

THE INFLUENCE OF CULTURE CHARACTERISTICS UPON THE IMPLEMENTATION OF BUSINESS INTELLIGENCE MANAGEMENT

Professor PhD. **Claudia – Mihaela NICOLAU**
Faculty of Economics and Business Administration, Faculty of Law
"Al. I. Cuza" University of Iasi, Romania

ABSTRACT

In the present paper upon the Business Intelligence framed in the romanian national culture peculiarity we will appeal to a gradual approach to the subject, from theoretical – to experimental – to applicative. At an empirical level of these approach we will try to interface a theoretical frame of the actual speciality knowledge in the area with the realities encountered in the romanian enterprises (e.g. the adopted enterprises' positions towards BI, the relation managers – employees – enterprises's performances through BI's implemetation, the role of cultural peculiarity or the postion taken towards the norms of the BI's adopted strategies, etc.)

KEYWORDS: *Cultural characteristics, Business Intelligence, competitional advantage, strategic management.*

Introduction

The present paper upon the (possible) influence that national culture characteristics have on the implementation of Business Intelligence¹ in romanian enterprises is conceived using two researchal functions: a *resumative* one and a *predictive – aplicative* one. Firstly, the research fulfills a *resumative function* regarding the organization of ideas, of its theoretical enunciations and not only, BI represents a discipline in continuous development (mostly because of its intentional and practical elements). Beside the resumative function (presented above), BI fulfills also a *predictive – aplicative function*, because this appeared and developed as a necessary anticipation in the enterprise's practice and lives, as an answer to the organizational needs to fulfill its apriory setted objectives, but also to survive into an concurrential business environment.

Praxeologically, BI continued to develop after its apparition to offer a *rational base* for a better knowledge of the entreprise (e.g. the characteristics of the markets on which it actiavates, the number and the nature of the products/services sold compared with the competitors ones, the geographical dimennsion of the markets on which it activates, etc.), for a strategic and operational coordination of the enterprise, for finding solutions for the enterprise (n.b. the proval of the pragmatic - aplicative sense of BI's implementation, and even its future development).

Literature review

¹ In the present material we will use the short term of the concept of Business Intelligence, such as – BI.

If the French school – the engine and the promoter of BI treats, for example, through François Jakobiak the understanding, the implementation and its usage, one of the Romanian authors preoccupied by the domain – Ion Dîjmărescu approached the so called “BI management”. In the paper *Managementul inteligenței economice*, Dîjmărescu treats (as well as in the classic management) management systems, levels and action manners, risks, etc. (all these modified and reported to BI).

The traditional firm’s organization based, and still bases, on three implicit principles, that didn’t respond at the change exigencies of an environment in full mutations, such as:

➤ *The taylorism*, with the one’s that know and decide, on one side, and with the one’s that are ordered to execute, without thinking. In fact, the initiative is only at the top manager’s disposal.

➤ *The hierarchical pyramidal structure*, inspired a lot from the military one and in which the chief knows all, acknowledge all and asks a special discipline and a strict execution of the received orders; but without acknowledging, it estranging from the action place and its employees, to avoid having any problems with the hierarchy, don’t take any initiative and are satisfied to listen without thinking.

➤ The peculiar importance granted to the financial, technical and commercial aspects, to human and social dimensions of the firm’s detriment that don’t enter into the managerial preoccupations than regarding the costs. If there is a loss or a decrease of rentability, the first reaction is to reduce the social costs. This pattern of management is undesirable. To survive, the firms have to abandon these three principles and to adopt the new appeared structures – *the structure organized in networks*, for example.

The enterprise with the structure organized in networks represents an organization that eleavables itself in entities practical autonomous. To hold back the process, the enterprise brings in these entities not through hierarchy, but through:

- operators systems: planning, information, reporting;
- specific structures: work groups, reflection committee organized on projects etc.;
- intervention systems based on cultures, firm’s image, on its administration manner etc.

Is a form of modern firm, based on interpenetration between the market and the hierarchy, on abdication, in great measure, at the functional and operational frontiers, and on the evidence of interactive relations. The firm positioned thus, into a more global ensemble of economics and socials rapports, each of its entities becoming an opened subsystem.

The firm with the structure organized in networks defines itself as a system endowed with a multitude of identifiable structures and connections, in which it can operate centers of authority and of decisions, which cooperates between them regarding the realization of common and individual objectives. When a firm with the structure organized in networks is in difficulty, its achievement depends on personnel’s remotivation, on the customer’s satisfaction and on the prevail of functional constraints.

The firm with the structure organized in networks presents the fallowing *characteristics*:

✓ it is based on interpersonal and strongly interactive relations beyond the professional relations within the firm, thus, they surpasses the simple and clean institutional logic;

✓ these relations have a non-formal character. None of the procedures aren’t established to organize and control them, because they are based, firstly, on a trusty climate. Beside these, the play rules are indispensable, in such manner that any deviation from these rules brings for its author the exclusion from the structure organized in networks;

✓ create, firstly, relations between persons and then between the entities which they belong, these relations don't need an hierarchy, because, otherwise, the network doesn't exist such as, and the firm with the structure organized in network can be compared with numerous interconnections that creates between the neurons of the human brain. That's why, frequently, the parts of a structure organized in network overlaps on the traditional hierarchy frame of a firm's structure;

✓ disposes of a self-regulation process to avoid, in the lack of hierarchy, any situation of disorder;

✓ is not closed and fix, and its power consists in its aptitude of evolving and of gathering, in a whole, new entities each of them keeping its autonomy. The entities found in difficulty can determine the canceling of the structure organized in network, which provokes a returning to the tayloran organization and to pyramidal hierarchy. We can say that the structure organized in network (the network) is a reunion of entities, forming a true microcosm endowed with a self-regulation capacity. This train the disappearance of certain traditional frontiers, but makes appearing new partnership's forms, so of cooperation and synergy until then non – existent.

The firm with the structure organized in network, makes possible new social rapports between actors and organization; other types of work contracts, the human resources flexibility; the choice of persons with great initiative capacity and with an important personal commitment; the complete revise of work norms, keeping in mind the customer's desires and the firm's needs.

The manager, to introduce a new type of management, has to make all the efforts to pass rapidly from a pyramidal hierarchical organization to a network one. To motivate the introduction of the new structures will have to be respected certain rules:

➤ The diagnosis of the present organization together with each hierarchic accountable to discover the strong areas, the resources and to simplify the information's fluxes.

➤ On the basis of this diagnosis, the managers will divide the firm in entities, naming in their front leaders known for their competencies, their charisma, their skills and their educations (the practicing of behavior's and of society politeness rules).

➤ If it's necessary, it will be recruited capable persons to enriches and to fit in the new values system and, especially, to be suitable to insert into a flexible firm.

➤ The inciting and the favoring of thinking and working in group to benefit from the interaction and the transversally of all the functions.

➤ The forming of the frames and of the entities' accountable, putting accent on the opening of the environment, the partnership with external factors, the values that has to be protected, the human resources management, the methodology of analysis of the new organization to be more achieved, the control means to measure and to rapidly correct the misbehaviors.

➤ The establishing a values system to emit behaviors adapted to the right situation after a period of difficulties that "hit" the firm and implicitly, all the teams. The purpose is to consolidate the energies, to favor the autonomy, to privilege the delegation, the individual initiative, the creativity.

➤ Taking into consideration the time factor; the time is an ally, but can become an enemy.

➤ The constraining of a common language and of some game rules which are known and accepted by all in the human resources, in the judicial, in the fiscal, in the checking of administration and, especially, in the financial domains.

➤ The observance of the own firm deontology code and of an ethics regarding the own person, but also towards others internal and external actors.

➤ The recording of a sense to decisions that will be taken to eliminate the law of the strongest, the submission of the weakest, the contempt towards the person and the performed work. The quality of human relations has to increase the relations, to humanize, to establish the trust in the place of the latency entrust, and to test its good faith and its sincerity.

After it was identified the value expected by the customer, the firms' choice and the orientations will depend by the own internal forces, but by the competitors' strengths and weakness. The competitor's situation will be evaluated keeping in mind the:

- the hold market share;
- the correspondence between their offer and the customer's expectations;
- their power and their weakness;
- their present strategy.

The finding out of the competitor's position allows to evaluate the forces existing in the analysis moment. This snapshot has to be completed with a projection in time of the evolutions and the possible reactions and of the possible competitors, thus they will not remain inactive to the actions performed by the firm.

Also, the reactions of a certain competitor will depend on:

- ✓ its objectives: the objectives' knowledge of a competitor is useful to know if he is satisfied by its situation and to evaluate the changing probabilities;
- ✓ the hypothesis that he enunciate;
- ✓ the fallowed strategy;
- ✓ its market sector;
- ✓ its financial results.

The influence of its strengths and its weakness are shaping the reactions' nature and intensity, determining the competitor's capacity to undertake maneuvers.

Research methodology

The premise of which the research is initiated has a pronounced monographic character, that is – *the BI's actions are oriented/determined fundamental by the cultural specific*, through the results that will be obtained – it will present explanatory aspects for this.

The present research proposes for presenting the explanatory aspects of the declared premise as *specific objectives*, the following:

- to outline the diagnosis of the Romanian national culture according to the cultural dimensions on the basis of the typologies from the specialty literature;
- to realize the delineation of the cultural specificity characteristics of the researched population and the framing of these on the basis of the typologies from the specialty literature;
- and to correlate the cultural specificity with the future development of BI in the Romanian enterprises.

Regarding the *the delineation of the cultural specificity characteristics* we have to specify that a considerable proportion from the patterns of national cultural orientations didn't take into consideration the East – Central European area (e.g. the pattern of R. Nath, of Geert Hofstede, etc) in their researches. Actually, the cultural pattern proposed by the professor Y. Altmann is the only pattern that was preoccupied with framing culturally the ex communist countries (group in which România is framed), another specialist preoccupied by the east – central European area was the sociologist Piotr Sztompka (he characterized this space as being diffuse and less structured from a formal point of view).

This study used as a research strategy *the casuistic quantitative analysis method* (the monograph will be realized on a sample of subjects within the Romanian enterprises

from different regions) to collect the data. *The phasing* of this scientific research includes the following aspects:

- *the consulting and the epistemological treatment of the specialty literature and of the national legislative framework* under the auspices under which the enterprises uses BI;

- *a pretesting* (“filter” role) with the purpose of gathering data through the applying the research tool – the questionnaire (will be applied only to the managers), to fulfill the objective of identifying the Romanian enterprises that understand and apply BI;

The research tool applied within the pretesting – the questionnaire can be framed into the general category of *the opinion questionnaire, self-administrated* (by the questioned subject), having in its body five questions (semi-opened as well as semi-closed).

In the first phase of the research – the pretesting (which will be presented in the section 4) it will appeal for validating the results to a statistical analysis, as following:

- *the frequency analysis* for determining the essential aspects of the cultural specificity characteristics;

- *the content analysis* to process the information’s related by the manner in which the cultural specificity will impact the implementation and the future development of BI in the Romanian enterprises;

- *the determining of the α -Cronbach internal consistence coefficient* (the elimination of the inadequate items so that the consistence coefficient will be bigger then 0.7).

- *the mainly testing*: using as a research tool (analytical) a questionnaire (applicable to the employees and as well to the managers) more ample and more complex;

The research tool that will be used in this phase of testing will be a more complex one, such as a combination between *the questionnaire of factual data* (its first part) and *the opinion questionnaire*, that had the role not only to investigate the subject’s opinion on the given theme – the implementation and the development of BI, and even the perceptions (undertaken elements from the socio – human methodology) towards the Romanian managerial system that uses BI (per ensemble), the employee’s and the managers behaviors as a consequence of the subject’s perceptions, behaviors that transform in norms which will influence the adopted strategies regarding the BI’s activity.

Regarding the validation part of the estimated results following the testing itself, it will appeal to an analysis of the Romanian national culture specificity (per ensemble), to the “weight” and the frequency of apparition of the dimensions specific to each characteristic, and to the connections with BI that emerge as a result of the analysis of the estimated to obtain data.

- *the preliminary/finale analysis* (the correlation of the obtained data with the objectives settled a priori to the research itself) and the generalizing of the obtained data.

The future trajectory of business intelligence

An important aspect regarding the BI is the one referring the performances of these systems within the context of its usage growth. It seems that the future will putt these systems in front of the impossibility of offering its advantages. And these systems become more and more per formants. In such conditions, a company will never be able to hold a competition advantage performing the same activities that others companies perform also. Secondly, BI is exclusively concentrated on offering the comprehension upon the data.

The legendary investor, Warren Buffet states that: “no one gains through the prediction of the rain. But a person gain through the building of a boat”. The explanation of the statement is relatively simple: “meanwhile the BI can provide the comprehension of the atmospheric conditions, the BPM (n.b. Business Performance Management) is the one that

at last will empower the companies to hold an advantage through the building of a boat – the built rapidly of these, with a greater efficiency from the costs point of view and designed adequately to face the storm”.

References

1. Dijmărescu Ion, *Managementul Inteligenței Economice*, Editura Lumina Lex, București, 1998
2. Dresner Haward, *Why enterprisses must make business intelligence an imperative*, <http://www.gartnergroup.com>
3. Hurbean Luminița, *Tehnologia Business Intelligence în managementul strategic al firmei*, <http://www.Business – Intelligence.ro>
4. Jacob, Nina, *Intercultural management*, Kogan Page, London, 2003
5. Jakobiak, François, *L'intelligence économique en pratique. Comment bâtir son propre système d'intelligence économique*, Éditions d'Organisations, Paris, 2001, deuxième édition
6. Jakobiak, François, *L'intelligence économique. La comprendre, l'implanter, l'utiliser*, Éditions d'Organisations, Paris, 2004
7. Manole Velicanu, Lungu Ion, “Spre noua economie digitală prin ințelegerea afacerii”, *Informatica Economică*, nr. 3 (23) / 2002
8. Mazăreanu Valentin, „Inteligență” în *Business Intelligence*, Analele Științifice ale Universității ”Al.I.Cuza”, Tomul LII/LIII, 2005/2006
9. Phatak, Arvind V., Bhagat, Rabi S., Kashlak, Roger J., *International management. Managing in a Diverse and Dynamic Global Environment*, McGraw – Hill/Irwin, New York, 2005
10. Schneider, Susan C., Barsoux, Jean – Louis, *Managing across cultures*, Pearson Education Limited, Essex, 2003
11. Thompson Olin, *Business Intelligence Succes, Lessons Learned*, <http://www.technologevaluation.com>
12. Zaiț Dumitru (coord.), *Management intercultural. Valorizarea diferențelor culturale*, Editura Economică, București, 2006
13. <http://www.cato.org/pubs/pas/pa-185.html>
14. <http://www.business-intelligence.ro/?p=19#respond>
15. <http://www.business-intelligence.ro/?p=42>
16. <http://www.business-intelligence.ro/?p=10>
17. <http://www.business-intelligence.ro/?p=7>
18. <http://www.journaldunet.com/economie/enquete/metiers-intelligence-economique/4-veille.shtml>