

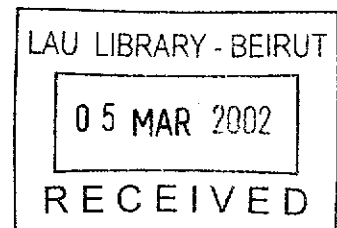
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CORPORATE PROFILE

A Research Topic
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In Partial Fulfillment
of the Requirements for the Degree
Master of Science in Business
Management

By
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Chapter 1

CORPORATE PROFILE

A. Statement of the Purpose

The purpose of this research is to focus attention on the growing importance of corporate culture and its effect on organization function.

Until recently most managers were reluctant to consider or talk about, even take seriously value systems. They rarely paid much attention to the value system of an organization. Management, in consequence, suffered considerably. A detached analytical justification for all decisions is sine quanon. However, many studies have been recently conducted dealing with this issue and experts have come to realize that the culture of a corporation can be the ground for the success or failure of a firm. The basic philosophy spirit, and drive of an organization have far more to do with its relative achievements than do technological or economic resources, organizational structure and innovation. All these things weigh heavily in success but they are translated by how strongly the people in the organization believe in its basic precesets and how faithfully they way them out.

B. Statement of the Problem

As stated earlier, corporate culture proved to play an important role in the success of companies especially when they choose to become multidivisional and multinational in organizational structure. The problem assumes a great importance when the companies seeking integration has to face differences and variation of culture within the same company. The policy of integration and growth tend to encounter difficulties whenever such marriages is sought. In a study made by an economic newspaper it was indicated as how upon decline of culture of company, work efficiency suffered and absenteeism among employees of lower and middle management increased. At the time managers of a company with homogenous culture showed greater effort towards reaching corporate objectives. This difference in attitudes between the employer and that of employee may be said to be the major obstacle in implementing goals and objectives of a firm. Managers consider themselves to be the brain of the firm. They increased their control over the firm and in the process forget what role the middle and lower work of management can play in success of the entity. This gap between managers and their staff is the reason behind failure of many firms. This fact of an absence of corporate culture is the basis of conflict within a growing organization. Conflict within the organization can take different shapes. Conflict between individuals where each individual is striving to possess a scarce resource. Conflict between individuals and group is another type of conflict in most organizations where some individuals strive to

promote their own interest at the cost of the group's norms. The last type of conflict may be the one occurring between groups, when different visions within the same firm do not realize the need of cooperation with each other and ignore the interest of the firm. These attitudes cause a conflict within divisions or group. The problem of great importance is as how to minimize conflict and instead build corporate image for the firm. Building corporate image is an issue that assumes a role of great significance when multidivisional firm and multinational enterprises seek expansion horizontally and vertically in their operation.

C. Problem Question

Business are in the throes of cultural revolution. Even some of the most conservative managers have started worrying about the appropriateness of their corporate cultures. Consultants have begun to offer advice on how to build a company's culture with the strategy. To define and delineate such issues of corporate culture, the study is designed to seek answer of the following questions.

1. What constitutes the culture of a company and why is it considered necessary to have a corporate culture?
2. How can a culture be created and an image be built in a new or old company operating on a national or international scale?

3. What pay off is involved in creation of such a culture and how in fact it can be measured or evaluated?

D. Performance Objective

Upon completion of the study, the researcher will be able to achieve the following performance objectives:

1. Recognise the need for intensive work toward improving current management policies.
2. Discuss the need for implementing corporate culture and building corporate image in response to problems facing the organization.
3. Evaluate organization performance through testing basic concept concerning corporate culture and image.
4. Create basis for planning a corporate culture as well as building a corporate image in new as well as old multidivisional organization.

E. Organization of the Study

The study will start from generalities of corporate management and proceed to define and identify those elements which constitute corporate culture and image.

An overview of planning and group management of corporate strategy will be provided in the beginning in order to render a background on what important role do they play in growth and success of a firm. Profile of a successful corporate

organization is then undertaken for exposition. Corporate culture will then be discussed in detail, providing definition, formulation, implementation, and its relation with strategies and consequently its impact on the overall operation of the company.

After this theoretical expose two case studies will follow. The case studies includes full description and evaluation of two prominent local firms struggling to develop their image and culture in the corporate world of Lebanon. The research is basically based on the interviews with the goal oriented executives of the two companies.

Chapter 2

REVIEW OF LITERATURE

Introduction

In the last five years there has been a great emphasis on the fact that companies with a record of outstanding financial performance tended to have powerful corporate culture. The literature produced helped clarify what culture is in a system of shared values and beliefs that interact with a company's people organizational structures, and control systems to produce behavioral norms.

The idea that culture matters happened along at the time just as managers were learning that corporate strategy alone no matter how well formulated, cannot produce satisfactory results. At best big league management consultants observe only one company can successfully carry out a complex new strategy, say to bring down production cost systematically, cut price, and gain share of market. But the need of deriving and executing better strategies has grown of late. Recession deregulation technological upheavals, foreign competition and markets that grow to emerge and vanish by the month have built up the pressure on companies to adopt and evolve shared values.

II - Strategic planning

Strategic planning and group management were the subject of many article and research conducted in the management field. Most of what was written agreed on certain issue that did not present any controversy in the the past and have become problem areas for the management now. These issues are control, communication, cooperation and coordination. These three issues arose with the expansion of business activities of some firm as well as the geographical distribution and the increase in the number of personnel involved.

To lay the ground for effective coordination, communication and control firm have followed different approaches. However, all these that were considered later to have excelled have some ground in common.

The most important being their stress on the human aspect and the enhancement of creativity and entrepreneureship. The following is a presentation of combination of managerial approach that have been applied by some firms.

Among the first steps that management would undertake to face its growing need is to set up objectives that will serve as general guidlines for the different units of the organization, whether departments within a corporation or subsidiaries within a group.

These objectives usually include statement about the mission of the corporation, its purpose and aims to achieve in the long run. Their desired outcomes that are relatively stable over time (1), wide in scope yet flexible enough to allow modification as and when the circumstances require and in response to changes in the operating environment. Objectives define the path upon which the organization is to travel. They are qualitative in nature and can never be achieved within a fixed time frame of any organizational plan. In addition, the ideals and objectives of an organization are the driving force behind its action and motivation of its staff. They are basic guidelines that will direct managers and employees in their attitudes, responses, and work.

Once objectives are set, management's task is to define rules that will enable the organization to achieve its ideals. These rules implicit or explicit, set out the organization structure (hierarchy), and the relation between the various constituent sub-unit. They must emanate from the organization's ideals and objectives. They will enable management to affect more control on the operation of its subsidiaries. However, it is known that resistance and resentment toward control is a widespread human response. It is thought of as a process aiming at robbing the

(1) Ralph H. Kilmann, "Issues in Understanding Culture." California Mgmt Review, California, The Regents of University of California p.86.

different institution and their manager of their identity for the sake of the whole. This does not imply that higher management should give up on any kind of control. An organization has certain preferences as to the means of implementing these controls. Rules vary from an organization to another and also changeover time within the same organization in response to the internal and external pressures. These rules reflect the style of senior management and inturn impact the development of the corporate culture within others. These control measures emanate from a value system and also from the experience and judgement gained over time. Corporation have resorted to various philosophies and techniques such as delegation, decentralization, management by objectives and others for the promising of better plans for the achievement of better performance. Under this approach management has attempted to draw people's needs for achievement, competence and autonomy by allowing them to set their own goals ⁽²⁾, and performance criteria. It is assumed that the highest point of self motivation arises when there is a complementary conjunction of the man's needs and the organization's requirements. The energies of man and organization are pooled for mutual advantages. It is also believed that no objectives will have significant incentive power if they are forced choices unrelated to a man's underlying dreams, wishes, and personal aspirations. These approaches are opposed to the

(2) Franks Kinsman, Management Today. April 85, p. 35.

manipulation of individuals units for organizational purposes and were believed in developing the manager's entrepreneurial spirit. To encourage entrepreneurship a company cannot hold its managers on so tight a leash that they cannot make decisions. It has to allow for a simultaneous "loose-tight" controls ⁽³⁾. It will control few variable tightly, but allow flexibility and looseness in others. This may sound like a contradiction but it actually is not. While overall objectives may be defined solely by senior management. The control endeavor in this approach is the development of understanding between the group's management and every unit's manager about the better objectives and specific goals. It requires them to think through and present to the group their own conclusion as to what major contribution to the organization (or to the units within the organization) he should be expected to perform and should be accountable for. He is given the freedom to define his own goals as long as they fit within the broad guidelines of the organization's objectives.

With the following in mind, there exists different steps that management would follow in order to effect this increased coordination and control. ⁽⁴⁾

(3) Russell, Ackoff Redesigning the future, (N.Y. Wiley InterScience Pub 1974), p.20

(4) William G. Ouchi, Theory Z, (USA, Avon Publisher, 1982).

Characteristically it would follow the following sequence:

- 1- Founders and management set out the overall objectives for the organization.
- 2- These objectives are communicated to senior management, which in turn will communicate to their subsidiaries.
- 3- To enhance the entrepreneurial spirit, managers of the different units are asked to prepare goals for their units for the next time period.
- 4- These goals, that will include a set of financial and non financial goals, are then discussed with higher management to ensure that they conform with the main objectives.
- 5- Generally the sum of the goals proposed by the units is less than the corporate expectation. The task for corporate management is to close these gaps. These goals will thus be modified and agreed upon by both concerned parties. These in turn will be considered as the "performance screen" of the manager.
- 6- Once agreement is reached and they are approved by higher management, these goals become the responsibility of the manager on which he will be evaluated. He has committed himself to what he wants to do.

- 7- Periodical review, when appropriate, are held between management, and unit manager to discuss any problem and to adjust goals in that respect. This discussion can be initiated by either party and is usually informal.

This approach substitutes control from outside by effective control from inside. It is assumed that it motivates the managers to action. He acts because not somebody wants him to but because he himself decides that he has to. It gives the manager access to experience that enables him to understand the reality of decision making the problem of priorities, the choice between what one likes to do and what the situation demands, and above all, the responsibility for a decision. This approach, is a combination of different managerial theories, insures performance by converting objectives needs into personal goals. It enhance personal commitment and reduce the possibility of resentment and rejection of senior management's objective. It also leads a better communication system since it replaces the traditional one way downward communication flow by a well functioning two ways channels.

B. The Human Element in the Organization

After we have illustrated major management issues we will illustrate the importance of human factor in growing organization.

Human factor in organization took a different shape since the first half of the century when the level of education increased among workers and employee with the establishment of the welfare state. Hence, employer and workers began to organize themselves in Unions asking for better compensation for work as well as for less work to do ⁽⁵⁾. Since world war II workers have increasingly made work itself the target of their attack. The expectation, attitude, and moods of those deprived of satisfactory work have been changing. Workers were placing higher value on themselves and think increasingly of corporation as instrument for serving their needs, rather than themselves as instrument for serving corporate needs. A report published by the department of health, education and welfare entitled "Work in America" stated that a great percentage of low and medium level of employees are becoming pervasively dissatisfied with dull, unchallenging and repetitive jobs and this discontent is sapping the economic and social strength of the nation. The problem as stated in a book written by Russel L. Ackoff named "Redesigning the Future" is that there a conflict between two ideas the first assuming that

5. Jays Lorsh, "Managing Culture: The Invisible Barrier to Strategic Change," California Management Review, vol. 28, The regent of the University of California.

employees must adjust their objectives to those of organization and, the second, consider that human objectives working in an organization must complement the organization objective in order to reach the business success ⁽⁶⁾. In fact, the first idea that consider the need of adjusting human objective to the corporation objective is the most prevailing in organization whether unidivisional or multinational. Organization's or institution's objectives are usually imposed on its members by use of incentives or disincentives based on measurement of their performance. Objectives imposed from the above are frequently not operationally defined, that is, specific in among that enable those subject to them to determine objectively the extend to which the objectives are met. This leaves evaluation of performance a matter of a superiors judgement and such judgement often appears arbitrary and capricious to those subjected to it. In another comment criticizing imposed objectives an article published in 1983 in one of the management Magazines assumed that incapability of management objectives with those of employee produce conflict between the units, hence between their managers and those subordinates who identify with them ⁽⁷⁾. This type of conflict is known as being a major source of anxiety and frustration to both managers and workers in any organization.

6. Russel L. Ackoff, Redesigning The Future, (N.Y. Willey Interscience 1974), p.54.

7. Brouttal, Fortune, "The Corporate Culture Vulture", 1983, p. 67.

Many solution for such problems were tested among the most important is giving employee and workers representation on their board of directors in a trial to reduce the gap between management and the staff. The result was disappointing as Paul Blember stated in his comment on such way of conflict resolution. A relatively successfull policy that aimed to solve conflict in objectives is the MBO System (Management by Objective) whereby management and employee build together their own believes of objective to be achieved. This management style succeeded to reduce conflict to a great extent but it did not succeed to build a long lasting culture of objective in an organization. The reason behind this type of instability is due to the environment change that occured in that period and caused the rise of new feelings and beliefs among employees. Environment of change was accompanied by the fact that employees were asking for higher level of personal satisfaction after achieving basic personal need. A consequence of this new attitude in most organization especially those formed of several divisions a new theory of management was proposed. This theory state that incorporating corporate culture among employees will help in unifying management and staff believes and hence harmonijins the line of thought in an orngaization ⁽⁸⁾. This theory was lately extended to propose the idea of using advertising media to transmit culture believes of organizations and building a corporate image among public. This new theory will be the subject of our dissussion.

8. Richard Pascal, "Best of Business," USA, The Paradox of Corporate Culture, 1983, p. 72.

C. Definition of Corporate Culture

Corporate Culture is a system of shared values and beliefs that interact with the company's people, organizational structure and control systems to produce behavioral norms⁽⁹⁾. More than that, culture implies a company's values such as aggressiveness, defensiveness, or nimbleness that set a pattern for its activities, opinion and actions. A culture is a system of informal rules that spells out how people are to behave most of the time by knowing what exactly is expected of them, employee will waste little time in deciding how to act in a given situation. Also culture enables people to feel better about what they do, as they are more likely to work harder. Employees will not be anymore confused in their understanding of company's ethics. In other words corporate culture is a kind of glue that draws everyone together and makes them pull in the same direction. One dominant example of a corporate culture is the theory Z culture⁽¹⁰⁾ which has a distinct set of values, among them long term employment, trust and close personal relationships. of all its values commitment of a Z culture to its people, its workers, is the most important.

The elements of a corporate culture are values, heroes, ritual, and communication.⁽¹¹⁾

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9. Meryl P. Carden, "Creating a Corporate Culture, for Eighties", Business Horizon, USA, Jan. 1985.
 10. William G. Ouchi, Theory Z, (USA, Avon Publisher, 1982).
 11. Allen Kennedy, Corporate Culture, (USA, Addison Wesley Publishing Co., 1983), p.55.

i. Values: The core of the cultures

Values are the bedrock of any culture. As the essence of a company philosophy for achieving success, value provide a sense of common direction for all employee and guidelines for their day to day behavior. These formulas for success determine the type of corporate hero and myth, ritual and ceremonies of the culture. Values may be grand in scope or narrowly focused depending on the status of the organization. Values are not "hard" like organizational structures, policies and procedures, strategies or budget. Often they are not even written down. Three characteristics are essential for best value formulation.

1. Management must have a clear and explicit philosophy about how they aim to conduct their business.
2. Management must pay a great deal of attention to shaping and fine tuning these values to conform to the economic and business environment of the company and communicating them to the organization.
3. Values should be shared among all staff of the company from the lowliest production worker right through to the rank of senior management.

In general term we can say that values defines the fundamental charter of their organization, its attitude and the sense of identity making the employee feel special.

Shared value effect performance in three main ways.

First: Managers and others throughout the organization give extraordinary attention to whatever matters are stressed in the corporate value system and this in turn tend to produce extraordinary result and help executive to worry less about daily activities and concentrate on major operational challenge.

Second: Down the line managers make marginally better decisions on overage, because they are guided by their perception of shared values.

Third: People simply work a little harder because they are dedicated to the objective of the organization.

Values when set must be prtected against some risk and pitfalls. These risks emerge in case environment changes and absolensce of value was adopted or when resistance face the change symollized by new values. Another serious risk that may encounter values is the case when managerial behavior contradict professed value.

ii. Heroes the Corporate Right Staff

If values are the soul of the culture, then heroes personify these values and epitomize the strength of the organization, they create the role models for employees to follow. The hero is the

great motivator, the magician the person everyone will count on when things get tough. They have unshakable character and style. They do things everyone else wants to do but is afraid to try. Heroes are symbolic figures whose deeds are out of the ordinary, but not too far out. They show that the ideal of success lies within human capacity. Hence are differentiated from good managers. Managers run institution; Heroes create them. Managers are marked by their ability of making decision. Heroes are often not decisive; they are intuitive. Managers are routinizers and disciplined, Heroes are experimenters and playful.

Heroe's major functions is making success attainable and human, providing role models, symbolizing the company to outside world, preserving what makes the company special and setting a standard of performance.

Two kinds of Heroes are faced, "Born" and "made" Heroes. Born heroes are those whose influence lasts for generations. The success of born heroes lies not only in having built an organization but also in having established an institution that survived them and added their personal sense of values to the world. These heroes have great symbolic and mythic value within the culture of their company.

"Made Heroes" or "situational Heroes" are those named persons as having achieved great functions in given circumstances and awarded consequently those persons who are taken as an example for other employees to follow these "situational heroes"

are mostly created when management wants to initiate change inside the company. Hence whether "born" or "made" were thought as being charismatic individuals, leaders who will deliver a speech, a request, or edict, and in the end inspire everyone to rise in absolute agreement and trust. Now to the contrary heroes are considered as being concerned with the set of beliefs and values they hold in making sure these beliefs and values are inculcated in the peoples around them. This means protecting the people in one's organization and preventing them from failure.

D. Rites and Rituales: Culture in action

Rites and ritual are the systematic and programmed routine of day to day life in the company. In their mundane manifestation - which we call Rituals - they show employees the kind of behavior that is expected of them. In their ceremonies they provide visible and potent examples of what the company stands for. Strong culture companies go to the trouble of spelling out, often in capious detail, the routine behavioral ritual they expect the employee to follow. Without these rituals of expressive events any culture will die. Usually ritual include communication, social, and work and management programmed behaviour to be followed.

E. Communication: The Cultural Network

As the primary means of communication within an organization the cultural network is the "carrier" of the corporate values and heroic mythology. Story tellers, spies, priest, and whisperers for a hidden hierarchy of power within the company. Working the networks effectively is the only way to get things done or to understand what's really going on. In a strong culture, the network is powerful because it can reinforce the basic belief of the organization, enhance the symbolic value of heroes by passing on stories of their deeds and accomplishment, set a new climate for change and provide a tight structure of influence for the CEO (Corporate executive officer). Top managers need to recognize and tap into this cultural network to accomplish their goal. Especially in a large corporation, working the network can be the only way to get the job done.

F. Corporate Culture and Employee

After we have determined the element of culture and before getting into formulation and implementation of corporate culture we should mention the relation of corporate culture and employees.

Corporate culture aims in pushing ordinary people towards achieving extraordinary results. Corporate culture transform men and group from neutral, indifferent, distant technical units into

participant who have a particular stamp, sensitivity and commitment. The value the corporate culture adopts in designing the employee motivational system take into account the way to deal with the contradiction that are built into human nature. Companies who formulate a corporate culture create the kind of environment where the people see their future as opposed to spending their time looking around for jobs elsewhere. They get their loyalty and once this is achieved outstanding performance appears. Corporate culture design used in most companies tend to let people feel as winners whenever a great objective is reached with stressing on human satisfaction rather than profits obtained. Usually this is followed by non-monetary incentives such as certificate badges and others. In addition companies planning for corporate culture believe that employees in order to stay on the job should be able to attribute to it meaning in a way to have him attached to the organization. Once employee feels committed the individual starts looking at the organization as a valuable source of personal satisfaction. Through this the organization tries to overcome the division that industrialism and bureaucracy have introduced, the division between those who manage and take responsibility and those who are managed and have responsibility taken from them. This will make the employee refuse thinking of the idea that consider him a machine that receives orders and execute them. In conclusion we can say that corporate culture play a dominant impact on the performance of employees whether looking at their productivity, or at their loyalty to their jobs or organization. These can be attained through effective training, personal identification with the

company success and most simply the human relationship between employee and his supervisor.

G. Corporate Culture - Formulation and Implementation

Corporate Culture formulation is a slow process that might take several years specially for change emergence. Formulation of corporate culture in general takes into account the necessity of gradual implementation plan in a way to be absorbed by the organization.

Formulation of corporate culture consist of several successif steps that start from personal preparation of the formulator until reaching the stage of preparing implementation program for the organization.
(12)

Step One: Understanding the Management Role in Charge

Being the indicator of the intended change top management team must create a common set of basic belief among them. This set of beliefs are not captured by observation alone but more effort must be exerted to build this altitude. A common practice advised to build such believe is the intensive reading of the team involved followed by discussion seccion where all observation and comment are proposed. The idea behind this is building a trust among the group in action, and consequently creating integrated response to problem. Creating such integrity among

12. John Thackrog, "The Corporate Culture Rage," Management Today, 1985, p. 67

people formulating corporate culture helps in coordinating cultural implementation in various divisions of the firm and help also in unifying the source of cultural spirit in an organization.

Step Two: Audit the company philosophy

It is very important when formulating a corporate culture to understand the current company culture, as well as the company actual philosophy. These two items are very essential to evaluate key decision made in the past that have established current behavior and altitude in the company. Auditing Company current culture and philosophy will reveal the connection between business strategy and management philosophy and consequently test it's competition with each other. One way of carrying such type of audit is by circulating questionnaire to managers soliciting their written views on specific question.

Step Three: Define the Desired Management Philosophy

Once a clear understanding of the previously practice is achieved it usually becomes obvious which of the current beliefs are inappropriate which are at adds with other practice, and when there are omission precisly at this stage, the role of the formal leader or chief executive is most critical. Ultimately a process of organizational charge cannot succeed without the direct and personal support of the top person in the hierarchy. The support

and the participation of top managers will make understanding and acceptance of philosophy easier from all level of employees.

Step Four: Structure and incentive Relation

At this stage it is very important to create an incentive among staff by creating a flexible way of communication through informal organizational chart where division and structure do not have sharp edge.

Step Five: Involvement of Unions

Before any initiation of critical change, as evaluation and promotion system, Union must be involved in the plan. Unions are considered the representative of employees who were being systematically neglected by management and have developed a continuous relationship with management. The best proposed method of creating a communication line between union and management is by holding joint seminars between line managers of the company and top official of the unions whereby both parties will progresively build common understanding of plans and problems facing the institution.

Step Six: Stabilize Employment

Sense of employment security is a major consideration in corporate culture formulation since the presence of any kind of worries with employee and staff society will create an elimination agent of any philosophy adapted.

Step Seven: Adapt a slow evaluation and promotion system

Adapting slow evaluation and promotion system may be a strange suggestion, but the aim behind this is making employees specially young ones newly recruited feel the importance of long run performance rather than short run performance. Adapting long range evaluation system push the employee to commit himself to the company objective and philosophy. Parallel to this plan of promotion and evaluation and in order to induce employees to accept this system an incentive such as frequent involvement with supervisor in project formulation and organization should be introduced.

Step Eight: Career path development

In another consideration concerning planning for corporate culture is keeping management motivation by scheduling circulation of managers without hierarchical movement. This rotation is included in corporate culture formulation due to it's result in keeping middle managers who have limited prospects for further advancement in a high level of satisfaction.

Step Nine: Implementation at low level Employees

Most of steps described earlier focused on managerial and professional employees corporate culture initiation proved to give better result whenever change start from top and this change

is translated to lower rank employee. As adopted by Japanese companies, resulted in better understanding corporate culture values by lower staff whenever a slow formulation and implementation of corporate culture values are set from top to bottom hierarchy. The management is supposed to translate change by their behaviour.

Step Ten: Development of holistic relationship

Development of holistic relationship is very important in change implementation. This holistic relation is built by organizing face to face meeting among employee and manager where problem facing the company from competition, and it's chance of success as well as major employee problems are raised and discussed. By this way a holistic relationship is created which has a great effect on culture transmission and admission.

The ten steps listed are not the only and sole method of corporate culture formulation, but many managerial judgement may add, delete or alternate steps to be followed in corporate culture formulation and implementation. (13)

13. William G. Ouchi, Theory Z, (USA, Avon Publisher, 1982), p. 83-106.

H. Corporate Image

Creating corporate image is a relatively new issue in the business world. The aim of building image is to translate corporate culture of the company to outside people and benefitting from it in business activities of the company as well as in creating a corporate image reflecting the company objectives and basic business trend. The need of formulating corporate image is widely spread among international bank that decided to unify their picture all over the business world. Formulation of corporate image was considered very much related to an advertisement campaign that reach assigned population in order to transmit the picture of the financial organization and consequently ask for cooperation. Creating this corporate image is very much related to choosing the proper media for reaching people involved in any business.

An example of such study formulated to create a corporate image is a survey published by the Financial Times, and jointly sponsored by 14 leading international publications. The survey named the 1984 European Business Readership Survey (EBRS) included several target market and the net market coverage by using different number of advertisement media. An illustration of such combination published by the study is as follows:

Target market: Senior business in Europe who work for industrial and commercial companies with international operation.

Estimated market size 139,685

Number of advertisement	1	4	8
net market coverage/readership	%	%	%
Publication			
Financial Times	15.5	25	30.8
International Herald Tribune	2.9	6.1	8.4
Wall street Journal/Europe	2.1	3.9	5.2
Business week	9.6	16.2	20.5
Economist	6.9	12.4	16.1
Newsweek	7.0	14.2	19.2
Time	9.5	17.2	22.6

Source: European Business Readership Survey, 1984.

The result of such study enables corporate planners to identify the best media to reach it's clients and consequently transmitting desired idea. Creating a corporate image is recently considered an advanced step in corporate culture strategies and consequently no corporate image succeeded in reaching it's aim unless it follow a well established corporate culture. Most companies interested in building corporate image use small sentences in their advertisement that reflect in broad terms the corporate objective. An example of such sentences is the one used by one dynamic Lebanese Bank in expressing his decision of growth and his agressiveness in the banking seen by saying:

"The Horizon is our limit

Now a new branch in Chtaura"

Or as stated by Caterpillar one of the biggest heavy equipment industry in expressing it's commitment to offer continuous service to his clients by saying "24 Hours part service anywhere in the world".

Some other companies used different ways of expressing their objectives as intensifying their advertisement containing scene that reflects the idea of commitment of performing better results and bigger achievements. One major consideration when planning for building a desired corporate image is time factor. Time factor proved to be an essential item for the result to appear since repetition over specific period of time constitute the base for any advertisement plans.

COMPARATIVE TABLE

M. I. G.

OGER

- Strategic Planning	Started on a 5 year plan to consolidate the organization, then towards profit making as a next step	Short term objective to complete an assigned task. Different objectives as affiliated Co.
- Corporate Value	Commitment to the better future of country and professionalism and honesty	Commitment to the better future of the country. Perfection in execution and honesty
- Employee Behavior and Response	Gradual acceptance of value through training and group work	Lack of well defined attitude. Negative attitude in period of financial difficulties
- Corporate culture formulation and implementation	Senior management participation in application of culture program reflecting owner beliefs and attitudes	Belief that culture is an outgrowth of job and size
- Employee recruitment	Very selective, stress on high academic degrees stress on social background, asking for homogeneity time consuming process	Recruitment of heterogeneous staff in background and educational training
- Hero personality	Not found, only a reflection of owner personality	Motivated chairman that contributed to motivate staff
- Communication	Improved beaurocratic, hirarchical system	Not hirarchical, communication through different level of staff
- Incentive	Mostly nonmonetary-for all staff	Monetary for labor and non monetary for staff
- Corporate Image	Reflection of corporate value and stress on honesty professionalism and desire of expansion to form a multinational firm	Reflection of owner commitment and capability of executing profitable work in limited time span
- Company image building	Through several advertisement and professional business publications prepared by an international advertising firm with limited budget	Big advertising budget for a short term objective
- Current problem	Facing unstable political situation that limit the the application of plan	Recession, heterogeneous culture, incohesive staff, lack of strategic plan or policy
- Future plan	Expansion, unification of strategies seeking an establishment of a profitable interantional firm - Lebanese in character -	Unifying objective with affiliates; participation in constructing projects; Organization and correcting the shape of organization through strategic planning.

II. Case Study

A. MIG - Case Illustration

In 1977 a group of Arab investors established a holding company in Luxembourg. Its purpose was investing and acquiring interest in various firms in the Middle East, Europe and the United States. Around the end of 1981, a new shareholder acquired some interest in the Holding Company, then in 1982, he increased his shares up to 75%; and yet had no role in it's management. By late 1982, it was necessary that the ownership of the Holding Company and the various subsidiaries be rationalized and unified. To that effect the new shareholder (RBH) acquired the remaining shares in early 1983 and a new board of management was elected.

The new management has inherited a problematic situation with more than 50 companies having diversified interest in various locations. Due to limited time and information, they were pressed to take decision quickly. A management service company was set up in 1983 to provide the Holding Company and its subsidiaries with a managerial and consulting services. It also assumed the responsibility of coordinating internal control, planning, budgeting and accounting as well as human resources development for the various subsidiaries. It was decided to put into place the foundation for new and dynamic organization. Consolidation and the establishment of board guidelines for the overall development and strategy were prime and major tasks of senior management.

This effort during the first two years of operation were directed at strengthening the financial and management base of the group. The management was concerned with unifying the subsidiaries rather than engage themselves in expanding. By this they would establish strong base from which future development could take place. Their purpose was to redirect investment into the financial service industry and related sector. This involved liquidating those companies that did not fit within the Holding framework and those that were determined to be incapable of achieving its objectives. Additionally, it has increased its Holding to almost 100% in all subsidiaries that were deemed essential for its future development investment that remain are considered part of its short term portfolio of assets.

Presently, the Holding Company owns shares of several subsidiaries operating in various countries such as:

- In Lebanon: A bank, a financial company, an insurance company, a computer software company, and a management service company.
- In France: A bank.
- In Switzerland: A bank and a finance company.
- In England: A representative office.
- In USA: Liaison office.

The executive interviewed is the Chairman, General Manager, a 45 years old business man, and an old friend of RBH (Mr. Hariri) from his home town Sidon. After working in different banks, Mr. F.S., Chairman of the group, assumed the

responsibility of the Head of Control Commission in the Central Bank where he had access to many financial problems that the bank experienced at that time. Very conservative in nature he believed in professional performance although most of his senior as well as junior staff are young gentlemen of an average of 8 years of working experience. Mr. F.S. believes in carrying out the operation from Beirut under all circumstances. "Someday," as he fancies, "his company will be the leading financial institution in Lebanon and maybe in the Middle East." After a brief conversation about general items I started my questions.

Question 1: Do you believe in strategic planning for your

organization? If yes, what are your strategies to conduct the conglomerate?

In my opinion strategic planning is the basis for success, and as you know the conglomerate I actually operate is not newly established organization. It is an organization that passed and encountered different managerial changes since 1977. First management group did not last for a long time. Ownership was spread over a large number of shareholders none of them was powerful enough to impose his objective and strategies although many of them did recognise the need for such action. Board of Directors of MIG tried to solve daily problems prevailing in all subsidiaries upon their occurrence. With successive change of board of directors track was lost concerning major problems and their causative. The result of this was the emergence of independent operating subsidiaries in different locations of the

world. The symptoms of this management system arose in different subsidiaries at different time and different stage of operation due to difference of business line. When the symptoms started to show up on banks in Lebanon and outside Lebanon, we realized the need of putting an end for what is going on. As one of the biggest shareholders, Mr. RBH decided to work on a long range plan and it was my job with some young educated gentlemen to execute. We did hold several closed meeting among some of which Mr. RBH attended, to put our plan of action for the coming five years that we believed will be the transitory period before reaching success. We reached to a compromise for our strategy and objective that are summerised as follows:

1. As a primary action for the coming first years we should operate as a team to try to identify major problems and take corrective action.
2. At a second stage we will try to assign new and qualified seniors to operate the company.
3. After stabilizing or freezing existing problems we will work on unifying mission to meet our objective to work for the future of the country without forgetting that the end goals of any financial organization is monetary return.
4. Beleiving in human potential we decided to start a training program for different level of employee who will later be sent to different subsidiaries spreading company's goals and missions.

Question 2: Where do you locate corporate values or philosophy

within your strategies?

These values are expressed in the groups mission and philosophy. The basic mission of the group reflects the owner's dedication and willingness to channel material wealth into social and philanthropic areas. He believes in an institution with social values aiming at developing the country which is by far more important than the monetary aspect. By continuing his group's operations from Beirut, he is betting on the future of the country and on its ability to progress which represents a firm commitment to Lebanon. One of his basic premises is the achievement of excellence. The owner sees the group as a multinational entity in the financial services industry with significant presence in the international money centers and in the growth areas of the financial services namely commercial and investment banking, insurance and information management.

To this end the management has focused on the following goals:

1. Quality of Assets
2. Profitability
3. Development of employees
4. Innovation
5. Excellence in performance
6. Growth and planning for the future.

The basic philosophy of the group is based upon human relations and on keeping a close contact with the employees. They recognize the fact that a happy employee in his job is a partner much more than a salaried person. One good way to assist him in reaching that status is through giving him considerable care, respect and a sense of values to work and to live by. "Trust people as adults, as partners with dignity, with respect." "Treat them - not capital spending and automation - as primary source of productivity gains." These are fundamental lessons which could be learned from the excellent companies research. In other words, if you want productivity and the financial reward that goes with it, you must treat your workers as your most important asset. Management believes that the employees are the most important asset and the way to manage them is by the subtle uses of culture.

Question 3: How do you look forward to the employees

responsiveness to your philosophy?

We do not expect an immediate absorption of our beliefs by the staff. The most important thing is to properly transmit the values to employees and to make sure that they understand the objectives and goals of the organization. Top management feels that the key to culture is who they hire and promote. The greatest chance to make real changes in peoples values is as how things are initiated or begun. To this end the task of recruiting and training well qualified and employees with great potential was given first priority in 1983. Management aims to

transmit this philosophy by selling the behavior of experienced managers as an example for young employees and to ensure a continuous chain of communication between all levels of staff.

Question 4: What do you understand by Corporate Culture?

Corporate Culture is a set of shared values, philosophies, ideologies, assumptions, beliefs, expectations attitudes and norms that link employees in an organization together. All of these interrelated psychological qualities reveal a group's agreement, implicit or explicit, on how to approach decisions and problems. The culture helps an organization to maintain its senses of uniqueness by stating explicitly what is and is not important. It gives people a sense of how to behave and what they ought to be doing because they feel, that the corporate values are the yard stick by which they will be evaluated. More than that the culture ties people together and gives meaning to their day-to-day life, by creating a bond between top management and employees.

Question 5: What did you do for building corporate culture in

your organization?

Creating and installing a value system is not easy. The success in installing values has little to do with the charismatic personality of the leader. One individual is not enough, it is the team at the top that is crucial. The process started at the top with a high potential cadre of experienced managers who had sincere and sustained commitment to the values

the leader sought to implant, coupled with extraordinary persistence to reinforce these values. Recruits follow a six month training program followed by a further training with a multinational institution. They are infused with values beyond the technical requirements of the job and once they learn the company's way of doing business they are transferred to their assigned positions in various subsidiaries.

The values the holding company adopts are mostly concerned with respect for the individual, integrity and mutual trust. Employees within the group are brought up to acquire the spirit of family, of loyalty, of hardwork and success. A new employee joining the company quickly realizes the importance of maintaining loyalty to the group. Moreover, management inculcates in the employees a feeling of recognition, achievement, responsibility, commitment, professional growth and advancement. We present a willingness to train the employee to set reasonable and clear expectations for him or to grant him practical autonomy to step out and contribute directly to his job.

Apart from indoctrinating new hires, the holding company has placed great importance on increasing both the quality and the level of communication between its various subsidiaries and on installing a spirit of unity among their staff. To that end a newsletter was developed with the objective of providing the members of the group with a better understanding of the company's objectives, goals, and policies. The newsletter helps in keeping

all the staff abreast of the company's recent developments, both social and professional occurring at each subsidiary. It provides a route for exchanging information and an outlet for employees to express their opinion or group social and professional issues and share thoughts and ideas.

Recreational and social activities such as dinners, celebrations of feast occasions, picnics and the formation of clubs are promoted by the corporate management. These activities enhance friendly relationships and personal contacts among employees of different levels of management, which are cultural sources of employees' cohesiveness.

Through fostering these activities, employees will acquire a sense of identity, closeness and greater commitment to company values.

Question 6: What is the criterion for employee recruitment in

your organization?

Recruitment is concentrated on university graduates and was based solely on personality competence and prospects for future advancement and development. Candidates are carefully selected through being subject to several interviews by senior managers and the exclusive screening sending a signal "you've got to be special to join."

Question 7: What kind of Hero personality do you prefer in

your organization?

I do not believe in creating a Hero cult, rather, personality among employee of any level of staff because this may create a kind of discrepancy specially that all our employees are of the same level of education. We generally focus on the personality of the owner known for his commitment to his country and its future. Hero personality in the organization is nothing more than our values that match with the owner's belief.

Question 8: What kind of communication system between

management and staff do you adopt? How do you justify this choice?

Hierarchy impose itself on any communication system in any organization although non-formal communication system is sometimes applied in leading international company. My belief is that this issue is very critical and it is not easy to adopt a communication system which is different than those exercised in other companies. Nevertheless, we plan to improve hierarchical communication in a way to keep a distance between different levels of employee maintaining at the same time the human touch and mutual esteem between management and staff.

Question 9: What kind of incentive do you use to express

management satisfaction?

Monetary incentive is essential for staff motivation but is not the only one. Bonus at the end of the year is progressively becoming a right rather than an incentive. In our company we did

apply some kind of non monetary incentive but the increasing devaluation of the Lebanese pound eliminated the effect of non monetary incentives and stressed the need of the monetary ones.

Question 10: Did you work for creating a corporate image? If

yes, what are your plans in this respect?

Corporate image is the reflection and the consequent product of corporate culture. We believe that building a corporate culture must precede the corporate image if we aim at giving a true and honest picture. The corporate image is the translation of values shared within the company to the outside public. Our plan is to gain the public trust in dealing with us and to change the image they already have about the organization through the continuous effort of the new management team. Here we should mention that we have benefited from the good reputation RBH has among people but our job is to make people aware of all the subsidiaries of the group and to have the picture of the holding company reflected on each subsidiary. To this end, we have stressed within the first two years on internal and professional achievement and in the third on what we believe in.

Question 11: How did you plan for such campaign and what did

you do until now in this respect?

Concerning planning such operations it is the job of the planning department headed by a member of the team to set and implement our values. This department does not operate

independently, the proposal must be approved by the chairman and the majority of senior executives.

What we did is the following. First of all we unified all the logos of all subsidiaries in a way that the same logo is found on the letterhead and the publications of all our subsidiaries but in different colours. The logo will characterize the subsidiary and in the same way identify that it belongs to the same group.

Another action was to publish a consolidated annual report for all companies operating under the holding company. The annual report includes, in addition to the financial statement a small paragraph of the history of each company and its objective. The preface of the annual report is written and signed by Mr. Hariri whereby he explains his objectives and prospects and evaluates the past year's performance.

From another side we designed luxurious and distinguished agendas in the occasion of the new year that we have distributed to our major clients with their name printed on. At the same time, we have distributed agendas of less value with small calender to a great number of clients.

We are trying to reach the public through various medias such as making ads in magazines and newspapers stressing the mission of our group.

Question 12: How close are you in terms of achieving your aim

with respect to corporate culture and image?

Corporate Culture and corporate image are very much related and can not be realized within few years. Time is a very crucial factor to succeed. For this reason, I consider it early to say that we have achieved our aim in having a well educated staff and a clear corporate image. The most important thing is that we have set the tone and laid down a solid base necessary to build the organization.

B. Oger Case Illustration

Oger is a relatively big contracting company established by a French businessman in 1970 in France. Oger started its operation in executing contract, building hotels and hospitals in France. At a later stage Oger shifted its operation to the Gulf area, specifically to Saudi-Arabia, where it was known as Saudi-Oger. After a period of few years, Saudi Oger faced a recession and great financial difficulties. At that time, Mr. Hariri operating from Saudi-Arabia succeeded in negotiating a big contract and for that purpose he purchased the Oger company. Details of that deal are not known but what is clearly known is that Mr. Hariri succeeded in negotiating a number of big projects within relatively a short interval of time with good performance and hence winning the trust of the Saudi government. In 1980 Mr. Hariri decided to execute a big project in Lebanon and started with building a medical complex in the Eastern area of Sidon city. By 1982 and after the Israeli invasion, Oger started operating in Beirut and was responsible for the project know as "A project of Cleaning Great Beirut". This project consisted of cleaning Beirut of all accumulating waste and damage caused by the civil war and Israeli invasion. This project was followed by rehabilitation of Beirut roads and reconstruction of some parts of Beirut down town. Oger Liban executed all these projects sponsored by Lebanese and Saudi governments efficiently that astonished everybody. On February 6, 1984 the date of the big event that changed all political conditions upside down, Oger stopped all its operations and kept about 350 full time employees

without sufficient work. Only four projects were completed prominent among which was that of Tripoli city which witnessed political instability and fierce clashes during 1984-1985. At that time Oger was headed by an engineer known for his personality aggressive and administrative capabilities. A new chairman was elected in 1984 before recession started.

For the purpose of the case illustration, I interviewed the Vice President of Oger, Mr. Hassan C. who was at Oger since the company started its operation.

Question 1- Do you believe in strategic planning for your organization? If yes, what are your strategies to conduct the companies.

Mr. Hassan's answers was: "As you all know Oger started operation in Lebanon in 1980 with relatively small number of employees and stayed small until 1982 when it expanded at a very high rate. The fact of expansion was called for to meet the expanded needs of the community. This did not enable us to sit and work for strategy development. We only set our short run objective, to complete Beirut's project, and to shift then to the reconstruction of Beirut city. This does not mean that Oger does not have a management team nor does it believe in strategic management. In fact, it does. Oger international, the mother company, located in France and owned by Mr. Hariri is a well developed organization that operates under the control of senior management of french nationality who designs the strategy of the

company and submits a yearly progress report. Our aim is to try to implement the strategies of Oger International on Oger Liban in a way that all sister companies operate to meet the same long and short term objectives. This is not easy to implement at least in the near future due to the type of work, Oger Liban is called upon to undertake from time to time on an emergency basis. Oger is called upon to face new challenges even before it is able to meet its old challenges. Also due to the instability and instable environment it is extremely difficult to finish any project on time. To summarize, the strategies to operate the company is short term in orientation and objectives. The objectives is in flux and always in the process of revision due to change in circumstances.

Question 2- Where do you locate corporate value and philosophy withing your strategy?

As a company owned by Mr. Hariri, we try to reflect the values of the owner in our work, I mean by this the committment for a better future and an efficient execution of assignment. Our philosophy is that nothing is impossible to achieve or accomplish if properly done. This fact helped us considerably in our initial stages of operations while we were busy executing Beirut projects. Our financial position helped us achieve success in those kind of works which were in the domain of the Lebanese government. This value and beleif are our assets and we will count on them we start the business.

Question 3- How do you look forward for the employees' acceptance of your philosophy?

When we started our operation we tried to employ a selective team of engineers who did understand our objective and who were capable of supervising work. Soon we realized that it was not enough to have good engineers to translate our philosophy because with gradual expansion of the company there was a rise in internal conflict also. I mean by conflict inter-divisional conflict as well as personal conflict. There was not enough time to stop the internal lickergins and conflicts. This costed us a lot of money and efforts. We were unable to achieve consistency and harmony in the organization. The efforts turned into an exercise of futility. Nevertheless we hope that we can manage to overcome these organizational conflicts in the future. The process of reorganizing our company is not on its way seeking international management standards.

Question 4- What do you understand by corporate culture?

Corporate culture a is set of common beliefs and attitude of the whole organization and it is usually similar to that of the owners.

Question 5- What did you do to build corporate culture in your organization?

What we did in this respect is to provide our employees and staff the ability to execute their responsibilities in such a way

that they may feel proud of. In execution of our work programmes we used the heaviest equipments and the maximum number of labor. We paid best salaries to our labor to keep them well motivated. Also, we stressed on the virtues of completing all work efficiently and economically, no matter what is the price. In general we sought to build the culture through accomplishment and excellence in our staff. But this policy had had its bad effect whenever work stopped and recession occurred.

Question 6- What is your criteria for employee recruitment?

Caused by the fast expansion and the immediate need, for staff and labor specially in managerial positions, we were left relatively with no options but to recruit a big number of employees in short periods. In addition, there was need for all level of employees to perform the job of the organization operating almost at full capacity. Also, I must mention that we were forced to recruit unqualified staff under the pressure of political parties. This problem was specially acute in the low and middle level of management. At the time we had times to evaluate our operation we found ourselves surrounded by a huge number of employees from different culture and social background. This is one of the greatest concern of the management.

Question 7- What kind of hero personality do you prefer in your organization?

At the time when work intensity reached the peak we needed such personality to guide the new staff in a way to keep them on the line as much as possible. At that time we had a chairman extremely motivated who participated in supervising daily activities. His participation in field work did contribute a lot in motivating employees and in giving them a good example. By the year 1984 the company did not need such personality any more and the chairman was assigned another job that needed his aggressive personality. Still until these days the personality of that chairman did influence most of the employees who worked with him during the years 1982-1983.

Question 8- What kind of communication system among management

and staff you adopt? How do you justify this
choice?

Correct communication is one major element of our success during 1982-1983. We did not draw a communication scheme but we did let communication occur between different level of staff whenever it is needed. Our system permitted our senior staff to interfere in any action they judge will effect the perfection in work. This created a kind of competition among different operating groups. This type of communication helped us a lot in avoiding routine work specially when we are restricted in limited span of time. This system may not function in all organizations but in our case of contracting company operating at full capacity to achieve a non profit project. I think that it was the only system available. I should mention here that organization of

internal communication system is now taking place in the contest^x of the overall organization of the company.

Question 9- What kind of incentive you use to express management satisfaction?

As our work does need physical effort and overtime work we used to pay labor extra money for hard jobs as well as paying their overtime. This method proved to be very efficient specially that some workers succeeded to earn L.L. 250 per day during 1983 when the salaries of labor daily was L.L. 75. This incentive is only used for labor hired on daily basis. Regular staff are treated as the Lebanese law states. We also tried to express management satisfaction by participating middle level staff in setting execution program in a way they feel they are the formulators of plans and consequently working more efficiently for the success of set plans. This kind of incentive was not enough and we were frequently asked to use monetary incentive with our regular staff.

Question 10- Did you work for creating a corporate image?
If yes, what are your plans in this respect?

From the first day we started operating in Beirut during fall 1982 we gave the impression that we are a huge contracting company by working 18 hours per day and by using heavy equipment brought from Saudi Arabia specially for Beirut project. One of

our major concern as a management team was to reflect the image of our group of companies operating outside Lebanon and to reflect the believes of the owner of the company. Our plan was to have a weekly progress report published in most news papers summarizing the work of our team during the week. This was not enough we used intensively advertisement media in a way that the word "Oger Liban" was equivalent at one day to perfection, accuracy and honesty at work. I said at one day because this image is gradually declining with the absence of huge public projects but this does not mean that Lebanese forget the achievement of "Oger Liban" during 1982-83.

Question 11- How did you plan such campaign and what did you do

until now in this respect.

As I said we used intensive advertising media such as T.V., radio, bulletins and some other advertising.

To start with T.V., we were able to get the permission of T.V. administration to have 3*30 minutes program where we illustrated our plan of action during "Beirut Project". We explained in these programs technical details as well as some operational details that gave exact figures of our effort. In radio, we were interviewed several times by different radio channels.

From another side all our equipment were labeled with our Logo of the three colors, white, red and green, those of the

Lebanese Flag. Also all our employees at work wear similar clothes having also our logo on it. We also used labels of our company logo on all cars used by most of our staff and employees. Our program in this respect was to continuously draw the attention of public to our achievement hoping to gain their trust and admission. Here I should mention the fact that our financial potential was the major contribute for the success of this program.

Question 12- How close are you in terms of achieving your aim with respect to corporate image and culture.

I think it is easy to realize that we have no problem concerning our image but we need lot to work on corporate culture. Corporate culture in our organization was not based on clear values, at least for all employees, so what we need to do first is to organize internally our company and define our plan of action for implementing our culture on employees that we hope will be more selective. Once this job is done, corporate culture would be built gradually in a way to get our values become a way of communication among our employees.

C. Case Discussion

I will limit my discussion by trying to compare and contrast features of both entities and reflecting the effect of both policies on the company in general.

Starting from similarities we can clearly realize that although both companies have different line of business, values and philosophy are shared among them. Both management staff believe in their commitment to their country and their firm decision of operating from Lebanon, having in mind to meet their end objective at the time the situation permits. Both management are convinced belief and philosophy and try to translate them in their own way. With respect to dissimilarities they are numerous. First with respect to formulation of corporate culture and their implementation. MIG seniors believe in inducing value into the spirit of their staff before shifting them into the actual operation of the company. MIG prepares its staff to be ready before they are allowed to submerge themselves in the main stream of the company operation.

Oger operate in the hope that the company's sense of achievement will be enough to build on employee and staff culture. Oger trend of thought was toward letting culture emerge from group work and accomplishment. The experience of Oger management proved that the culture or common values resulting from group work cannot be homogenous due to the difference in the basic culture of staff. Consequently, internal conflict within the company was created due to the accumulation of individual as well as group behavior and attitude mistakes.

To the contrary, MIG management tend to orient employee through their deliberate policy and progressively transmitting

values from top to bottom. This attitude was backed by a complete execution program that predict and react to employee response. The growth rate of both companies played an important part in creating and developing a corporate culture. MIG did realize this fact and behaved accordingly. MIG preferred having a slow but correct start by being careful in choosing it's staff and submitting them to training program and gradually spreading them line control over subsidiaries through them. Oger company did not have time for such opportunity and was forced to recruit rapidly without giving much thought to background. The recruits came from and without any preparative program. This difference in recruitment policy did produce distinct effect on the value composition of the company. In a way it seemed impossible under the circumstances to do anything to harmonize the cultural value of the employees. Another point of difference is that the corporate culture understanding by both companies. At the time MIG believe that corporate culture is a rule that must be set and implemented over employee, Oger considered corporate culture a result of interaction of employee at work. This did give it's undesirable result over the organization. By choosing to have a hero personality at some periods at Oger resulted in a depressing feeling among employee at the time of recession and resulted in an undesirable attitude among staff. MIG at that time did stabilize employee emotion through having a unique hero personality that of the owner. This sense of stability of management toward employee did create a sense of commitment to the organization and its owner. Communication system of both companies is another point of departure. MIG sought for a smooth

relationship between company unit and subsidiaries by trying to improve on going system. It worked slowly to change the system. This conservative approach was time consuming and slow but the policy produced what MIG intended to achieve by way of restricting and harmonizing the value system. On the contrary, Oger did adopt new communication style in the organization at the very early stage of reorganization. This method did give an excellent result in achieving short term objective but later on acted as a burden on the management.

In general we can say that outcome of both management application of Oger as well as MIG we can assume that corporate structure must be an integral part of strategic planning due to its effect on the performance of the organization during operation. Also we can add that corporate culture whenever discussed or applied by any management team, must be understood as being a complete chain of value that must spread over all operating in an organization similarly for success. The result obtained in both cases proved that time factor and employee in addition to correct choice of company's philosophy are major item having direct effect on culture. Regarding corporate culture stage of development we can say what was done until now concerning having a unique internal culture is still in its preliminary stage in both companies without missing the effort practiced in MIG to reach success.

Corporate image did also form a point of difference with respect to management approach. In case of MIG, management did consider this aspect as a result or a consequence of correct internal corporate culture in order to reflect an honest and correct image of the organization. This policy was within medium term objective and not short term ones. On the contrary Oger stressed on their image as an essential and major objective but for future success. This policy could not bear the burden of recession. Only traces of this image remained. Only the name of the owner is keeping its value and not that of his organization due to the continuous contribution in different fields. Back to MIG it is worth saying that although the name of Mr. Hariri comes to ones mind when speaking about MIG; but still the value of MIG as a financial organization reflecting strong altitude of a group of professional supported by money and values comes to ones mind. Also we should mention that MIG did select its personnel carefully and is on process of doing more and more selective progressively to whom it wishes to reach. Oger addressed the image to a vast population not directly concerned with construction operation, and this in fact did cost Oger a lot if we want to examine its probable future return on Oger.

We can also add that corporate image in MIG was prepared with conformity to effort carried out for corporate culture, by trying to have a similar acceleration in both issues at the time when they felt themselves ready to expose their belief. For this end MIG received to an international advertisement firm (Leo

Burnnet) to plan set of action. Oger at its side did work for the image in an acceleration similar to their job execution for from any basic culture we can also add that Oger did use local advertisement tools that were usually used by any constructing company.

After we have illustrated major items of difference concerning the policy of both company and if we revise the history of both companies we can say that opportunities offered to MIG concerning time for strategies setting and implementation was not available to Oger and this had its great effect on both company operation, MIG succeeded to freese old problems thus preventing their future bad effect and set a revolutionary adjustment plan that cannot give its fruit not 3-4 years after the date of a schedule application. Oger from another side was operating successfully in Europe and Gulf area but the new born subsidiary did not have time to follow its sister company and was only related to them by the common owner as well as name. Oger was asked to achieve a huge project similar to any other project in Saudi Arabia, but this was not easy to achieve at a lower cost in order to meet the objectives behind it, thus the policy adopted might be the best option available to reach the needed result.

Conclusions and Recommendations

Conclusions

So far, corporate culture was discussed in the way it relates to changes and to employees. Evidence shows that corporate culture exists in poor performing companies as well but the difference lies in the value that these culture advertise. Poor performing companies always seem to recognize what the companies that set only financial target do not know, or not deem important. The excellent companies are marked by very strong cultures, so strong that you either buy into their name or get out. It was found that companies whose only articulated goals were financial did not do nearly as well financially as companies that had broader sets of values.

Among excellent companies, we find a few common attributes, that unifies them despite their very different value. The values are almost always stated in qualitative rather than quantitative terms. The idea that profit is a natural byproduct of doing something well, not an end in itself, is almost universal. And most important is their effort to inspire the people at the very bottom of the organization. The dominant believes a narrow in scope, including just a few basic values such as a belief in being the best. A belief in the importance of people as individuals, a belief in the importance of informality to enhance communication as well as few other.

The development of corporate culture has led some to view the organization as a system composed of ideas. The meaning of which must be managed. Corporate culture has generated and enhanced sense of the meaning or purpose of work, something beyond the economics reward that work offers. Most importantly it has made possible marvelous informal environment in the good companies.

Concerning corporate image most excellent companies consider it as a continuation of corporate culture formulation and implementation. Corporate image succeeded in most situation to reflect a correct picture of internal beliefs and attitude. Corporate image imposed a need for an extra advertising and planning effort towards formulating a complete set of operations to reach success.

As a last concluding description we can say that the culture and image of any organization is a mirror that reflects the degree of its success and justifies it.

Recommendations

After we have illustrated theoretical as well as real life case study of new management style we can conclude a set of recommendation that need to be considered for the success of organization operation in the recent business world. Recommendation are the following:

1. Corporate Culture and corporate image issues should be considered in all organizations and specially multidivisional ones.
2. Corporate Culture and image should be included in management strategies and objectives at any level of operation stage.
3. Corporate culture must be set by management team and preferably including major ones or their representatives.
4. Once corporate culture are identified by management team a chronological program for implementation must follow.
5. Participation of management team in executing plan is very much desired and increase success probabilities.
6. Evaluation and adjustment of ongoing implementation procedure is always required to meet unexpected obstacle.

For the success of any plan aiming to build a corporate culture and image the following consideration must be followed.

1. Values adopted must be homogeneous with the owner belief and objective.
2. Employee response and acceptance for corporate value must be regarded as a gradual and slow process.
3. Recruitment policy is one of the most critical consideration that have its direct effect on the company culture. For this reason recruitment policy should be consistent with the both strategies and values.
4. Communication system within the organization should be based on the overall attitude of employer as well as the type of work and levels of management.
5. Personality of Hero of the company (if found) has its direct effect on employee attitude thus choice of Hero personality should be carefully created and sometimes totally omitted.
6. Motivation system of the company must take into consideration all social factors that burden the employee. Financial support as a tool for employee motivation should always be included in any motivation plan in addition to other non financial support or moral ones.

7. Social need of employee and staff should be included in any program in order to meet employee social design.

8. Corporate image must reflect a correct image of internal beliefs and attitudes in order to succeed obtaining public trust.

The result of these procedures must be stabilizing employee and staff belief and consequently attitudes in a manner to have these beliefs transmitted directly over employee generation.

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