and document analysis, which allowed them to outline a reasonable approach to developing corporate culture. The study emphasizes the vision of developing an ideal corporate culture and the role of information systems in contributing to emissions reduction. To investigate this issue, they utilized survey, interview, and analysis methods.

Methodology

The questionnaire comprises individual ideas and observations provided by the interviewees but is later reviewed and evaluated based on a theoretical foundation. The respondents will be representatives of Kazakhoil Aktobe LLP, specifically those with extensive work experience in the company holding active managerial positions. The purpose of these surveys is to identify the most significant cultural aspects of Kazakhoil Aktobe LLP. As all respondents have long-standing tenure in the company, they can provide valuable insights into important changes that may have occurred over the years. It is essential to acknowledge that significant changes in the external environment can also impact performance, and these changes must be considered to obtain the most reliable and optimal results in this study.

Recently, Kazakhoil Aktobe LLP introduced a personnel survey to identify specific factors that employees consider important in their daily work.

Although the purpose of this survey differs from the current study, the responses to this personnel questionnaire can be used to validate potential assumptions made during the study. Additionally, the questionnaire aids in determining whether the management's perspective on the company aligns with that of lower-level employees.

A survey was conducted to assess the organizational culture of Kazakhoil Aktobe LLP. As of 27.02.2022, a total of 691 individuals were employed in Kazakhoil Aktobe LLP. However, it is assumed that not all 687 individuals work in an office, as there are 114 office employees. The survey was exclusively conducted among ordinary employees and middle managers, as this choice of respondents was based on anticipating differences in responses between employees and management regarding the proposed questions. A total of 53 people, representing 50.96% of the eligible participants, took part in the survey.

Regarding age distribution, the survey included the following options: "20-30 years old," "30-40 years old," "40-50 years old," and "over 50 years old." The breakdown of respondents' age groups was as follows: 40% were in the "40-50 years old" category, 26% in the "30-40 years old" category, 18% were "over 50 years old," and 16% were "20-30 years old". The conclusion is that the enterprise has a higher number of people of older age than the younger generation, with the middle generation (Fig.1)
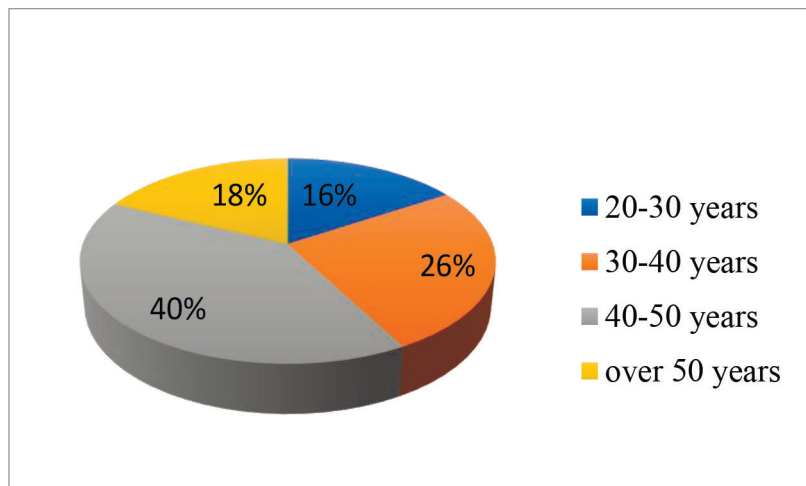

Figure 1 – Ages of employees

Gender. Out of the 53 employees who participated in the survey, the gender distribution was as follows: 19-33% were women, while the remaining 34-67% were men (Fig.2):
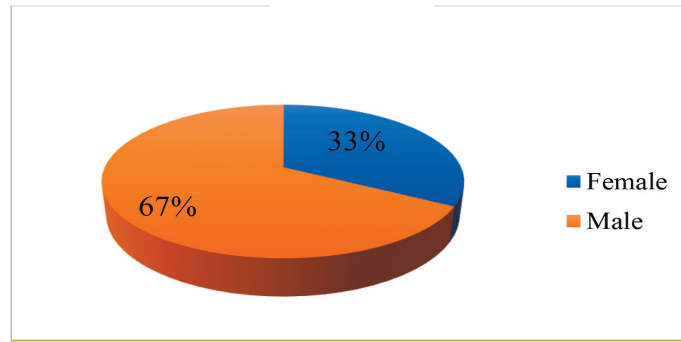
Figure 2 – Gender of employees

Education. Among the respondents, 82% had higher education, while 18% had secondary education (Fig.3):
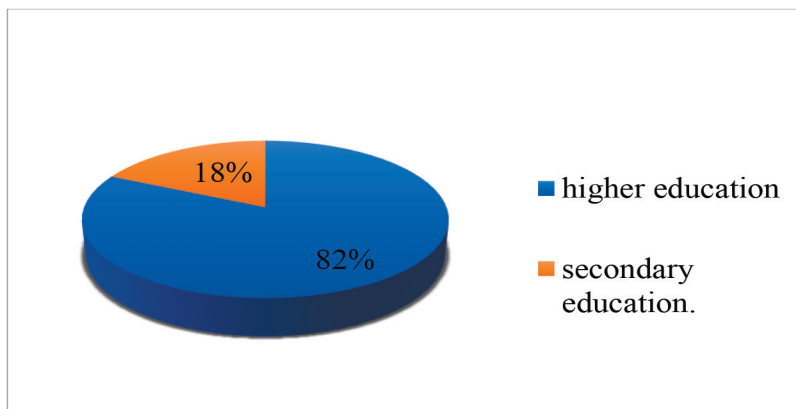

Figure 3 – Education of employees

Work experience at the enterprise. 26% of respondents work from 1 to 3 years, 33% – from 3 to 5 years, 3% – from 1 year, 20% – from 5 to 10 years, 18% – from 10 to 20 years (Fig.4):
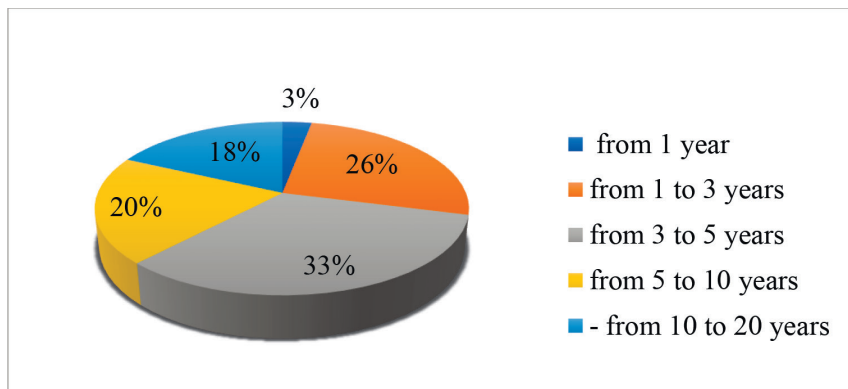

Figure 4 – Work experience at the enterprise

Results and discussion

Let's start analyzing the corporate culture of the company and answer the question "How does corpo-rate culture affect employees and its impact on the effectiveness of the organization?" using the method of qualitative assessment by elements. Next, we de-fine the type of corporate culture in the organization.

According to Ch. Khandy's classification, the corporate culture of Kazakhoil Aktobe LLP falls under the category of "Duty culture." This classification is based on the belief that the power within the system is centered around a specialist or an expert. In this culture, emphasis is placed on team spirit and collaboration, valuing collective achievements over individual results. Decision-making is typically conducted at the group level, fostering unity among employees and departments, while also encouraging initiative. According to the aspects noted by Geert Hofstede, corporate culture can be described as follows (Table 1).

Table 1 – Description of the corporate culture of kazakhoil Aktobe LLP (according to G. Hofsted)

Indications	Description
Rejection of uncertainty	You can see a high degree of aversion to uncertainty. This is because employees want to work in a clear and understandable organizational structure. There is no competition within the organization. Managers are experts in the field of management.
Power distance	Low remoteness of power prevails. This picture can be traced in: – it is possible to make any decision in the organization only after discussing a common problem; each employee has the right to express his point of view; managers and subordinates meet on "you"; the rules are the same for everyone. Top management is available.
Individualism or teamwork style	Collectivization is mainly observed in this organization. This manifests itself in group decision-making when organizations are compared with families. Progress can only be achieved internally through practice. Employees pay attention to responsibility and loyalty. Leadership uses traditional methods of motivation.

Of great importance in the corporate culture is a certain approach to employees, who in this case return to the company. The questionnaire asks the question: "How do new employees get used to the company? From the options "with the help of a team", "with the help of discipline", "without the help of others", all respondents chose the option "with the help of a team". Asking questions about supporting new employees can help you understand whether a company is ready to help its employees grow and learn. You can see that the team has a good relationship with each other and significant support for each other.

In addition to responsibilities for their obligations, it will be useful for the respondent to establish several personal responsibilities that will affect his direct work in the company. "What do you like about working at this enterprise?" most respondents 73% – an attractive collaborative atmosphere, 15% – the likelihood of career growth, 9% – high wages, 3% – a sense of stability of the company. The result will be a positive joint atmosphere that has developed in Kazakhoil Aktobe LLP. (Fig.5)
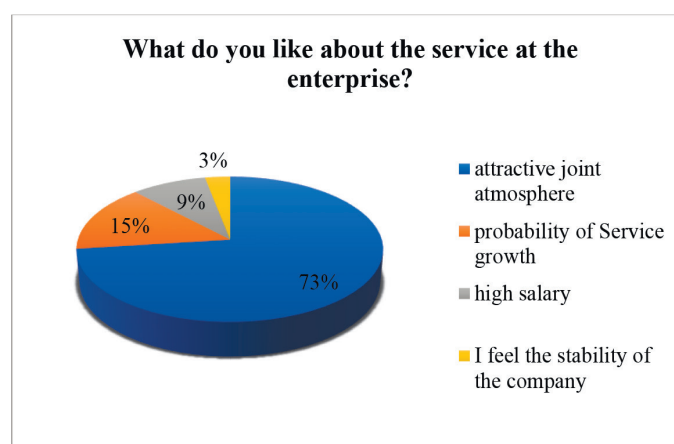

Figure 5 – Employee favorability of activities at the Enterprise

Have you been praised for showing good results at work in the last month?

3%

40%

57%

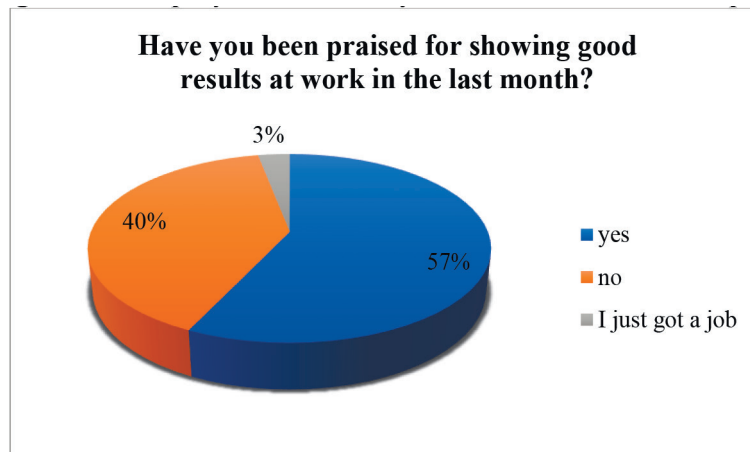- yes
- no
- I just got a job

Figure 6 – Incentive situation at the Enterprise

To gauge the level of motivation within the company, the question "Have you been praised for showing good results at work in the last month?" was asked. The majority of respondents, 58%, answered "yes," indicating that they had received praise for their good performance. 40% responded with "no," while 3% mentioned that they had just started a new job. This suggests that the company maintains a high level of motivation, as employees receive recognition when they demonstrate good results. Some employees mentioned receiving praise not in the last month but several months ago, indicating that recognition is not solely limited to a specific timeframe (Fig. 6).

One of the crucial elements of corporate culture is ensuring that employees are aware of the company's mission both in a broader context and specifically applicable to the particular company. It is essential for employees to feel that their activities are significant and contribute to the same goal or mission. When asked whether workers are considered masters of the company's corporate culture, all respondents answered "yes." These findings indicate that the purpose and mission of the company have been effectively communicated to employees. Regarding the alignment between personal values of the surveyed participants and the foundations of their respective company's corporate culture, 72% responded with "yes," indicating a strong alignment. 23% answered "sometimes," suggesting occasional alignment, while only 5% responded with "no," indicating a lack of alignment (Fig.7):
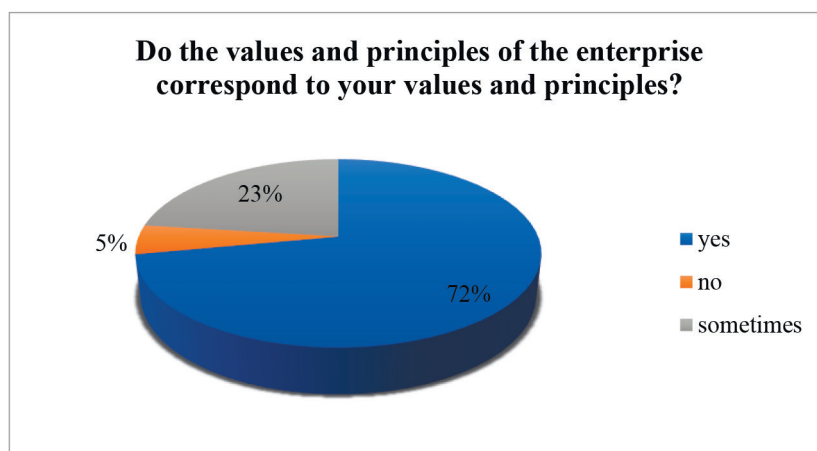
Do the values and principles of the enterprise correspond to your values and principles?

23%

5%

72%

- yes
- no
- sometimes

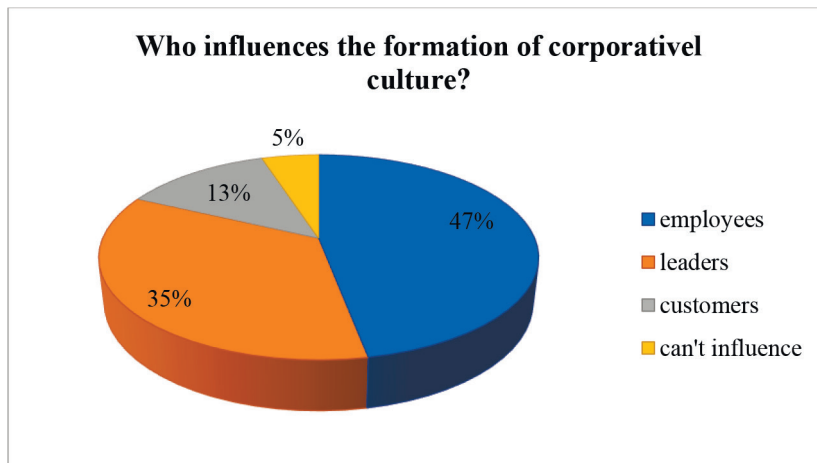**Figure 7** – Values and principles of the Enterprise

Figure 8 – Influencers in the formation of the organizational culture

The question "Who influences the formation of corporate culture?" was posed to the respondents. In response, 47% answered "employees," 35% said "managers," 13% mentioned "consumers," and 5% stated "no influence" (Fig. 8).

The development of corporate culture begins with an analysis of the company's mission or core idea, and it becomes more promising when modern goals are established. In an attempt to understand how workers perceive the company's mission in today's society, we provided four answer options aligned with the main functions of the company.

However, the ability to answer varied among respondents. 66% of participants expressed the company's mission as providing consumers with high-quality goods, 23% viewed it as contributing to the development of the country's economy, and 11% associated it with achieving a high income. Currently, there is no definitive decision on the company's mission. This question remains a topic of continuous discussion, leading to various perspectives. The concept of the mission depends on the company's scale, regional factors, and cultural affiliations (Fig. 9).
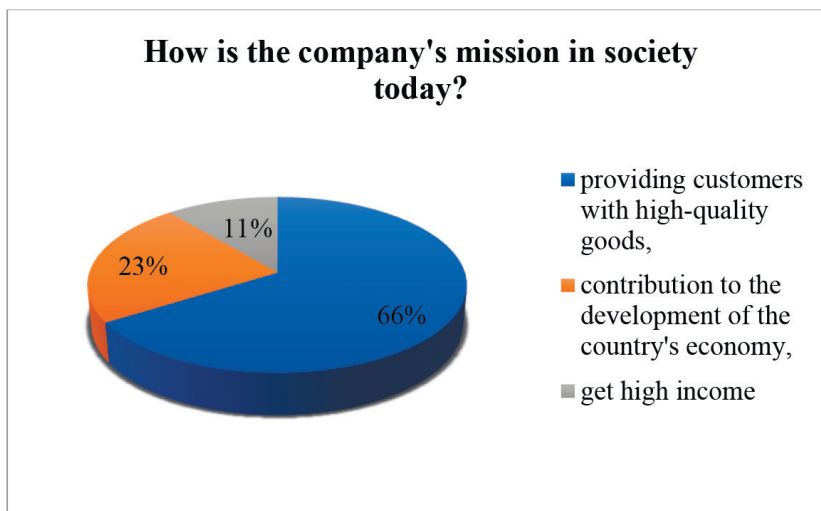

Figure 9 – The mission of the Enterprise in society
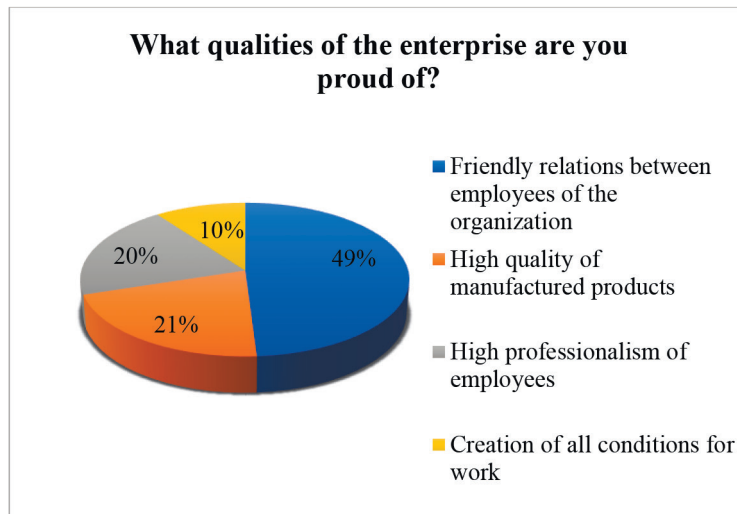
Figure 10 – Properties that the Enterprise proud today

In every organization, there are employees who take pride in the company they work for, although not everyone shares this sentiment. In line with this, the questionnaire asked the question, "What qualities of the enterprise are you proud of?" The responses revealed that 49% of the respondents highlighted "friendly relations between employees of the organization," 21% emphasized the "high quality of manufactured products," 20% appreciated the "high professionalism of employees," and 10% acknowledged the "creation of all conditions for work" (Fig. 10).

To assess the employees' attitude towards the company, the following question was posed: "If there was an opportunity to change your job, would you change?" Out of the respondents, 11% answered "yes," 72% responded with "no," and 17% expressed a "maybe" or uncertainty. It should be noted that those who selected "yes" and "maybe" were employees who had worked at the enterprise for less than three years. Based on this, the conclusion can be drawn that there is still room for improvement in incentivizing employees within the organization (Fig. 11).
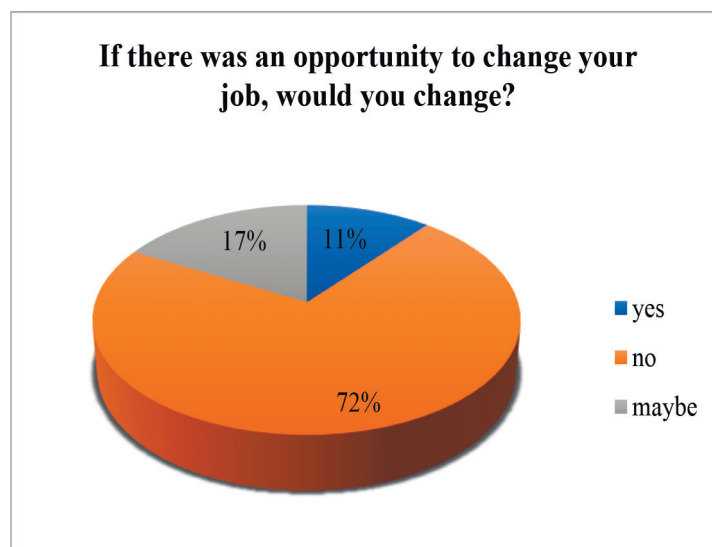

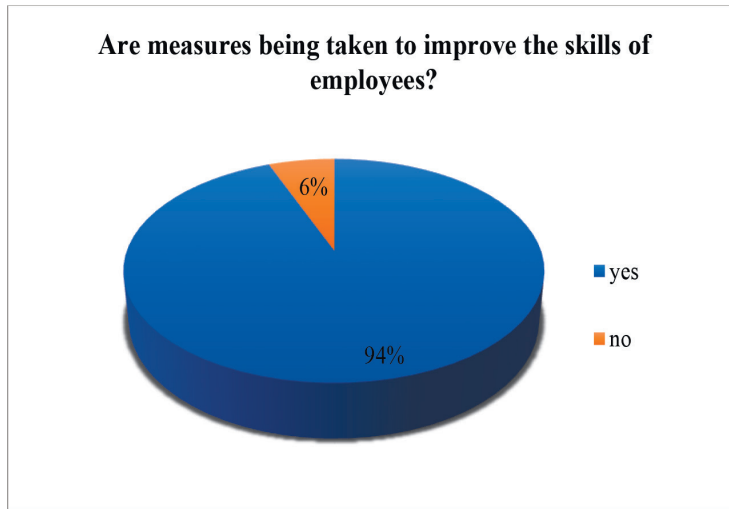**Figure 11 –** Preferences of employees of the skills of Enterprise

Figure 12 – Measures to improve employees of the Enterprise

As part of the study on the corporate culture of the enterprise, respondents were asked the question: "Will measures be taken to improve the skills of employees?" The majority, 94%, answered "yes," indicating that the enterprise implements various measures to enhance employee skills. Only 6% responded with "no." It is worth noting that the 3 individuals who answered "no" are new employees of the enterprise (Fig. 12).

The professional qualifications of employees directly impact the organization's overall state. Therefore, it is essential to continuously implement measures to develop and improve the skills of personnel. To determine the most convenient measures for employees, the question "What type of professional development is preferred?" was asked. The response breakdown was as follows: 70% mentioned "business trips and special courses," 18% selected "computer courses," and 12% opted for "seminars, lectures, or other language courses" (Fig. 13).
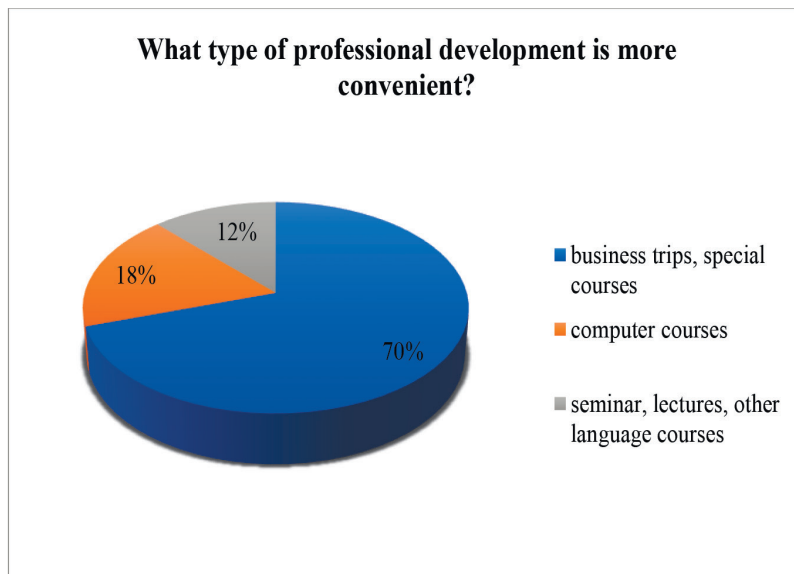

Figure 13 – Professional development of employees of the enterprise

The survey included the name and purpose of the study, the content of the survey, the criteria for participation, the role of participants, confirmation of volunteering and anonymity. The purpose of the study was to improve the corporate culture of Kazakhoil Aktobe LLP. The results of the survey were supposed to reflect the corporate culture that has developed in the company (table 2).

Table 2 – Research results based on the characteristics of F. Harris and R. Moran

Description	Score
Awareness of oneself and one's place in the organization	9.9
Communication system and communication language	9.3
Image	9.7
Economical use of time	8.9
Relationships between people	10
Values and norms	9.1
Faith	8.8
Employee development process	10
Work ethic and motivation	9.7

The data from the table of study of organizational culture, based on the characteristics of F. Harris and R. Moran, can be considered in more detail in the following figure (Fig.14).
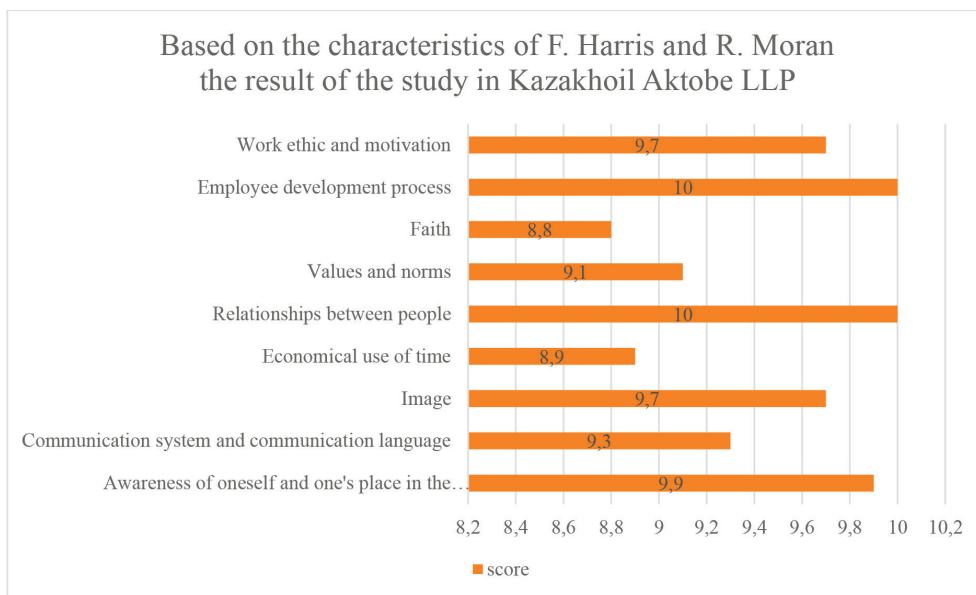

Figure 14 – A study based on the characteristics of F. Harris and R. Moran

For conducting a comprehensive analysis of the corporate culture within the organization, the methodology developed by F. Harris and R. Moran was chosen. This methodology provides a structured approach to studying various aspects of corporate culture, enabling a deeper understanding of its dynamics and impact on the organization. By applying this methodology, the researchers can gather valuable insights and data to assess the cultural norms, values, and behaviors within the organization. The chosen methodology allows for a systematic examination of the organization's corporate culture, aiding in identifying strengths, weaknesses, and areas for improvement. It includes several methods described

above. In the 10 main studies of F. Harris and R. Moran used a questionnaire based on their characteristics. The survey was conducted on 10 statements in which it was necessary to express their attitude to them.

As you can see from the graph, all positions got high scores.

The highest scores – 10 points out of 10 possible – were awarded to the positions "human relations" and "employee development process". Relations between employees are not only formal, but many people are also friendly and communicate well with each other in an informal setting, interacting outside of work. Managers maintain close contact with employees. The process of employee development is constantly taking place in all categories of employees. Employees highly appreciate this position, appreciate the development of the company. In addition, employees rated "knowledge of themselves and their place in the organization" (9.9 points) with very high marks. Each of the employees is highly appreciated by the management. Everyone performs certain tasks.

Every employee, regardless of their position and work experience, understands the importance of their activities.

The organization grants the right to show a creative approach to work and professional progress in the company to absolutely all categories of employees, something that raises their motivation to work. The company focuses on the long-term benefits of improving the personality of employees, gives significant importance to high team cohesion as well as the moral climate.

Employees realize that success for the company is the formation of human resources, teamwork, motivation of employees to work and, as a result, a satisfied customer. A close-knit and friendly team based on trust and mutual assistance is Kazakhoil Aktobe LLP.

Conclusion

According to the results of research to analyze the corporate culture of Kazakhoil Aktobe LLP, a survey was conducted, an analysis according to G. Hofsted, a study based on the characteristics of F. Harris and R. Moran. During the review process, it was determined that the company's employees possess significant responsiveness, a favorable atmosphere within the team. At the same time, the company's corporate culture revealed inconsistencies in the company's strategy, the ambiguity of the dress code, the absence of a specialist whose functions the corporate culture enters, and regulatory legal acts formally approving and forming the management of the corporate culture. It was confirmed that the factor of corporate culture has a significant impact on the success of the company.

The need to discover new commercial applications requires the creative approach of individuals as an integral part of the corporate culture. corporate culture really functions as a dynamic combination of efforts that promote companies in support of economic development.

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