Modeling the Elements of Organizational Culture that Formulate the Design of the Internal Environment of Tourist Enterprises: A Literature Review

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Abstract The negative impact of the COVID-19 pandemic has forced tourist enterprises to adapt the design of their internal environment aiming to syndicate in the best possible way the resources that they hold to develop enterprise capabilities that will enable them to remain competitive. Based on this ascertainment, the purpose of this study is to record, model, and synthesize the most important elements of organizational culture that determines the design of the internal environment of tourist enterprises. To achieve the above objective, this study will follow the method of content analysis of the results of previous research in the fields of Organizational Culture, Organizational Structure, and Organizational Coordination. It has been found that the organizational design of the internal environment of tourist enterprises depends on Formal and Informal Organizational Coordination. The Formal and the Informal Organizational Coordination is in turn determined by seven central variables: Formalization, Standardization, Specialization, Hierarchy of authority, Complexity of Organizational Structure, Willingness of employees to participate in learning processes and Centralization. Each one of these variables is determined by a series of separate elements of the organizational culture of tourism businesses which can be expressed and studied at three layers of depth and degree of observation within an enterprise: shell, mantle, and core. The above findings are characterized by originality and scientific and practical contribution, since at an international level a corresponding attempt to record, model, and synthesize the elements of organizational culture that determine the design of the internal environment of tourist enterprises has not been identified yet.

Keywords Tourist enterprises · Organizational culture · Organizational design organizational structure · Organizational coordination

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1 Introduction

The COVID-19 pandemic (Jones & Comfort, 2020) has forced tourist enterprises to adapt their processes, for example, the sharp decline in demand for the hotel product due to the spread of COVID-19 (Bartik et al., 2020) has forced hotel enterprises worldwide to change the standards of the services they offer (Chan et al., 2021) and to develop innovative products that will strengthen the reduced demand (Seetharaman, 2020). Gursoy and Chi (2020) argue that tourist enterprises have been forced to integrate into their day-to-day operations: implementation of health protocols, usage of personal protective equipment, social distancing, contactless transactions, etc. (Gursoy et al., 2020).

The previous reveal that tourist enterprises have made major changes, to the design of their internal environment aiming to syndicate in the best possible way the resources that they hold to develop enterprise capabilities that will enable them to remain competitive in the COVID-19 pandemic era and beyond (Kakarougkas & Stavrinoudis, 2021). Based on this ascertainment, the purpose of this study is to record, model, and synthesize the most important elements of organizational culture that determine the design of the internal environment of tourist enterprises. To achieve the above objective, this study will follow the method of content analysis (Kleinheksel et al., 2020) of the results of previous research in the fields of Organizational Culture, Organizational Structure, and Organizational Coordination. Following that, the results that will be obtained through this study are characterized by originality and scientific and practical contribution, since at an international level a corresponding attempt to record, model, and synthesize the elements of organizational culture that determine the design of the internal environment of tourist enterprises has not been identified yet.

2 Literature Review

Organizational Culture and Internal Environment of an Enterprise

Organizational culture can be defined as a set of values and beliefs that are deeply rooted in every aspect of an enterprise (Driskill & Brenton, 2010). Organizational culture evolves over time, because the internal, the inter-company and the social environment have great influence on it (Schein, 2010). Following this, it was found that organizational culture can be expressed and studied at three layers of depth and degree of observation within an enterprise. The first layer can be called the shell of organizational culture because it is superficial and easily visible to the observer. It consists of elements such as symbols, routines, artifacts, and behavior patterns. The second layer can be called the mantle of organizational culture because it can be traced to a deeper level and is less visible to the observer. It consists of elements such as values and hidden assumptions. The third layer can be called the core of organizational culture, because it can be identified at the deepest level and is invisible

to the observer. It consists of elements such as basic assumptions and human nature (Argyris, 2012; Hofstede et al., 2010; Schein, 2010; Stavrinoudis & Kakarougkas, 2017b).

In agreement with the above, the bibliographic research showed that a number of researchers and authors (Cameron & Quinn, 2011; Cooke & Rousseau, 1988; Bavik, 2016; Deal & Kennedy, 2000; Handy, 1976; Hofstede & Bond, 1984; Goffee & Jones, 1998; Stavrinoudis & Kakarougkas, 2017a; Weber & Yelidia Tarba, 2012; Yahyagil, 2015) argue that an enterprise's internal environment is determined by a series of elements of organizational culture which are located at the layers of: shell, mantle, and core. These elements are presented in the following table.

Table 1 Elements of organizational culture that compose the internal environment of an enterprise	• Big/small hierarchy (Cameron and Quinn (2011; Cooke & Rousseau, 1988; Deal & Kennedy, 2000; Goffee & Jones, 1998) • Small versus large organizational structure (Weber & Yelidia Tarba, 2012) • Distribution of roles based on gender (Hofstede & Bond, 1984) • Distribution of roles (Weber & Yelidia Tarba, 2012) • Role/hierarchy/position (Handy, 1976) • A person's perception of himself in relation to others (Yahyagil, 2015) • System building/concentration and control of processes (Cameron & Quinn, 2011) • Control/approval (Cooke & Rousseau, 1988) • Attitude toward rules, procedures, and individual autonomy (Yahyagil, 2015) • Degree of autonomy in decision-making (Weber & Yelidia Tarba, 2012) • The relationships between members of an organization (Yahyagil, 2015) • Strong leadership (Goffee & Jones, 1998) • Leadership style/guidance from a leadership figure (Cameron & Quinn, 2011) • Decisiveness, guiding through obstacles/crisis/dynamism (Cameron & Quinn, 2011) • Fast/slow. Decisions (Handy, 1976) • Limited/extensive bureaucracy (Cooke & Rousseau, 1988; Deal & Kennedy, 2000; Handy, 1976) • Many/few rules (Goffee & Jones, 1998; Handy, 1976) • Creativity versus conformity (Cameron & Quinn, 2011; Cooke & Rousseau, 1988) • Routine and predictable procedures/documentation (Cameron & Quinn, 2011) • Procedures (Deal & Kennedy, 2000; Weber & Yelidia Tarba, 2012) • Conventionality/avoidance (Cooke & Rousseau, 1988) • Work norms (Bavik, 2016)

Organizational Design of the Internal Environment of Tourist Enterprises

The organizational design of an enterprise depends on the control and the combination of various elements such as structures, processes, leadership, human resources, and others (Lemus-Aguilar, et al., 2019). The way these elements will be controlled and combined is determined by two central factors: Organizational Structure and Organizational Coordination (Burton & Obel, 2018). Tajeddini and Ratten (2017), emphasize that the Organizational Coordination of a tourist enterprise depends on the arrangements that the management will apply to the Organizational Structure of that enterprises. For this reason, in the text that follows firstly will be analyzed the variables that determine the Organizational Structure of a tourist enterprise and then it will be presented the characteristics of the basic types of Organizational Coordination that can be shaped based on the way these variables have been arranged.

The Variables that Determine the Organizational Structure of a Tourist Enterprise

Organizational Structure according to Burton and Obel (2018) includes the way in which different tasks, roles, and resources are delegated to different people or groups of people within an enterprise. Zakaryaei and Noubar (2016) in agreement with the above, suggest that the Organizational Structure of an enterprise is determined by a series of interdependent and interrelated variables. The first variable is related to the degree of "Formalization" of the work performed by employees. The low degree of formalization allows employees to execute their tasks freely and to develop new ideas, while the high degree of formalization, respectively, provides a small degree of freedom and idea generation to employees, and thus, it can be an obstacle to the development of innovation (Rhee et al., 2017). The second variable is related to the degree of "Standardization" of an enterprise's processes. The high degree of standardization means that the processes of an enterprise are carried out in the same way every time and is a key goal of most modern tourist enterprises in their effort to offer high-quality standardized product and services (Özdemir et al., 2019). The third variable is related to the degree of "Specialization" of an enterprise's processes. The low level of specialization of a tourist enterprise process means that employees are involved in many different tasks resulting in low efficiency due to a high degree of work complexity. On the other hand, a high level of specialization means a low degree of work complexity for employees that usually leads tourist enterprises to a higher rate of efficiency (Zhang, et al., 2020). The fourth variable is related to the concept of "Hierarchy of authority," which aims to define the way power is distributed within an enterprise. Kang and Busser (2018) argue that the hierarchy of authority plays a crucial role in the psychology, the performance, and the behavior of all the employees of a tourist enterprise. This is because the role of each employee and the perception that each employee will gain about his/her role in a tourist enterprise in relation to the roles of other employees, depends on the position of each employee in the tourist enterprise hierarchy and the typical rules that govern the employees' roles inside the tourist enterprise (Lu et al., 2016). The fifth variable relates to the degree of "Complexity" of the Organizational Structure and is divided into vertical and horizontal. Vertical complexity within an enterprise is

characterized by the distribution of different employees' roles at many hierarchical levels—vertical formal organization (Kanter, 2019). While horizontal complexity within an enterprise is characterized by the distribution of different employees' roles at minimal hierarchical levels—flat formal organization (Zhao, 2017). The sixth variable relates to the increased or decreased "Willingness of employees to participate in learning processes" that will allow them to develop new skills and knowledge, in their effort to adjust to the demands of the contemporary competitive organizational environment. Guliyev et al. (2019) argue that the employment of employees that are willing to develop new skills and knowledge is a prerequisite for improving the operations of a tourist enterprise. The seventh variable is connected to the degree of "Centralization" of the decision-making powers. Cain et al. (2018) suggest that tourist enterprises with a high degree of centralized decision-making powers are usually characterized by a strong vertical formal organization with many hierarchical levels, strict rules, control, and bureaucracy, while tourist enterprises with a low degree of centralization of the decision-making powers are characterized by a flat formal organization with few hierarchical levels, loose rules, minimal control, and bureaucracy.

The Basic Types of Organizational Coordination of a Tourist Enterprise

According to Yusupova and Pozdeeva (2018), Organizational Coordination is linked to the way a tourist enterprise's different resources (tangible, intangible, and human), are coordinated to develop organizational capabilities that will lead to the provision of high-quality touristic services. Burton and Obel (2018) suggest that the effectiveness and the type of the Organizational Coordination are based on enterprise communication, leadership, routines, and processes and generally the management style that an enterprise follows in relation to the Organizational Structure design. Tajeddini and Ratten (2017) argue that two central types of Organizational Coordination can be formulated based on the arrangements that management will apply to the elements that determine the Organizational Structure of a tourist enterprise. The first central type of Organizational Coordination can be called "Informal Organizational Coordination" because it favors the free communication and exchange of ideas between employees by minimizing bureaucratic and hierarchical restrictions (Biron et al., 2020). For this reason, Organizational Coordination of this type presupposes an Organizational Structure characterized by low formalization, specialization and centralization, minimal bureaucracy, flat hierarchical organization, and employees with enhanced need of developing new skills and knowledge (Nielsen, et al., 2019). This type of Organizational Coordination seeks to achieve a competitive advantage by developing organizational capabilities focusing mainly on the development of innovating products and services and less on cost savings (Kaliappen & Hilman, 2017).

On the other hand, there are tourist enterprises whose Organizational Structure is characterized by: high level of specialization, vertical complexity, centralized decision-making powers, extensive bureaucracy, and employees that seek work duties stability at the expense of developing new skills and knowledge (Tajeddini & Ratten, 2017). Enterprises with these characteristics are likely to develop a "Formal Organizational Coordination" that can be characterized as highly controlled stable

and formal with vertical hierarchy of authority (Jogaratnam & Tse, 2006). As a result, tourist enterprises with this type of Organizational Coordination seek to gain a competitive advantage by developing organizational capabilities focused mainly on cost savings procedures and less on innovation development (Kaliappen & Hilman, 2017).

3 Methodology

The writing of this study was carried out in three stages and followed the method of content analysis (Kleinheksel et al., 2020) of the findings of previous scientific research in the fields of Organizational Culture, Organizational Structure, and Organizational Coordination. In the first stage, the concept of organizational culture was analyzed and the elements that determine the internal environment of tourism enterprises were identified. In the second stage, the two central factors that determine the design of the internal environment of enterprises were analyzed. Those factors are: Organizational Structure and Organizational Coordination. In the third stage, the findings of the two previous stages were unified and synthesized in a unique way that led to the formation of Table 2: the modeling of the organizational culture elements that determine the organizational design of the internal environment of tourist enterprises.

4 Conclusions

The purpose of this study was to record, synthesize, and model the basic elements of organizational culture that determines the design of the internal environment of tourism businesses. To achieve this goal, the method of content analysis of the results of previous research in the fields of Organizational Culture, Organizational Structure and Organizational Coordination was used. In this way, Table 2 was created: The modeling of the organizational culture elements that determine the organizational design of the internal environment of tourist enterprises (See the following page). The study of Table 2 reveals that the organizational design of the internal environment of tourist enterprises depends on Formal and Informal Organizational Coordination. The Formal and the Informal Organizational Coordination is in turn determined by seven central variables: Formalization, Standardization, Specialization, Hierarchy of authority, Complexity of Organizational Structure, Willingness of employees to participate in learning processes and Centralization. Each one of these variables is determined by a series of separate elements of the organizational culture of tourism enterprises which can be expressed and studied at three layers of depth and degree of observation within an enterprise: shell, mantle, and core.

Table 2 The modeling of the organizational culture elements that determine the organizational design of the internal environment of tourist enterprises

Formal organizational coordination: highly controlled stable and with vertical hierarchy of authority				Informal organizational coordination: free communication and exchange of ideas between employees by minimizing bureaucratic and hierarchical restrictions		
Formalization	Standardization	Specialization	Hierarchy of authority	Complexity of organizational structure	Willingness of employees to participate in learning processes	Centralization
• System building/ concentration and control of processes • Control/approval • Attitude toward rules, procedures, and individual autonomy • Limited/extensive Bureaucracy • Many/few rules	• Creativity versus conformity • Routine and predictable procedures/ documentation • Procedures • Work norms	• Distribution of roles based on gender • Distribution of roles	• A person's perception of himself in relation to others • The relationships between members of an organization	• Big/small hierarchy • Role/hierarchy/ position • Business size • Small versus large organizational structure	• Convention-ality/ avoidance	• Strong leadership • Leadership style/guidance from a leadership figure • Decisiveness, Guiding through obstacles/crisis/dynamism • Decisions (fast/slow) • Degree of autonomy in decision-making

The above findings at a scientific level retain elements of originality since at an international level a similar synthesis and modeling of the elements of the organizational culture that determines the internal environment of tourist enterprises has not been carried out. Therefore, the results of this study can be used as a steppingstone to carry out other research in the field of the design of the internal environment of tourism enterprises in the future. But also on a practical level, the findings of this study are particularly useful, since managers of tourist enterprises can use Table 2 to identify the elements and the variables that determine the design of the internal environment of the enterprises they work for in the case they will want to intervene in it.

An important limitation of this study is the fact that its results have been derived exclusively from the content analysis of previous research and not from field research. Therefore, in the future the results of this study could be verified through field research.

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