

## The Cultural Profile of Start-up in Algeria: Between Reality and Preference

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### Abstract:

This study aims to identify the currently dominant cultural profile in Algerian start-ups focused on exportation activities. By using the Organizational Culture Assessment Instrument (OCAI), the study also seeks to predict the cultural orientation that the managers of these organizations perceive as necessary to develop in order to meet the demands of the international business environment.

Based on research conducted on a sample of 125 Algerian startups, the results revealed the prevalence of a clan-oriented culture emphasizing values of human flexibility and organizational commitment. However, the future perspective for these studied startups leans towards an entrepreneurial Adhocratic organizational culture, characterized by flexibility, adaptability, and a predisposition for innovation.

**Keywords:** Start-up, Organizational Culture, Cultural Profile.

**JEL Classification Codes :** M16, M14

## 1. INTRODUCTION

Culture is a management tool that could facilitate change and the reconfiguration of company structures within an organizational environment. To ensure coherence within the company, the latter needs an appropriate organizational culture that will be felt at all levels of the company and will be an asset to its growth, becoming a common denominator for all its

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members. A strong organizational culture also enables addressing opportunities and challenges through a shared vision and attitude, thus achieving its objectives. Researchers have identified different types of organizational culture based on the nature, form, or size of the organization (Merve et al., 2015). Ledimo (2013, p.89) states that "organizational managers need to determine which type of culture will reflect the organizational values and vision, identify the appropriate behavior to shape such a culture, and then develop a strategy to instill these behaviors throughout the organization." This concern has set a diversified framework for studying and diagnosing it within organizations and, furthermore, to discover the desired organizational culture to be developed in the future, in order to understand the level of alignment and disparity between observed cultural values and those intended to be developed in the future (Fyock, 1999). This concern led us to formulate the following questioning: **"Is there a difference between the current organizational culture and the desired culture within Algerian startups?"**

**Study hypotheses:** Based on the context and objectives adopted for this study, we formulate the following hypotheses:

- a) Algerian startups oriented towards exportation operate according to a "market" cultural orientation.
- b) There is a significant difference between the existing organizational culture and the preferred culture of the studied Algerian startups.

**Study objectives:**

- a) The primary objective of this study is to identify the most dominant cultural model within the cultural orientation of the studied startups.
- b) The secondary objective is to Forecast the cultural model that the studied startups aim to develop in order to conquer the international market.

## **2. Literature Review**

The necessity for companies to align with a philosophical approach to organizational management and the choice of strategies to adopt lies in the selection of an adopted cultural model. In this perspective, a variety of models and attributes of organizational culture have been proposed over the

past two decades. However, in order to narrow down the scope of our approach, we have chosen the (Competing Values Framework) model, which has proven to be significant and extremely useful for organizing and interpreting a wide range of organizational phenomena. The typology of competing values by Cameron and Quinn (1999) is one of the most widely used in the literature to describe and categorize organizational cultures (Cameron and Quinn, De Graff & Thakor, 2022).

## **2.1 Organizational Culture:**

The first researcher to use the term "culture" to describe an organization was Jaques Elio (1951) in his work at the Tavistock Institute, in his book titled "The Changing Culture of a Factory" published in 1951. However, the concept did not gain significant traction until the 1980s following the dissemination of the book "In Search of Excellence" by Peters & Waterman in 1982. Indeed, the literature has identified over 54 definitions of organizational culture between 1960 and 1993 (Meier & Schier, 2008). The following table presents some definitions:

**Table 01: Some Definitions of Organizational Culture**

| <b>Author and Year</b>  | <b>Definitions</b>                                                                                                                                                                                                                      |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Schein (2010, p.11)     | "The set of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration."                                                         |
| Bournoi, (1996)         | "A framework of thought, a relatively organized system of values and rules that are shared by all stakeholders in the company. It encompasses values, beliefs, attitudes, and norms common to those who work in the same organization." |
| Devillard et Rey (2008) | "Organizational culture symbolizes the climate, image, and ideology of the company. It encompasses both the formal and informal organization of the company, also referred to as 'shared visions within the company'."                  |

**Source:** Compiled by the authors.

From these definitions of organizational culture, it is possible to derive a synthesized definition: that refers to a system of shared values, beliefs, and norms among members, transmitted to newcomers, with its primary effect lying in achieving objectives and addressing various organizational issues. It is, therefore, a means of aligning individuals in the same direction, enabling them to effectively combat environmental ambiguity.

## **2.2. Startup: What Is It ?**

Article 11 of Executive Decree N°. 20-254 dated September 15, 2020, concerning the "*establishment of the national committee for the labeling of startups, innovative projects, and incubators, and setting its missions, composition, and functioning*," defines a startup as each Algerian legal entity that meets the following criteria:

- The company must not have existed for more than 8 years;
- The company's business model must be based on innovative products, services, business models, or any other innovative concept;
- The annual turnover must not exceed the amount set by the national committee;
- At least 50% of the share capital must be held by individuals, approved investment funds, or other companies with startup labeling;
- The growth potential of the company must be significant;
- The company must not have more than 250 employees.

Based on these criteria, a startup can be defined as an agile entity that must have the ability to quickly adapt to its environment and its changes.

## **3. Corporate Culture: Measurement and Typology**

Studies related to organizational culture can be divided into two categories: correlational studies and taxonomical studies (Alya, 2015). Correlational studies aim to highlight the relationship between corporate culture and other variables (Appelbaum et al., 2004; Lund, 2003). On the other hand, taxonomical studies aim to establish a typology of corporate cultures. From these studies, two types of typological models for classifying organizational cultures emerge:

- 1) Matrix models resulting from the pairing of two independent variables.
- 2) Non-matrix models involve either a random classification or positioning along a single variable continuum (Alya, 2015).

To illustrate, various classifications will be presented below.

**Table 02: Summary of Key Models of Cultural Analysis**

|                            | <b>Culture Classification</b>                          | <b>Characteristics</b>                                | <b>Values</b>                                                                   |
|----------------------------|--------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------------------|
| Hellriegel et al., (2004)  | Bureaucratic                                           | Internal focus, stable control                        | Rules, hierarchical coordination, predictability, stability                     |
|                            | Clan                                                   | Internal focus, flexible control                      | Teamwork, participation, consensus, decision-making, loyalty                    |
|                            | Entrepreneurial                                        | External focus, flexible control                      | Dynamism, creativity, risk-taking                                               |
|                            | Market                                                 | External focus, stable control                        | Achieving measurable market-driven objectives                                   |
| Deal and Kennedy (1988)    | The work hard/ Play hard culture (operational culture) | Low risk, fast feedback                               | Enthusiastic work                                                               |
|                            | Process                                                | Low risk, slow feedback                               | Attention to detail, focus on how things are done                               |
|                            | The Tough Guy /Macho (Daredevil Culture)               | High risk, low feedback                               | Personal achievement, individual capability to meet organizational goals        |
|                            | The-Bet-Your Company (Prudent Culture)                 | High risk, fast feedback                              | Technical skills and expertise                                                  |
| Rowe et al., (1994)        | Productive Culture                                     | Change resistance, technical orientation, performance | Efficiency, consistency within the organization                                 |
|                            | Quality Culture                                        | Change acceptance, technical orientation, achievement | Effective problem-solving planning                                              |
|                            | Creative Culture                                       | Change initiation, social orientation                 | Innovation and entrepreneurship                                                 |
|                            | Supportive Culture                                     | Change response, performance and social orientation   | Teamwork, cooperation, reinforcement                                            |
| Harrison And Stokes (1992) | Power Culture                                          | Based on power                                        | Power-holders have authority over decision-making                               |
|                            | Role Culture                                           | Based on structure                                    | Adherence to laws, regulations, and job instructions                            |
|                            | Achievement Culture                                    | Based on skills                                       | Shared objectives and missions                                                  |
|                            | Support Culture                                        | Based on relationships                                | Trust between employees and the organization, employees valued as human capital |

**Source:** Compiled by the authors.

In the present study, the chosen theoretical approach to define the profile of organizational culture is the Competing Values Framework by Cameron and Quinn (1999). This typology has been widely utilized in various theoretical propositions and empirical studies (Cherchem and Fayolle, 2010; Dextras-Gauthier & Marchand, 2016; Cameron et Quinn, De Graff, & Thakor, 2022). Following Cameron and Quinn's typology (1999), the Organizational Culture Assessment Instrument (OCAI) is based on three dimensions:

- 1) The first dimension describes the extremes of flexibility, focusing on discretion and dynamism, and control, which emphasizes order and stability.
- 2) The second dimension reflects the extremes of internal orientation, integration, differentiation, and rivalry.
- 3) The third dimension summarizes the extremes of organizational focus on means versus ends (Simamora and Jerry, 2013).

Based on these three dimensions, six key facets of organizational subsystems are diagnosed, namely Dominant Characteristics, Organizational Leadership, Employee Management, Organizational Cohesion, Strategic Efforts, and Success Criteria. Cameron and Quinn merge these subsystems to establish four cultural types mentioned above. These cultural types are depicted in the following figure:

**Figure 1: Crop types according to the Cameron and Quinn model**

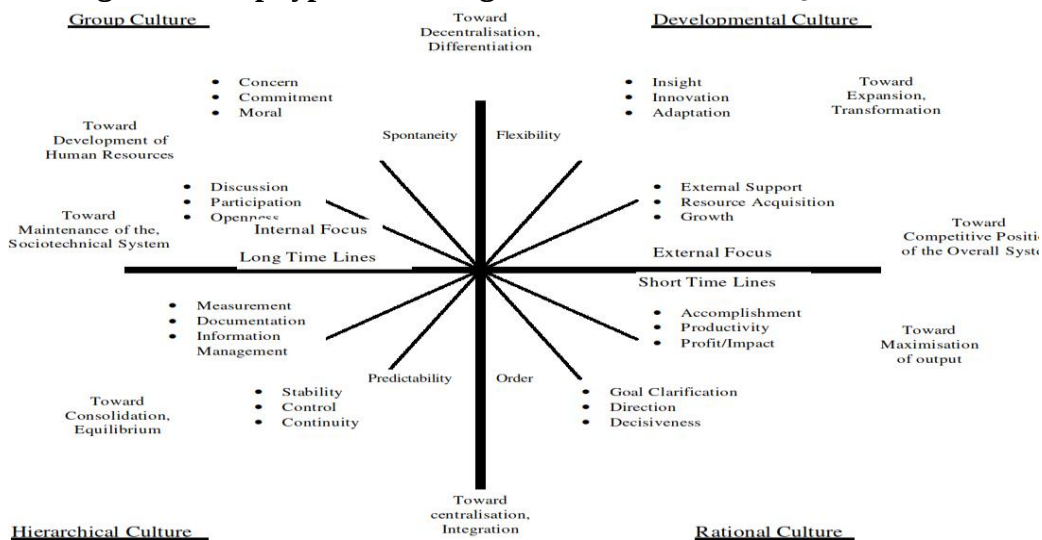


**Figure 1.** Competing values framework of culture.  
Source: Quinn (1988).

### **3.1. Clan Culture (groupal)**

This type is referred to as "clan" due to its resemblance to a family-oriented organization, where interpersonal relationships extend well beyond the boundaries of work. Characteristics of clan-oriented companies include teamwork, shared values, cooperation, and recognition (Quinn, 2011). Some underlying assumptions within a clan culture hold that the environment can be better managed through teamwork and employee development. Customers are viewed as partners, and the primary task of management is to empower employees and facilitate their involvement, commitment, and loyalty. These characteristics align with the human relations school of thought (Argyris, 1964). The success of this organizational type is assumed to depend on teamwork, participatory decision-making, and consensus, along with employees' responsiveness to customers. This type of culture is akin to the collaborative, team-oriented organizational culture identified by O'Reilly et al. (1991).

### **3.2. Adhocratic (Entrepreneurial) Culture:**

The primary aim of an adhocracy is to foster adaptability, flexibility, and creativity. Uncertainty, ambiguity, and information overload are characteristics of this type of organization. Such organizations stand out through their emphasis on creativity, experimentation, and individualism. Adhocratic culture is more competitive and differentiation-oriented (Cherchem and Fayolle, 2010). Power is decentralized downwards (Cameron and Quinn, 1999), and decision-makers in these enterprises are visionaries, innovators, and risk-takers (Cherchem and Fayolle, 2010). According to O'Reilly et al. (1991), this culture aligns with the innovative and risk-inclined organizational culture, emphasizing individuality, risk-taking, and anticipation of the future (Quinn and Cameron, 2006). In essence, the adhocracy culture, as assessed in the OCAI, is characterized by a dynamic, entrepreneurial, and creative work environment.

### **3.3. Hierarchy Culture:**

This type of culture is characterized by a mechanistic structure (Cherchem and Fayolle, 2010). Values such as stability, specific task division, formalism in rules, and decision control form the organization's formal regulations and policies (Cloutier and Marchand, 2016). The organizational culture

compatible with this form (as assessed in the OCAI) is marked by a formal and structured approach to the workplace. Procedures dictate what people do. Leaders excel at coordination and organization, and the organization's long-term concerns are stability, predictability, and efficiency. In human resource management, this configuration prioritizes job security and predictability (Cameron & Quinn, 2006). Ultimately, the hierarchy culture aligns with the decision-making organizational culture outlined by O'Reilly et al. (1991).

### **3.4. Market Culture:**

Oliver Williamson (1975) and Bill Ouchi (1981) identified an alternative set of activities serving as the foundation for organizational efficiency, referred to as a form of organization known as the market, oriented towards the external environment rather than internal matters. This orientation primarily operates through mechanisms of the economic market. Exchange distinguishes outcome-oriented organizations through production maximization (Cherchem and Fayolle, 2010). In other words, the primary aim of this model is to create a competitive advantage, emphasizing performance, control, and achieving organizational objectives (Cameron & Quinn, 2006). The dominant values in market-oriented organizations include competitiveness, profitability, and rational decision-making (Cherchem and Fayolle, 2010). Fundamental assumptions within a market culture suggest that the environment is not benign but rather hostile. A market culture, as evaluated in the OCAI, is results-oriented.

## **4. Methodology:**

### **4.1. Presentation of the Research Context**

In this section, we begin by introducing our research context and target population. Then, we describe our sample, measurement instrument, and variables of our research model. Finally, we discuss the results. Our research was conducted During the African Import-Export Exhibition (IMPEX 2023). More than 250 exhibitors, including 205 Algerians and representatives from over 12 African countries, participated in the event held at the International Conference Center (ICC) in Algiers. The event brought together operators from various sectors such as information technology solutions, industry, tourism, agriculture, logistics, agri-food, pharmaceuticals, insurance, and

others. The survey is based on a quantitative method, utilizing a questionnaire. Information about Algerian startups is gathered from sources such as the Algerian National Agency for Investment Development, the National Agency for the Promotion of Foreign Trade "ALGEX," and the "ALGERIAN STARTUP FUND" (ASF) database.

#### **4.2. Sample Characteristics:**

The population under study consists of Algerian startups dedicated to export activities. A questionnaire was distributed to 150 startups operating in various sectors. Following the questionnaire administration, 125 usable questionnaires were collected and their characteristics are presented in the following table:

**Table 03: characteristics of the sample**

| Gender              | Man          | Women     |         |                 |           |        | Total |
|---------------------|--------------|-----------|---------|-----------------|-----------|--------|-------|
|                     | 102          | 23        |         |                 |           |        | 125   |
| %                   | 81,6 %       | 18,4 %    |         |                 |           |        | 100%  |
| Manager's age       | - 25 years   | 26-35     | 36-45   | 46-55           | +56 years | Total  |       |
|                     | 23           | 39        | 33      | 24              | 06        | 125    |       |
| %                   | 18,4 %       | 31,2 %    | 26,4 %  | 19,2 %          | 4,8 %     | 100%   |       |
| Educational level   | secondary    | Bac       | Licence | Master and more |           | Total  |       |
|                     | 22           | 24        | 45      | 34              |           | 125    |       |
| %                   | 17,6%        | 19,2%     | 36%     | 27,2 %          |           | 100%   |       |
| Company age         | -2 years     | [2 -4[    | [4-6[   | [6-8] years     |           | Total  |       |
|                     | 14           | 29        | 44      | 38              |           | 125    |       |
| %                   | 11,2%        | 23,2%     | 35,2%   | 30,4%           |           | 100%   |       |
| Region of activity  | East         | Center    | West    | South           |           | Total  |       |
|                     | 33           | 46        | 27      | 19              |           | 125    |       |
| %                   | 26,4 %       | 36,8%     | 21,6%   | 15,2%           |           | 100%   |       |
| Size of the company | -10Employees | 10 -49    | 50-249  |                 |           |        | Total |
|                     | 69           | 56        | 00      |                 |           |        | 125   |
| %                   | 55,2         | 44,8%     | 00      |                 |           |        | 100%  |
| Sector Activities   | IT           | logistics | Tourism | Heath           | Energy    | Others | Total |
|                     | 27           | 17        | 23      | 16              | 12        | 30     | 125   |
|                     | 21,6%        | 13,6%     | 18,4%   | 12,8 %          | 9,6%      | 24%    | 100%  |

**Source:** compiled by us from SPSS.

The sample comprises 102 males (81.6%) and 23 females (18.4%), with a prevailing male representation due to their inclination towards risk-taking and international market expansion through exports. The age distribution is as follows: 18.4% of respondents are under 25 years old, 31.2% are between 26-35 years old, 26.4% fall within the 36-45 age range, 19.2% are aged 46-55, and 4.8% are 56 years or older. Notably, 63.2% of our respondents have a university-level education, while 17% have secondary education. Furthermore, we observe that 11.2% of the surveyed startups have been in existence for less than 2 years, 23.2% have been operating for 2 to 4 years, 35.2% have been in business for 4 to 6 years, and 30.4% have been established for 6 to 8 years. Meanwhile, companies that surpass 8 years of existence will systematically lose the startup label. However, the majority of startups operate in the central region, where development and financing opportunities are very high, accounting for 36.8%, followed by 26.4% in the East, 21.6% in the West, and only 15.2% in the southern region of Algeria, primarily in the tourism sector. Regarding the size of startups, 55.2% have fewer than 10 employees (micro-enterprises), as they belong to the ICT and service sectors where workforce needs are minimal. In contrast, 44.8% have between 10 and 49 employees, and none have more than 50 employees, as beyond 50 employees, a startup takes on a different legal form, becoming a Small or Medium-sized Enterprise (SME). It's also worth noting that 21.6% of the studied startups operate in the field of Information and Communication Technology (ICT), followed by the tourism sector at 18%. Sectors like logistics, healthcare, and energy have relatively lower representation. Additionally, 24% of the sample covers various sectors such as agri-food, industry, construction and infrastructure, fisheries, and others.

### **4.3. Measurement Instrument:**

The Organizational Culture Assessment Instrument (OCAI) is based on a theoretical model known as the Competing Values Framework. The instrument takes the form of a questionnaire that prompts individuals to respond to six dimensions: Dominant Characteristics, Organizational Leadership, Management of Employees, Organizational Glue, Strategic Emphases, and Criteria of Success. Each of these dimensions has four

alternatives (A = Clan Culture, B = Adhocratic Culture, C = Market Culture, D = Hierarchy Culture).

Individuals completing the OCAI are asked to allocate 100 points among the four options for each dimension based on how closely each alternative aligns with their organization. Calculating OCAI scores involves straight forward arithmetic calculations. In the first step, an average score for alternative A is calculated in the "current" column by adding all the responses and dividing by 6. This calculation is repeated for alternatives B, C, and D. In the second step, the calculation is repeated for each alternative in the "preferred" or "future" column. Once the scores are determined, the averages are plotted on a radar chart consisting of four quadrants, with a scale ranging from 0 to 100 and intervals of 05. These four quadrants represent the strength of each culture type for both current and future situations as perceived by the organization. An illustrative example is presented in the following table

**Table 04: Summary of cultural alternatives and their dimensions**

| Dimensions                    | Number of items | Alternatives                                                            | Instrument Source       |
|-------------------------------|-----------------|-------------------------------------------------------------------------|-------------------------|
| Dominant characteristics      | 04              | A = Clan<br><br>B = Adhocracy<br><br>C = Market<br><br>D = Hiérarchical | (Cameron & Quinn, 1999) |
| Organizational Leadership     | 04              |                                                                         |                         |
| Management of employees       | 04              |                                                                         |                         |
| Organization 'glue'           | 04              |                                                                         |                         |
| Strategic Emphases            | 04              |                                                                         |                         |
| Criteria of Success           | 04              |                                                                         |                         |
| L'instrument of mesure (OCAI) | 24              |                                                                         |                         |

**Source:**(Cameron & Quinn, 1999).

#### **4.4. Validity and Reliability of the Instrument:**

Cameron & Quinn (1999) provided evidence of the validity of the OCAI in their study of organizational culture in 334 organizations, along with the reliability of the scales used in the questionnaire. The coefficient of internal consistency was calculated for both current and preferred situations using Cronbach's Alpha coefficient. For reference, the OCAI has been used in several studies to predict the cultural orientation of businesses, and the average reliability coefficients were high, as observed in studies by (Román-Velázquez, 2005; Zaheer, Rehman, & Ahmad, 2006; Quinn, 2011). The following table presents Cronbach's alpha coefficients in comparison to some previous studies:

**Table 05: Reliability Coefficients of OCAI Dimensions**

| Culture Type        | Number of Items | Cronbach's Alpha |                    | Previous studies (Reliability test) |                         |
|---------------------|-----------------|------------------|--------------------|-------------------------------------|-------------------------|
|                     |                 | Current position | Preferred Position | (Cameron& Quinn,1999)               | (Román-Velázquez, 2005) |
| Clan Culture A      | 06              | 0,69             | 0,76               | 0,79                                | 0,76                    |
| Adhocracy Culture B | 06              | 0,75             | 0,81               | 0,76                                | 0,73                    |
| Market Culture C    | 06              | 0,81             | 0,86               | 0,80                                | 0,85                    |
| Hierarchy Culture D | 06              | 0,79             | 0,84               | 0,77                                | 0,79                    |

**Source:** compiled by us from SPSS.

Each coefficient was statistically significant and satisfactory according to the usual reliability standards. The alpha values range from 0.69 to 0.81 for the current position and between 0.76 and 0.86 for the preferred or future position. In other words, respondents tended to assess their organization's culture consistently across the various questions in the instrument.

## 5. RESULTS AND DISCUSSION:

In the following tables, we present the mean scores of the alternatives for each cultural model, which we obtained from the collected data.

**Table 06 : Clan culture characteristics (A) :**

| Axes                             | Clan Culture (A)                                                                                                                            | Current State |       | Preferred State |       |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|-----------------|-------|
|                                  |                                                                                                                                             | Mean          | S D   | Mean            | SD    |
| <b>Dominant Characteristics</b>  | The organization is a very personal place. It is like an extended family. People seem to share a lot of themselves.                         | 31,89         | 14,58 | 17,71           | 17,37 |
| <b>Organizational Leadership</b> | The leadership in the organization is generally considered to exemplify mentoring, facilitating, or nurturing                               | 32,71         | 18,75 | 22,26           | 18,62 |
| <b>Management of Employees</b>   | The management style in the organization is characterized by teamwork, consensus and participation.                                         | 30,71         | 17,90 | 25,64           | 22,62 |
| <b>Organization 'glue'</b>       | The glue that holds the organization together is loyalty and mutual trust. Commitment to this organization runs high.                       | <b>37,07</b>  | 21,46 | 20,26           | 21,61 |
| <b>Strategic Emphases</b>        | The organization emphasizes human development. High trust, openness, and participation persist.                                             | 32,34         | 19,27 | 28,09           | 19,44 |
| <b>Criteria of Success</b>       | The organization defines success on the basis of the development of human resources, teamwork, employee commitment, and concern for people. | 29,32         | 15,56 | 18,58           | 17,61 |
| <b>Clan Culture (A)</b>          |                                                                                                                                             | <b>32, 34</b> | 14,31 | <b>22,09</b>    | 19,58 |

**Source:** compiled by us from SPSS.

Based on the table above, we can observe that the responses provided to questions related to the clan-oriented culture in the current state of startups

vary between 29% and 38%. We also notice that the level of ownership of mutual trust, loyalty, and organizational commitment is very high, with an arithmetic mean of 37.07 and a standard deviation of 21.46. The table indicates that the current group-oriented organizational culture has achieved an arithmetic mean of 32.34 and a standard deviation of 14.31. However, in the future, this type of culture is not envisaged by the managers of the studied startups, as it is preferred with only an average of 22.09 and a standard deviation of 19.58. Leadership, teamwork, and a paternalistic management style are not attractive or feasible characteristics in the cultural orientations of the surveyed managers.

**Table 07: Characteristics of Adhocratic Culture B):**

| Axes                             | Culture Adhocratique (B)                                                                                                                         | Current State |       | Preferred State |       |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|-----------------|-------|
|                                  |                                                                                                                                                  | Mean          | S D   | Mean            | S D   |
| <b>Dominant Characteristics</b>  | The organization is a very dynamic and entrepreneurial place. People are willing to stick their necks out and take risks.                        | 21,45         | 13,92 | <b>39,71</b>    | 21,40 |
| <b>Organizational Leadership</b> | The leadership in the organization is generally considered to exemplify entrepreneurship, innovation, or risk taking.                            | 15,91         | 11,02 | 28,64           | 17,85 |
| <b>Management of Employees</b>   | The management style in the organization is characterized by individual risk taking, innovation, freedom, and uniqueness.                        | 19,09         | 9, 39 | 30,79           | 12,52 |
| <b>Organization 'glue'</b>       | The glue that holds the organization together is commitment to innovation and development. There is an emphasis on being on the cutting edge.    | 16,46         | 12,84 | 34,44           | 20,19 |
| <b>Strategic Emphases</b>        | The organization emphasizes acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued. | 22,07         | 14,85 | 26,21           | 19,58 |
| <b>Criteria of Success</b>       | The organization defines success on the basis of having the most unique or newest products. It is a product leader and innovator.                | 21,43         | 12,69 | 33,99           | 11,67 |
| <b>Adhocracy Culture (B)</b>     |                                                                                                                                                  | <b>19,40</b>  | 12,87 | <b>32,29</b>    | 14,23 |

**Source:** Created by us using SPSS.

From Table 07, it is evident that the startups in our sample have a less significant adoption of the adhocratic culture in their current state, with an average of 19.4 and a standard deviation of 12.87. Acquiring new resources and seeking opportunities are the primary concerns of these companies, with an average of 22.07 and a standard deviation of 14.85. We also observe a lack of risk-taking and innovation in these startups, with averages of 21.45 and 16.46, respectively. These scores can be explained by the novelty of these

entities and the managers' uncertainty about this type of culture. However, in the desired "future" orientation, the Adhocratic Culture is highly considered by the studied startups, with an arithmetic mean of 32.29 and a standard deviation of 14.23. This configuration attracts managers due to its dynamic and entrepreneurial characteristics. The workers are willing to take risks with an average of 39.71, followed by aspects of innovation and orientation towards technology with an average of 34.44 and a standard deviation of 20.19.

**Table 08: Characteristics of Market Culture C**

| Axes                             | Market Culture (C)                                                                                                                                | Current State |       | Preferred State |       |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|-----------------|-------|
|                                  |                                                                                                                                                   | Mean          | S D   | Mean            | S D   |
| <b>Dominant Characteristics</b>  | The organization is very results-oriented. A major concern is with getting the job done. People are very competitive and achievement- oriented.   | 27,36         | 15,37 | 28,57           | 25,91 |
| <b>Organizational Leadership</b> | The leadership in the organization is generally considered to exemplify a no-nonsense, aggressive, results-oriented focus.                        | 21,35         | 12,45 | 24,19           | 16,05 |
| <b>Management of Employees</b>   | The management style in the organization is characterized by hard-driving competitiveness, high demands, and achievement.                         | 23,42         | 11,62 | 24,26           | 19,29 |
| <b>Organization 'glue'</b>       | The glue that the organization together is the emphasizes on achievement and goal accomplishment                                                  | 14,99         | 11,69 | 24,61           | 13,34 |
| <b>Strategic Emphases</b>        | The organization emphasizes competitive actions and achievement. Hitting stretch targets and winning in the marketplace are dominant.             | 26,98         | 9,66  | 26,51           | 13,26 |
| <b>Criteria of Success</b>       | The organization defines success on the basis of winning in the market place and outpacing the competition. Competitive market leadership is Key. | 25,89         | 12,69 | 25,79           | 11,67 |
| <b>Market Culture (C)</b>        |                                                                                                                                                   | 23,33         | 9,45  | 25,65           | 14,88 |

**Source:** Created by us using SPSS

From Table 08, it is evident that there is a consensus around the choice of a market-type culture, with an average of 23.33 for the current state and 25.65 for the future state. This profile does not seem attractive for startup-type companies. Gaining a share in the market and remaining competitive constitute the fundamental orientation of these entities, with arithmetic means of 27.36 and 28.57 respectively for the current and future profiles of these startups. The only dimension that is desired to be developed in the

future is the focus on achieving goals to ensure organizational uniqueness. This orientation has transitioned from an average of 14.99 in the current state to 24.61 in the preferred state.

**Table 09: Characteristics of the Hierarchy Culture (D):**

| Axes                             | Hiérarchical Culture (D)                                                                                                                         | Current State |              | Preferred State |              |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|-----------------|--------------|
|                                  |                                                                                                                                                  | Mean          | S D          | Mean            | S D          |
| <b>Dominant Characteristics</b>  | The organization is a very controlled and structured place. Formal procedures generally govern what people do.                                   | 19,29         | 20,34        | 14,91           | 13,41        |
| <b>Organizational Leadership</b> | The leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency.                  | 30,11         | 13,59        | 25,01           | 22,19        |
| <b>Management of Employees</b>   | The management style in the organization is characterized by security of employment, conformity, predictability, and stability in relationships. | 26,91         | 17,99        | 19,31           | 16,11        |
| <b>Organization 'glue'</b>       | The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important.              | 31,51         | 20,02        | 20,79           | 18,89        |
| <b>Strategic Emphases</b>        | The organization emphasizes permanence and stability. Efficiency, control, and smooth operations are important.                                  | 18,66         | 17,55        | 19,31           | 18,98        |
| <b>Criteria of Success</b>       | The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling, and low-cost production are critical.       | 23,39         | 15,69        | 21,69           | 21,61        |
| <b>Hiérarchical Culture (D)</b>  |                                                                                                                                                  | <b>24,97</b>  | <b>19,78</b> | <b>20, 17</b>   | <b>17,49</b> |

**Source:** compiled by us from SPSS.

The table above clearly indicates that the managers of the studied startups attach significant importance to a hierarchical-type organizational culture, with an average of 24.97 and a standard deviation of 19.78. The dominant current culture is characterized by coordination, smooth functioning, and maintaining the organization's smooth operations, with an average exceeding 31.5. Performance, stability, and control remain non-essential activities for the studied startups, with an average of 18.66 and a standard deviation of 17.55. However, the hierarchical-type culture is not a desired choice for future development among the studied companies, with only an average of 20.19 and a standard deviation of 17.49. This type of profile is not compatible with the future orientations of startup-type companies because formal procedures, compliance, and a management style characterized by job

security, with averages of 14.91 and 19.31 respectively, do not seem to be strategic choices for the development of startups.

**Table 10: Results on the current and preferred organizational culture of the startups studied.**

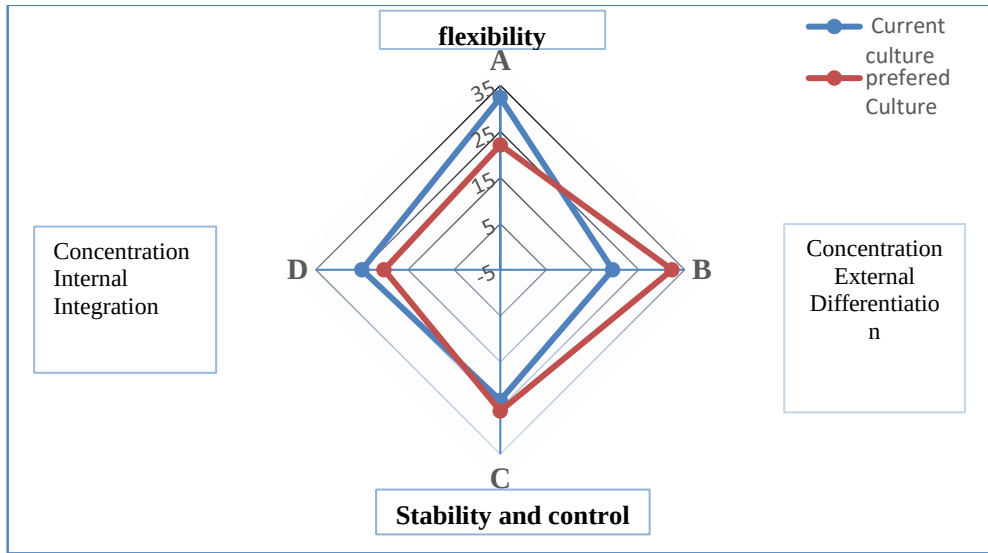
| Current culture        |               |       | Preferred culture            |              |       |
|------------------------|---------------|-------|------------------------------|--------------|-------|
| Category of culture    | Mean          | SD    | Category of culture          | Mean         | SD    |
| <b>Clan Culture(A)</b> | <b>32, 34</b> | 14,31 | Clan Culture(A)              | 22,09        | 19,58 |
| Adhocracy Culture (B)  | 19,40         | 12,87 | <b>Adhocracy Culture (B)</b> | <b>32,29</b> | 14,23 |
| Market Culture (C)     | 23,33         | 9,45  | Market Culture (C)           | 25,65        | 14,88 |
| Hiérarchy Culture (D)  | 24,97         | 19,78 | Hiérarchy Culture (D)        | 20, 17       | 17,49 |

**Source:** compiled by us from SPSS.

The above table indicates that the currently dominant organizational culture in the studied startups is the clan culture, with a mean of 32.34, followed by hierarchy and market cultures with means of 24.97 and 23.33, respectively. Adhocratic culture comes in last with a modest adoption mean of 19.40. Regarding the culture that startups aim to develop in the future, the studied startups lean towards the Adhocratic type of culture, with an average of 32.29 and a standard deviation of 14.23. In second place is the market culture with an average of 25.65, followed by the Clan culture, and lastly, the hierarchical culture with an average of 20.17.

### **5.1. Identifying the Gap in Organizational Culture:**

In light of the diagnosis of the currently dominant organizational culture and the preferred organizational culture for the future, the difference in adoption constitutes the gap in the cultural profile. This can be determined by creating a four-quadrant diagram that merges the current and preferred cultures. Significant differences have been noticed between the current and preferred evaluations for all four types of cultures. The graph below clearly shows that the prevailing organizational culture in the studied startups is the clan culture. This orientation can be explained by a set of factors. The group or clan culture represents a family-like atmosphere, which may be attributed to the fact that 52% of the studied startups have a workforce of fewer than 10 employees. This smaller workforce allows for better interaction and communication among employees.

**Figure 02: Diagnosis of the cultural profile gap**

**Source:** compiled by us from SPSS.

With such a dominant culture, companies resemble extended families more than economic entities (Cameron and Quinn, 2006). This culture also emphasizes the flexibility of the human factor (Pathiranage et al., 2020). Mutual trust and organizational commitment are high, as engagement in a startup involves taking risks and making bets. Employees are risking very little since, mostly young, single, and highly employable, they know that at worst, they will have lost their time and energy but gained valuable experience in return (Marty, 2002). However, the future vision of the cultural profile of the studied startups is characterized by a dominance of an Adhocratic organizational culture. This orientation is seen as legitimate because startups constitute a category of companies characterized by the pursuit of a specific business model that is not established and is not based on an existing structure. High uncertainty brings about a high level of risk for startups, making flexibility, adaptability, and creativity necessary in an environment where uncertainty, ambiguity, and information overload are endemic. It's also noteworthy that over 50% of the managers of the studied startups are between 25 and 45 years old, an age group inclined towards challenges, adaptation to change, and embracing challenges (Ogaard & Marnburg, 2005). A start-up usually operates in a competitive market where

its survival depends on its ability to evolve and adapt. The managers of the studied startups believe in engaging in innovation and development and placing emphasis on technology.

In summary, each cultural type aims to address the demands of a particular constituent and align with the characteristics of each organization. Some values within these types will be considered more dominant than others. In this regard, Quinn (1999) suggests a balance among competing values. However, he discourages over- or under-emphasizing any one cultural profile. He also believes that regardless of the organizational profile adopted, it could be influenced by multiple factors including the industry in which an organization operates, its public or private network, and the stage of the organization's life cycle (Howard, 1998).

## **6. CONCLUSION**

In conclusion, prior to embarking on an export operation, it is advisable for a company to understand the prevailing organizational culture within its ranks. This is important for two reasons:

- firstly, it provides more reliable data to manage the internationalization process, specifically exportation;
- Secondly, it identifies areas of action. Changing organizational culture is not an easy task, but the use of cultural diagnosis can give organizations an assessment of their current position and a clear picture of the necessary changes to support export operations.

The statistical analysis of the data from this survey provides a new diagnostic tool to apply the OCAI in specific organizations, in this case, Algerian start-ups dedicated to export. The results of this study indicated that the studied start-ups exhibit a prominent clan-oriented culture followed by hierarchical and market-oriented cultures with no predominant difference. However, facing the fierce competition of the international environment, the studied start-ups project an adhocratic culture characterized by a strong competitive advantage. This ideal cultural profile that supports the implementation of export operations should have characteristics of a more flexible and customer-oriented organization. It also suggests having dynamism within the company and the courage to take risks to seize growth and development opportunities.

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