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Organizational philosophy as a vehicle of action in the competitive development of SMEs

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Abstract. The purpose of the study was to analyze organizational philosophy as a vehicle for action in the competitive development of SMEs. Based on a post-positivist paradigm with a hermeneutic phenomenological approach of qualitative design. The information was obtained by means of observation participants and the semi-structured interview to the informants of the four SMEs selected in Colombia. As for the results, were derived the concepts of the managers with respect to the organizational philosophy of SMEs, contemplates the mission, vision, policy strategy, short and long-term goals, also has as main objective to meet a set of rules and regulations to achieve an effective production and projection. It was evident the importance of knowing the strategic elements to develop a culture oriented to the development of SMEs, which is rooted in the principles, corporate values, which must always be considered when developing an activity. After analyzing the impact of the organizational philosophy as a vehicle for action, they argue as final reflections that differentiation is one of the most important axes, so that if all people know the strategic axes will surely have many more chances of having a competitive advantage. With respect to the recommendations, the theoretical orientations had their foundation in the organizational philosophy, which constitutes one of the primordial elements for the correct and successful development of an organization, since it produces a distinction, opinion and competitiveness in the field in which it performs, where it also wants to achieve a position.

1. Introduction

Since the 21st century, variations have been generated in the environments of organizations, which in some way affect their participation in the global market, generating a demand on the part of companies that is nothing more than adapting to technologies, to cause changes in the different processes and thus implement the necessary strategies for the competitiveness and sustainability of such organizations.

In the same sense, the generalized changes of the globalized world have provoked the adoption of new approaches of direction in the organizations, at the same time they have stopped applying traditional theories used in previous times, contributing to the success of the organizations, but in the present moments they have had to be replaced to be able to face the challenges imposed by the new society of knowledge. It is important to determine which should be the behavior and the directional structure that should be implemented in the companies to guarantee their performance from the ethical and the social, as well as their commitments to fulfill the precepts in their mission, to reach the goals or objectives proposed in their vision.



In the case of Colombia, all the aspects discussed above are combined, fundamentally those related to the disappearance of SMEs, so that Latin America does not escape from this reality; especially in what has to do with the need to renew strategies, policies, technological development mechanisms, adjusting them to the demands of a market economy driven by the private sector, where education, science and technology are engines of competitiveness and sustainable development for investment in new technologies.

From the previous approaches, SMEs in Colombia, by their organizational design seem to include little in the policies, rules, as well as other documents which define their structure (family organizations), a correct, appropriate organizational philosophy, consistent with the environment and social characteristics of the people who make it up, preventing its growth as much as its development aligned with the cultural environment of the company to reinforce their values, beliefs, habits, others, in the development of activities, aimed at achieving the objectives proposed with respect to the competitive development of the same. In view of the above, we analyzed the elements that make up the organizational philosophy and the way in which it contributes as a vehicle for action in the competitive development of organizations called SMEs. We also analyzed the way in which it contributes to the consolidation of a culture of competitive development in these organizations

2. Concept of organizational philosophy

From the perspective of [1], organizational philosophy "is one of the main elements for the successful and perfect maneuver of an organization, whatever its nature", this leads to a recognition, distinction and competitiveness in the sector or context it performs. On the other hand, [2] defines organizational philosophy as that which has as its main objective to comply with a set of rules and norms in order to achieve an efficient production and projection, making its personnel feel an important part of the organization to which they belong, that is, there is a commitment to their work or objective, this is conducive to the same values, beliefs and languages. In addition to this, [3] mentions that the organizational philosophy is composed of an endless number of values and qualities, who represent the most relevant factors, highlighting among them respect, honesty, solidarity, teamwork, understanding, tolerance, union, exigency, among others.

In this regard, [4], states that "organizational philosophy implies a way of life, a system of beliefs, expectations and values, a particular form of interaction and relationship of a given organization. According to this definition, the philosophy of our Colombian organizations varies from one to another due to multiple factors, among them, the geographical location they belong to, where each one has its customs, habits, values and norms established in different ways.

In relation to the foregoing, [1], he adds that organizational philosophy is a premise discovered, invented or developed by a group, which, as it learns to confront adaptation problems, functions well enough to be considered appropriate and, therefore, transmitted to new members. According to [4], organizational philosophy is not only a system of external imposition of constraints, but rather, a system where employees appropriate their work includes organizational norms, and then let them guide their decisions and actions. Organizational philosophy is an important source of control for two fundamental reasons, first, it makes control possible in situations where managers cannot use the control of results or behaviors. Second, when there is a solid and cohesive set of organizational values and norms, then the staff focuses on thinking about what is best for the organization, i.e. all their decisions and actions will be geared to helping them perform well.

In addition, the organizational philosophy contributes to the progress of two basic processes: the first of these is internal integration, which enables the integration of people, the development of a joint identity, commitment to values, beliefs and knowledge, so you can work and collaborate, also guides interpersonal relationships, activates internal communication mechanisms, as well as commitments and the way in which power and status is assigned. The other process is external adaptation, referring to the way in which the company achieves its objectives, considering its relationship with the outside world, since the organizational philosophy contributes to guide people's activities for the achievement of their goals.

For this reason, the role of organizational philosophy is fundamental, since it configures the mechanisms that regulate daily actions, as well as the relations between its members as other elements of greater scope, including organizational ethics, the behavior of leaders with respect to their legitimate, honest, respect for people's rights, or social responsibility, elements of great relevance in the current globalized context.

2.1. Development-oriented organizational philosophy

From the perspective of [5], development within an enterprise (SME) is in itself a tool for optimizing processes in terms of problem solving, as well as organizational renewal with the influence of a change agent, which plays a key role in companies, since it must guide the changing process using various tools which allow it to analyze the integration of the human component with the environment in which it develops. In this sense, organizational development, from the perspective of business philosophy, not only sees the organization as a systematic structure but also integrates in a conspicuous way the concept of man and his behavior within it, as it refers, [6], this seeks to study how their actions can influence the final product, for this reason, it is indispensable to study human relations in aspects related to leadership, inter-group relations and motivation.

He explains, [7], that the philosophy of organizational development is based on a social philosophy, because it is based on the belief that the members of the organization, who have the possibility to participate in change and to develop within the company. According to the previous approaches, the organizational philosophy seeks development, helps people to find their own values, needs, meaning of life, that is, to develop their human potential, therefore, the company must be committed to planning the training of its employees, every time it focuses on them can contribute to their growth as an individual, professional and therefore the growth of the organization.

2.2. Strategic elements of the organizational philosophy

According to the proposals of various authors, among which [4,8] and [9] stand out, there are fundamental elements within the organizational philosophy that must be considered for the development of the company: the vision, mission, policies, norms and rules, which constitute the organizational philosophy. Referring to the vision, [9], he points out that it is the image one has of the place one wants to reach, that is, how one wants to see it in prospective as an institution, in a defined future. This element allows us to propose a desirable future, which must be sufficiently clear and motivating for others to work towards its fulfillment.

As a second fundamental element is the Mission, explained by [4], this must be defined before the vision of the company, this is the work of a work team, since it is not the activity of a single person, it is therefore important to ensure the participation of all within the organization based on information, with sufficient perspective and complementary, in addition this becomes a good way to obtain greater participation and commitment to the company. In short, this is the statement that helps to know the business or the fundamental reason for being and operating. This is constituted then, as one of the critical elements to carry out a strategic planning. Complementing the two previous elements are the policies, which according to [9], are guidelines to guide the action; general guidelines to consider in the decision making about some problem that is repeated within an organization.

Likewise, organizational policies can be divided into strategic or general policies, those formulated at the top management level, and their function is to establish and issue guidelines that guide the company as an integrated unit. There are also Tactics or Departmental. They are specific guidelines referred to each department. Within the policies, there are also the Operational or specific ones, these under the perspective of [6], are those that are implemented fundamentally in the measures that must be elaborated in each one of the modules of which a department has. Another of the necessary elements for the organizational philosophy is the values, which according to [7],

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Ethical judgments about imaginary or existing circumstances in which the person feels more inclined by his or her level of personal and social utility. On the other hand, [9] establish that values are deployed in very complex conditions; these are indispensable to provoke changes in favor of progress. Values must correspond to the identity of the company.

Continuing with the elements of organizational philosophy are found the norms, refers [10], that ethical judgments about imaginary or existing circumstances in which the person feels more inclined by his or her level of usefulness.

2.3. Organizational philosophy as a strategy to generate competitive values

In relation to the organizational philosophy as strategies that generate value within an organization [10], he mentions that these values understood as the accumulation of principles by which the collaborators and employees of a group of people are guided, who in turn work together to achieve the same purpose, be it a company or an institution.

In this sense, [9], points out that these directly affect or favor the organizational philosophy, specifically the performance of the group, since they are related to the construction of a healthy and friendly work environment that allows human development as well as professional development.

A company with the appropriate organizational values and puts into practice by all, becomes a company with a level of competitiveness difficult to equal or overcome, because its achievements are based on solid and unique principles.

3. Purpose and methodology

For the case of the present research, knowledge is conceived from the elements that emerge from the observed reality, which allows a direct analysis of organizational philosophy as a strategy of cultural reinforcement in the competitive development of SMEs; therefore, the study is oriented from the very phenomenon in which it is circumscribed and its direct influence on the object of study.

From this perspective, for [11], research is post-positivist, because it is built from the ground up; that is, from the actions that are carried out during the research. The validation of the conclusions obtained is done through dialogue, interaction and experience; these are concretized through consensus born from the sustained exercise of the processes of observation, reflection, dialogue, construction of shared meaning and systematization.

According to [12], the researchers framed in the post-positivist approach concentrate on studying the beliefs, intentions, motivations and other characteristics of social facts that are not directly observable, nor susceptible of experimentation.

For all that has been expressed, the post-positivist current is framed in the concept of paradigm and within this epistemic orientation there is the hermeneutic phenomenological approach, which can be appreciated as a paradigm, to the extent that its origin obeys historical facts that led thinkers, academics and researchers of the time to generate a different perspective to solve the problems that society demanded, leaving the bases to approach the analysis of such situations from different techniques, which today constitute appropriate methodologies to study the object from the very reality in which it is subscribed.

Thus, [5], points out that phenomenology seen as a philosophical reflection, whose main rule is to allow things themselves to become evident in their essential content, through an intuitive gaze which makes things present as they are immediately given to the one who lives them and putting in brackets the judgment on the validity of the presuppositions, opinions or interpretations about them.

According to what has been exposed up to this moment, the research paradigm is oriented to post-positivism, therefore the research is of qualitative type and the paradigm focus is located in the hermeneutic phenomenology, which leads to employ two methods for a deeper analysis; the

phenomenological method and the hermeneutic, which are constituted in the paths that lead to fulfill the purpose of analyzing organizational philosophy as a strategy of cultural reinforcement in the competitive development of SMEs.

In this sense, according to [13], the object of the phenomenological method "is the phenomenon, understanding it as what is given to the consciousness; the instrument by which this is used is the intuition or intellectual vision of the object of knowledge". Along with the concept of intuition appears the intentionality of the consciousness.

As for hermeneutics, according to [14] the hermeneutic dialectical method is always the method used in a conscious or unconscious way by every researcher, since the human mind is by nature, interpretative, which is equivalent to saying that it is hermeneutic: it observes something and searches for meaning. For his part, [15], he considers that to observe is to select an object to look at its details and characteristics. The gaze is an act of conscious will that selects an area of reality to see something. As for the semi-structured interview, [16], he considers it to be a technique that allows data to be collected from participating individuals through a set of open-ended questions formulated in a specific order. In contrast to the unstructured interview, the semi-structured interview focuses on a series of questions asked by the researcher to each participant.

4. Research results

The initial purpose of the research was to analyze organizational philosophy as a vehicle for action in the competitive development of SMEs, whose participating population was focused on the District of Barranquilla; finally seeking to fulfill a more specific purpose in terms of theoretical guidance on organizational philosophy, based on the experiences obtained from the actors involved, whose capabilities, skills and abilities make them valuable for the company.

4.1. Triangulation process

From the triangulation process, the significant successes that arise from the investigation are derived, which, going through the entire bibliographic review, reaches the analysis and interpretation of the information, to be able to propose the successes that are presented below:

4.1.1. Success 1. When considering the concepts of the managers with respect to the organizational philosophy in the SMEs, it was glimpsed that their philosophy is very clear since it contemplates all the elements: mission, vision, strategy policy, short and long term goals, in addition it has as main objective to fulfill a set of rules, norms, others, with the purpose of obtaining an effective production and projection, manifested in the forms of action of the people the problems, opportunities and situations of change that are present of the own enterprise management.

4.1.2. Success 2. When the organizational philosophy is studied as a promoter of the development of people to make SMEs more competitive, it is given taking into account the degree of contribution, i.e. recognizing or seeing how much its contribution benefits the operational and productive chain that the company has, recognizing its individuality, recognizing its strength by having an exaltation of human talent, since this plays a fundamental role in companies.

4.1.3. Success 3. Highlighting the importance of knowing the strategic elements to develop a culture oriented to the development of the SMEs, it is strengthened in fact in the principles, the corporative values, which are taken into account when developing an activity, the objective is not to try to deceive the clients nor to try to take advantage of a moment, but to be a client constantly satisfied.

4.1.4. Success 4. After analyzing the impact of organizational philosophy as a strategy to generate competitiveness values of SMEs, it is known that differentiation is one of the most important axes, so that if all people know the strategic axes will surely have many more chances of having a competitive advantage.

4.1.5. *Success 5*. A set of values defines the philosophy and fundamental character of the organization, creating a sense of belonging, promoting the existence of identity as well as ethical behavior through a flexible capacity to agree on common purposes

5. Conclusions

In relation to the above mentioned successes, it can be added within the final reflections, that knowledge is present in people's minds, therefore, they are the ones who have the capacity to determine the success of organizations; contenting capital with greater value, in this sense intellectual capital, which brings with it the need to promote its development both personally and professionally, so that it can contribute efficiently to the organizational philosophy.

In this way, the businessmen of the small and medium enterprises of Barranquilla recognize the enormous importance of the organizational philosophy in the competitive development of their companies, as well as the implementation of the management of this as a strategy for obtaining competitive advantages; in which the aspirations and decisions of the organization prioritize management and innovation as a development strategy.

The organizational philosophy as a vehicle for action in the competitive development of small and medium enterprises must be clearly specified in their strategic action plans, short, medium or long term, through the formal setting of objectives, whose strategies are aimed at transformation, innovation and development capabilities of new products or services of greater value, as well as the consolidation of a competitive advantage for the organization.

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