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# Implication of Globalization on Organization Culture, Kenyan Experience

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## **ABSTRACT**

The mere mention of Millennium Development Goals (MDGs) adopted by world leaders in the year 2000 and set to be achieved by 2015, provide concrete, numerical benchmarks for tackling extreme poverty in its many dimensions. This brings into focus changes, experiences and opportunities organizations and work force can grasp for effective organizational cultural change and development. Most of the developing countries in the world and Africa in specific are adopting a global and modern outlook in management of organization so as to achieve (MDG). Globalization for instance has accelerated integration of all markets domestic and foreign as a result there is no organization that wants to lag behind but instead embrace the concept of globalization. In the long run it enhances competition, high performance, creativity and innovation at work place. On the other hand, by adopting a global outlook, organizations become more aware of their connection to employees of other organizations across the globe. This intensify worldwide social relation and interdependency This paper focuses on the concepts of globalization, its dimensions and implications on organization cultural change and development for achieving millennium development goals. Moreover the paper urges that realization of millennium development goals entail enormous changes that have implication on organization culture and work force within a short span of time in place.

**Key Words:** Globalization, Organization and Culture

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## **1.0 Introduction**

One of the more strongly argued positions that poor nations must emulate rich nations, was that of Rostow (1960), he argued vociferously that in order to produce and consume like the wealthy, one had to change "traditional" cultural attributes and proceed in orderly fashion to achieve a "take-off" into sustained development. It is from this premise that it's realized that, to achieve MDG the nations and organizations must embrace and survive the revolutions presented by the dimensions of modernization, globalization and technological advancement. According to Orunmoluyi (2002) it is a process of creating a global market in which increasingly all nations are forced to participate. The process of globalisation entails that there is interconnection of sovereign nations through trade and capital flows; harmonization of

economy rules that govern relationship among these sovereign nation; creating structures to support and facilitate interdependent and creating a global market place.

Development of organization culture is wanting in line with human resource as necessary instruments for organization and national development process. Globalization today basically is changing the way the world looks and the way we look at the world. This is fundamentally changing the nature of our everyday experience as the society in which we live undergoes a profound transformation, with a goal to increasing material wealth, goods, and services.

Essentially it means that today, more and ever before, groups and individuals interact directly across frontiers without necessarily involving the state. Why is this happening? I think because there is the need to achieve millennium development goals by 2015 this has propelled increased technology across the globe and no country or individual want to be left behind.

### **1.1 Organization culture**

Culture has been defined differently by people. The different definitions attach to culture is based on the differences in the orientation of the people. According Ekeh (1989), culture is construct used in an attempt to analyse and integrate events and ideas in broad spectrum of areas of society. Jekayinfa (2002) states that from wider perspective, culture includes the total repertoire of human action which are socially transmitted from generation to generation. On the other hand organization culture consists of those values, beliefs, assumptions, myths and goals that are widely shared by employees in the organization. A *belief* is a conviction that something is true, Edward M. Carson, the then president of the First Interstate Bank of Arizona and subsequently president of First interstate bank corporation, articulated the belief that "People are a bank's most valuable assets, and if you treat them right you will be successful" this can be generalized to all organization, when all employees hold to this beliefs and act accordingly it becomes a facet of organization culture. A *goal* is a stated purpose or desired results towards which people aspire in organizations. (Dessler, 2000)

Organization culture just like any societal cultural practices are embedded in history as well as in current practices and are shaped by powerful forces both within and beyond the organization that can be highly resistance to planned HRD interventions.

## **2.0 Dimensions of Globalization**

### **2.1 The trans-national cooperation**

This is among the many economic factors driving globalization in the current modern society. Transnational cooperation (TNC) are companies that produce goods and services in more than one country. These may be relatively small firms with one or two organizations, companies or factories outside the country in which they are based, or gigantic international venture whose operations cross - across the globe e.g. Coca cola companies, banking institutions etc. TNC are at the heart of economic globalization they account for 2/3 of world trade. They are instrumental in the diffusion of new culture, Knowledge and technology around the globe

### **2.2 Growth of international and regional mechanism of government**

The United Nations and the European Unions are the two most prominent examples of international organizations that bring together nation states into a common political forum.

Globalization is also being driven by intergovernmental organizations (IGOs) and International Non- governmental organizations (INGOs). These bodies established by participating governments have mandates and responsibilities for regulating or overseeing a particular domain (intergovernmental). While non- governmental bodies are independent they work alongside governmental bodies in making policy decisions and addressing international issues. These issues are essential for achievement of millennium development goals (MDGs) e.g. the Red Cross, global environmental network, United Nations.

### **2.3 Modern means of communication and transportation**

The process of globalization and modernization has been accelerated by a modern means of communication and transportation and gives the image that the world is unified globally. It appears that to achieve millennium development goals by 2015 there is enormous rush towards more highly technological sophisticated systems by organizations to maximize their profits, improve performance through effective and efficient communication and transport systems. In line with this globalization has to remain unaltered but to continue shedding more light across the globe.

## **3.0 Implication of Globalization on Organization Culture**

### **3.1 Training and development**

Training refers to a method used to give new or present employees skills they need to perform their jobs, improving quality of work require remedial- education training, employees need skills in team building, decision making, employee's relation and communication to enhance performance and development of employee's skills. Performance analysis becomes important with increase globalization leading to improved technology in this case to achieve millennium development goals (MDGs) it is important for all organizations to determine the training needs of human resource available in the organization and aim at improving them. Thanks to globalization organizations are now able to use internet for training workers, E-learning, distance learning, off the job training etc to equip their employees with necessary skills to carry out their jobs. (Dessler, 2000).

### **3.2 Recruitment and selection**

Recruitment is a process to discover the sources of man power to meet the requirements of the staffing schedule and to employ effective measures for attracting that inadequate man power numbers to facilitate effective selection of an effective work force. Recruitment needs can either be planned, anticipated and unexpected. Planned needs arise from changes in the organization and retirement policies, resignations, deaths, accidents and illnesses give rise to unexpected needs. Recruitment can either be promotions, transfer upgrading and even demotion. On the other hand, selection is the process of choosing the most suitable person out of all the applicants. (Gupta, 2000).

The concept of globalization and modernization has transformed the tradition methods of recruiting to a modern process. For instance Organizations currently are using internet to recruit new staffs which makes it easier faster and cheaper.

### **3.3 Better wages**

To achieve millennium development goals it is essential for the government and organization to revive the wages with regards to increased needs in the society. The minimum wage of developing countries in specific need to be revised, a typical example is the Kenyan case where minimum wage was revived by the government to: people living in the urban (lowest - urban) and rural (lowest rural) respectively 7578 and 2536. Globalization and modernization has enabled various nations to increase the minimum wage with regards to the countries increased needs, this in turn has to be implemented by organizations with an aim of increasing organizations performance and avoid employees turn over. Many organizations have also adopted the contractual employment of human resource to carry out various tasks the concept of shifts allowances and overtime have actually been embraced by developing nations this is important since it increases job opportunities and allowances of people.

### **3.4 Promotes gender equality**

Globalization and modernization have created the concept of gender equality and promoted this notion through international, governmental and nongovernmental organizations that fight for gender equality and rights. For instance the United Nation (UN) celebrates Gender Equality and the Empowerment of Women -- celebrates its creation at UN Headquarters on 24 February every year. To achieve millennium development goals (MDGs) it is important to promote workforce diversity through cooperating both men and women, with the birth of this notion we welcome a powerful new agent for progress on gender equality and women's empowerment.

### **3.5 Team work spirit**

Teams are mature groups with a degree of members' interdependence and motivation to accomplish a common goal, team's starts as groups but not all groups become mature and interdependent or teams. A team work and performance is said to be synergistic or greater than the work and performance of individual working alone on the team. (Ivencevich & Konopaske, 2006).

Millennium development can only be achieved if all leaders of nations across the globe have a concept of working together to resolve various issues ranging from violence, conflicts, civil war, boundaries etc. This translates to organizations; all teams in the work place have the common element of people working together cooperatively and members possessing a mix of skills. Waweru (1994). Good employee's interpersonal relation enhances teamwork. The best known work team is a group of workers who take over much of the responsibility for managing their own work. A self managing work team is a small group of employees for example responsible for managing and performing technical task to deliver a product or services to an external or internal customer.

Group decision making is effective and helpful in gaining acceptance and commitment. It contributes to making decisions to benefit all employees in the team, team members also evaluate each other thinking so as to avoid major error but facilitate job satisfaction, than working as an individual stipulated by (Dubrin, 2000).

### **3.6 Promotes employee's relation**

Employee relations refer to the interrelationships both formal and informal between managers and those whom they manage. An employee relation embraces issues such as, the contractual obligations between employer and employed, Communication policy and practices, Joint decision making, Joint problem solving, Collective bargaining and Individual grievances and collective bargaining. Employee's relation broadly implies interaction and cooperation among people in groups. In a working environment these group of people operate in different fields such as business institutions, schools, clubs, homes and government. However it entails the integration of people into a work situation motivated to work together effectively as a result of social, psychological and economic satisfaction. (Cole, 2002).

Teamwork in a working situation is the main emphasis so as to accomplish individuals as well as organization goals effectively. This definition emphasize on people rather than on money, materials or machines it implies that people interact better in organized setting rather than in haphazard social contact resulting from different types of conflicts. (Dwivedi, 2001).

### **3.7 The civil societies and organizations**

Globalization and modernization have facilitated the creation of civil societies to fight for rights of people across the globe hence achievement of Millenium development goals by 2015 becomes something possible and not a dream. Civil society is that segment of society that views the state and yet it is distinct from the state. Civil societies in Kenya occupy the space between the citizens and the state and are represented by different types of non state organizations. For instance, Kenyan civil society organizations seek to offer their assistance with information, contacts, and expertise in areas related to human rights. These include Kenyans for Peace with Truth and Justice (KPTJ), the Inter-Religious Forum, KOTU, the Kenya Human Rights Commission (KHRC), the Kenya National Commission of Human Rights (KNCHR). Organizations currently have organized movements termed as unions that fight for employee's rights with regard to wages, working conditions, salaries and remuneration.

### **3.8 Division of labor and Specialization**

It describes the process by which regional economies, societies, and cultures have integrated the process of specialization and division of labor in organization to enhance competition and wealth creation in the society. When nations become greater and more enlightened as a result of globalization the division of labor becomes more marked this is the main cause of prosperity among various organizations since it increases productivity and quality of work produced. (Adam, 2001).

### **4.0 Conclusion**

If organizations are to achieve the millennium development goals rapidly, they must invest enormously in their human resources by changing the outlook of organization culture and move away from the tradition way of doing things to a modernized and globalized way. Contributing to cultural change is a key task in today's organizations where new organizational forms, new patterns of work, high performance work practices and the increased need for flexibility and knowledge creation call for new values, behavior and skills at work place. However a purely

systematic approach to tackling cultural change has to be treated with caution given to the deep rootedness of culture. Some interventions may encourage behaviors that results in an improved organization ability to respond to current challenges. Embrace modernization and globalization but don't be swayed deeper into it.

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