

THE ROLE OF ORGANIZATIONAL CULTURE IN THE ORGANIZATION'S ACTIVITIES (THE CASE OF JSC BANK OF GEORGIA)

ROLA KULTURY ORGANIZACYJNEJ W DZIAŁALNOŚCI ORGANIZACJI
(PRZYPADK JSC BANKU GRUZJI)

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Abstract: The present paper provides a literature review on the concepts of organizational culture and a brief history of its development. Scientific views are analyzed according to the superficial, internal and deep levels of organizational culture. Every organization has a certain structure of its organizational culture, basic values and the values that determine its viability in everyday life. Organizational culture is a complex phenomenon and represents a pressing scientific problem, which at the moment of our research has not been properly studied in Georgia. Considering such limitations, we use the single case study method in our research, which allows us to provide an in-depth analysis of current events in a real context, to identify causal connections in the research phenomenon. This paper presents a case of a successful culture based on the example of the Bank of Georgia. The case examines the values of the organizational culture at different levels, showing how a strong, unified culture is formed in the company and how culture impacts the company's activities. The study of the documentation depicting the functioning of the Bank of Georgia showed us that the organizational culture determines the image and reputation of the bank, ensures employee and customer satisfaction, and strengthens the reputation of the bank as the best employer.

Keywords: organization, culture, structure, management, Bank of Georgia

Streszczenie: W artykule dokonano przeglądu literatury dotyczącej koncepcji kultury organizacyjnej oraz krótkiej historii jej rozwoju. Poglądy naukowe analizuje się według: powierzchniowych, wewnętrznych i głębokich poziomów kultury organizacyjnej. Każda organizacja ma określoną strukturę swojej kultury organizacyjnej, podstawowe wartości i te, które decydują o jej przetrwaniu w życiu codziennym. Kultura organizacyjna jest zjawiskiem złożonym i stanowi palący problem naukowy, który w chwili naszych badań nie został należycie zbadany w Gruzji. Mając na uwadze takie ograniczenia, w naszych badaniach stosujemy metodę pojedynczego przypadku, która pozwala na pogłębioną analizę bieżących wydarzeń w realnym kontekście, aby zidentyfikować powiązania przyczynowe w badanym zjawisku. W artykule przedstawiono przypadek kultury sukcesu na przykładzie Banku Gruzji na różnych poziomach, pokazując, jak w firmie kształtuje się silna, jednolita kultura i jak kultura wpływa na działalność firmy. Badanie dokumentacji obrazującej funkcjonowanie Banku Gruzji wykazało, że kultura organizacyjna determinuje wizerunek, zapewnia satysfakcję pracowników i klientów oraz wzmacnia reputację banku jako najlepszego pracodawcy.

Słowa kluczowe: organizacja, kultura, struktura, zarządzanie, Bank Gruzji

Introduction

Organization, as a form of human activity, covers many aspects of our life from birth to the end of life. "We grow up in families and then start our own families. We work for business or government. We learn in schools and universities. We worship in churches, synagogues and mosques. We play sports in teams, franchises and leagues. We join clubs and associations. Many of us will grow old

and die in hospitals or nursing homes. We build these human institutions because of what they can do for us. They offer goods, entertainment, social services and health care and almost everything else that we use, consume or enjoy" (Bolman & Deal, 2008, p. 25) Organizations organize what we do and how we proceed. They help us to grapple with what sort of world we have created and what alternatives we might desire. Institutions influence our sense of identity, whether we are students,

university lecturers, managers, coal miners and so on (Mcauley, Duberley, & Johnson, 2007, pp. 4-5).

Each organization has its own mission, goals, meaning, place, role, values and behavior. These factors led to the emergence of such a phenomenon as organizational culture. Every organization has its own organizational culture, which ensures its image and reputation, improves the effectiveness of activities of a particular organization and, therefore, increases its revenues and productivity. The relevance of the present paper is determined by the vital importance of this issue.

The purpose of the paper is to study the content, structure and management methods of organizational culture and to assess the role of culture in the organization's activities. In the process of our research we have studied the research papers on organizational culture of both Georgian and foreign scholars. Based on the conclusions and opinions expressed in these papers we have developed an organizational culture business case on the example of JSC Bank of Georgia, one of the leading systematic banks in our country. When compiling the case, we used various materials of the Bank of Georgia (written reports, so-called annual reports, administrative documents, researches and evaluations about the Bank, articles published in business media, interviews) and our own opinions from the viewpoint of independent observers/evaluators.

Literature review

It was quite late, in the 1930s-1940s, that organizational culture became the subject of scientific research. This was preceded by the shift in views on the nature of the organization from "rational thinking" to "social thinking" in 1930-1960. Anthony Mayo and Chester Barnard, the researchers of that period, were advocates of the "social individual" concept in the organization. They developed approaches focused on the internal relationships between workers and non-economic motivation. Later, from the 1980s, researchers began a fundamental study of organizational culture, however, they could not agree on a single opinion and provide various definitions of organizational culture.

Wayne K. Hoy and Cecil G. Miskel (Hoy & Miskel, 2001, p. 244) note that "the notion of culture brings with it conceptual complexity and confusion. No intact definition for culture from anthropology exists; instead, we find numerous diverse definitions. It should not be surprising, therefore, that there are many definitions of organizational culture". For example, Schein (Schein, 1990, p. 111) offers the following definition: "Culture is a pattern of basic assumptions invented, discovered or

developed by a given group as it learns to cope with its problems of external adaptation and internal integration, that has worked well enough to be considered valid, and therefore, is to be taught to new members as the correct way to perceive, think and feel in reaction to those problems." William Ouchi (Ouchi, 1981, p. 41) calls culture "A set of symbols, ceremonies, and myths that communicates the underlying values and beliefs of that organization to its employees". Jay Lorsch (Lorsch, 1985, p. 84) defines culture as "the shared beliefs top managers in a company have about how they should manage themselves and other employees, and how they should conduct their business(es)". According to Stephen Robbins (Robbins & Judge, 2009, p. 595) "an organizational culture refers to the system of shared meanings shared by members of the organization, which distinguishes the organization from others". A. Brown (Brown, 1998, p. 9) notes that "organizational culture refers to the pattern of beliefs, values, and learned ways of coping with experience that have developed during the course of an organization's history, and which tend to be manifested in its material arrangements and in the behaviour of its members". According to Lee G. Bolman, Terrence E. Deal (Bolman & Deal, 2008, p. 300) "culture is both a product and a process. As a product, it embodies wisdom accumulated from experience. As a process, it is renewed and recreated as newcomers learn the old ways and eventually become teachers themselves".

The definitions of the researchers discussed above make it clear that organizational culture is formed and developed over time and is adopted by this or that company or organization as its integral part. Gradually, it becomes a way of organizational thinking and a tradition on which its existence is based. It is the organizational culture that determines the values of the organization, which are learned by the members of the organization and then used to patterns of their behavior and tools for solving problems. Therefore, any new organizational structure develops its own culture, which determines the place of this structure, its internal and external relations; and it represents a kind of pattern, stereotype for the development of a strategy, distribution of power, decision-making and staff behavior (Kadagishvili L., 2013, pp. 127-139).

One of the best ways for clarifying the problem with the definition of organizational culture is discussing organizational culture at different levels. Due to its complexity, researchers distinguish three levels of organizational culture: superficial, internal and deep. These three levels differ from each other with the degree of visibility and complexity of the constituent elements.

The main elements of organizational culture at the superficial level include visible manifestations such as: buildings, interior of rooms, use of space and time, organizational structure, technology, behavior of the employees, rituals, language and style of communication, and norms. Norms include formal rules and instructions established in an organization in advance and reinforced by sanctions (Tretyakova, 2012, p. 178). Employees of this or that organization, who obey and follow predetermined norms, are rewarded for the purpose of encouragement, and on the contrary, sanctions are imposed on those violating the norms (Udesiani & Shaburishvili, 2023). Therefore, the norms established in the organization are an important tool for determining the organizational culture.

At the internal level, organizational culture includes the values that exist in the organization and are recognised by the members of this organization. In his book *On the Success of Japanese Corporations*, William Ouchi (Ouchi, 1981) "attributed these values to the principles of intimacy, trust, cooperation, teamwork, and egalitarianism". Ouchi believed that by recognising these principles, people in an organization would make decisions in line with the organization's goals and strategy. These principles are characteristic for a strong organizational culture. As Milner (Milner, 2018, pp. 262-281) notes, "the greater the number of the members of an organization who share these core values, recognise their importance, and express commitment to them, the stronger the culture is." Strong organizational culture impacts all stages of the organization's development and ensures its effective functioning.

At a deeper level, organizational culture is seen as a collective manifestation of underlying assumptions and suppositions. Basic assumptions are abstract prerequisites for understanding human relationships, human nature, truth, reality, and the environment. When organizations develop consistent and articulate patterns of basic assumptions, they have strong cultures, since core assumptions give rise to such shared values as individualism, autonomy, openness, professionalism, and authority of knowledge (Hoy & Miskel, 2001, pp. 250-251). The main core assumptions include employee selection, individualism, self-development, innovation and authority of knowledge, diversity, recognition for progress and accomplishments. Core assumptions provide answers to the question of why we have the values we have, what we believe in, and what we rely on when manifesting specific behaviors.

Theoreticians support the basic assumptions of the essence of organizational culture. On the contrary, members of an organization find it easier to

talk about the behavioral norms of the organizational culture than to discuss values and core assumptions. Hence, for presenting a complete picture, when studying organizational culture, it is necessary to examine it in terms of superficial, internal and basic assumptions.

Methodology and theoretical basis

Organizational culture is a complex phenomenon and represents a pressing scientific problem, which at the moment of our research has not been properly studied in Georgia. In addition, the boundaries between the context and the phenomenon are not clear and defined to a sufficient degree; transforming concepts into mathematical variables is difficult; and, in Georgian reality, it is almost impossible to collect the necessary number of samples for the application of statistical methods. However, based on the analysis of various studies, it is quite possible to identify certain main elements. Considering such limitations, we use the single case study method in our research, which allows us to provide an in-depth analysis of current events in a real context, to identify causal connections in the research phenomenon, to generate unique knowledge about a person, organization, and social phenomenon, and to use the obtained results in further researches.

According to Gerring, the case method is an in-depth analysis of a single case to clarify complex cases of a broader class (George & Bennett, 2005, p. 18), while Collis and Hussey argue that it is a methodology used to study one phenomenon in a common, familiar environment with different methods in order to gain deeper knowledge (Collis & Hussey, 2013). Compared to traditional quantitative methods, the logic of the research carried out through the case is based on the discovery of cause-and-effect relationships between the variables of the object (case and context), as well as on the intuitive perception of the event (Yin, 2015, pp. 194-201). This paper presents a case of a successful culture based on the example of the Bank of Georgia. The case examines the values of the organizational culture at different levels, showing how a strong, unified culture is formed in the company and how culture impacts the company's activities.

When using a case study, a special importance is paid to the specificity of collecting information. In addition, it is important to follow certain principles such as: to apply several complementary data sources, to build bases of empirical data, and to prepare research reports. Creswell identifies six sources of data collection: documents, archival records, direct observation, interview, inspection,

material artifacts (Creswell, 2012). While Hancock focuses on the necessity of selecting respondents with expert knowledge and comprehensive information regarding the phenomenon to be studied during the interview (Hancock & Algozzine, 2006). When compiling our case, we relied on the following information sources for data analysis: documents of the Bank of Georgia (written reports – the so-called annual reports, administrative documents, researches and evaluations on the Bank, articles published in business media, interviews) and our, as observers/evaluators', opinions, as well as the opinions of the customers of this bank.

Results and discussion (Case study – JSC Bank of Georgia)

Georgia is part of the unique region of the South Caucasus. It is bordered by Azerbaijan to the

east and Armenia to the south (Kadagishvili & Maisuradze, 2022). Many strong financial institutions operate in the country, among which is the Bank of Georgia (Shaburishvili, 2016, p. 12). The image and reputation of the Bank of Georgia has been established as a strong organization over the years. This is the factor which allows the Bank to successfully attract capital both from Georgian and foreign markets. The success of the bank is largely due to a healthy organizational culture, in which employees perceive themselves as an integral part of the team and see the success of the company as their own success. This provides them with professional and personal satisfaction and pride. Under a proud and at the same time responsible name, the Bank of Georgia today unites up to 7 thousand employees (Bank of Georgia, n.d.). The financial condition of the Bank of Georgia in recent period is shown in Table 1.

Table 1. The main financial indicators of the Bank of Georgia in 2017-2022

#	Year	ROA (return on assets)	ROE (return on equity)	NPerM Net interest margin	PBDIT Profit before tax (Gel)	Net sales Net interest income (Gel)	TL Total liabilities (Gel)	TA Total assets (Gel)
1	2017/I	4.65	44.41	5.34				
2	2017/II	4.16	38.04	5.32	241207027	266379264	9073697516	10225425910
3	2017/III	3.76	33.79	5.32	322179789	406222343	9513968997	10762514773
4	2017/IV	3.53	21.83	5.44	417745544	572367471	10598377564	11897668898
5	2018/I	2.5	22.93	5.3	76634144	158969892	11073199971	12391857673
6	2018/II	1.88	17.33	5.36	172461537	326061546	10966442192	12313334564
7	2018/III	1.97	18.68	5.26	249333982	488941031	11940229934	13258845291
8	2018/IV	2.71	25.62	5.18	439359958	655729847	12266337271	13764236168
9	2019/I	2.15	19.05	4.77	90723163	162838674	12227216493	13809818536
10	2019/II	2.12	19.23	4.71	174911039	329947392	13227256739	14750393855
11	2019/III	2.41	22.48	4.55	300128927	496256864	14585987194	16212362080
12	2019/IV	2.59	24.71	4.47	447257827	673126975	15427340742	17139080625
13	2020/I	-6.42	-65.9	3.45	-334389382	148408853	16547613276	17986070485
14	2020/II	-1.82	-19.54	3.09	-199850368	267346991	15857325617	17452010598
15	2020/III	-0.58	-6.35	3.25	-107040891	431195978	17640861666	19342099382
16	2020/IV	0.31	3.42	3.4	50089334	617562411	17640861666	20221951741
17	2021/I	3.77	39.3	3.77	203307671	185583961	18839578388	20886606900
18	2021/II	4.22%	42.42%	3.83%	435989121	394074899	17916530009	20145371858
19	2021/III	4.27%	41.23%	4.09%	659672548	630668096	18309169540	0667199328
20	2021/IV	3.99%	37.63%	4.32%	831971545	900194439	19260115348	21788183847
21	2022/I	2.81%	24.32%	4.56%	157859185	256285511	20227664826	2869745801
22	2022/II	4.49%	27.84%	4.49%	368697938	517585589	21419792635	24135160161
23	2022/III	4.49%	31.93%	4.49%	659672548	630668096	18309169540	0667199328
24	2022/IV	4.61%	30.99%	4.61%	871669382	1121929553	23471868716	26625502407

Source: Compiled by the authors based on the data of the National Bank of Georgia (nbg.gov.ge).

The first three quarters of 2020 when the bank operated at a loss are an exception mainly due to the economic regulations introduced by the Government of Georgia during the Covid-19 pandemic. Net interest margin decreased substantially in the same period, which indicates the intensification of competition between banks in the financial market of Georgia. The indicators of profitability (ROA, ROE) were higher than the industry average.

Bank of Georgia Group has been admitted to trading on the premium segment of the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange under the ticker BGEO. With this success, the bank paved the way for Georgian companies to enter international stock and bond markets. The Bank focuses on 5 of the 17 United Nations Sustainable Development Goals (17 SDGs), one of the main being decent work and economic growth, increasing employee rights and opportunities, and creating reliable, value-based workplaces (Bank of Georgia, n.d.).

On a superficial level, the main values and assumptions of the organizational culture of the Bank of Georgia are reflected by visible external factors such as buildings, interior of rooms, color, logo, the use of space and time, organizational structure, language and style of communication.

The Bank of Georgia headquarters building (the former building of the Ministry of Highway Construction) is one of the indicators of the company's prestige. According to the BBC, in 2016 this building was included in the 10 best constructivist buildings in the world. As the publication writes, "The aim of the design was to occupy as little ground space as possible with the various floors of the building opening out like branches from the central root of a tree. Whatever the reasoning, this is a truly spectacular design" (Business Media, 2016). The *New York Times* described the building of the Bank of Georgia headquarters as an unexpected discovery for the West because it broke with many standard clichés about late Soviet architecture. Stylistically it's connected with architectural trends of Soviet constructivism and Japanese metabolism and is built using the Space City Method (Atlas Obscura, n.d.). As a result of the synthesis of three different essences – geometry, formalism and landscape, and unusual look and a successfully implemented original concept the building was included as an architectural masterpiece in *Cosmic Communist Constructions Photographed by Frederic Chaubin* (2011) published by the famous publishing house TASCHEN. Before

that, in 2007, the building was conferred National Monument status under Georgia's National Monuments Act (Alluring World, n.d.).

This unique building built in 1975 was purchased by the Bank in 2007. The building, which art experts and critics evaluated as 'a star of architecture' attracts attention with its original forms. It represents intersecting parallelepiped-shaped wings of the building, rising on three quadrangular volumes standing far from each other. On the whole, the building occupies rather a large area in the space. Actually, the building is built into the mountain and focuses on the synthesis of engineering technologies, architectural and geometric forms and nature (Atinati, n.d.).

Initially, the area at the first floors of the building's wings was insufficient for reception and waiting areas. Therefore, the architects designed the ground floor as a reception area, creating an alternative space for meetings with people visiting the bank's headquarters. The visitors enter the building through the escalators, the opening of which is covered by a glass cube. The length and width of the cube construction repeats the dimensions of the wings of the main building.

The mission statement of the Bank clearly expresses its purpose, as well as its universality and core values, such as to support the customers, investors, employees, and public by professionalism, commitment, and constant innovation to create a successful future together (Bank of Georgia, n.d.). The Bank's structure is based on its mission and vision, which is arranged in such a way to allow the management to respond quickly to the ever-changing environment. The Bank selects managers and employees with knowledge, skills and experience who share its values and goals (Bank of Georgia, n.d.).

The logo of the Bank group is a reproduction of the Lion of the Alazani Valley statuette found in the Alazani Valley area which dates back to three millennia BC. The meander ornament reflecting the continuous movement presented on the figure of the lion, which evokes the association of the maze, and the roses considered as solar signs, which agree well with the lion, the universally recognised symbol of power, as well as of the sun and light (*National Geographic*, n.d.), along with the context of its discovery, represent a symbol of all the qualities that are very important for a leading financial institution and a bank with a long history (Bank of Georgia, n.d.).

One of the interesting aspects of the company's culture is the color that corresponds to its values.

The main color of the company is orange, which is a mixture of the energy of red color and the happiness of yellow color and stands for happiness, warmth, energy, optimism, enthusiasm, creativity, motivation, sensitivity, excitement, strength, courage, achievement of goals, awareness, harmony, balance and, most importantly, love (Bank of Georgia, n.d.).

Language is a particular aspect of culture, and is the basis for all types of communication, including business communication. Georgian language is the main and preferred language for communication for the Bank group. In international markets, the bank uses the language of the local market, although English is used as the main communication language for international business. Managers act in accordance with the pre-agreed tasks and a plan to achieve them; they ensure high-quality and timely execution of plans by the team. Long-term goals and pre-determined indicators of the performance allow managers to properly plan and control the future of the company.

The main foundation of the Bank's organizational culture is its values: motivation, commitment, creation and action, courage, as well as its business principles such as teamwork, development, fairness, customer orientation, operational excellence and innovation. All this creates equal opportunities and a trusting environment; and improves the employee experience. The above factors reflect the subsurface (internal) level of culture in the Bank. Employee engagement and employee satisfaction rates are the indicators of the Bank's strong organizational culture. Managers make every effort to provide the employees with the best working conditions, ensuring their involvement in the decision-making process, and encouraging them to express their opinions honestly and share them throughout the organization.

According to the Korn Ferry Engaged Performance survey, in 2021 employee engagement improved compared with 2020 (71%) and amounted to 73%; In two years, the Bank's Employee Net Promoter Score (eNPS) improved from 46% to 61%, reaching an all-time high level by the end of 2021. These scores are above the banking industry benchmark and in line with the scores at high-performing organizations, which allows us to argue that a strong culture plays an important role in the bank's activities (Bank of Georgia. Governance Reporting, 2021).

Ethical principles are an integral element of organizational culture. In order to protect them, the Bank provides all employees with the same conditions of employment specified in the Code of

Conduct – Employee Corporate Handbook, subject to the applicable conditions of employment prescribed by law. Employees joining the Bank acknowledge their obligations under the Code of Conduct. Nonobservance of such obligations can result in a disciplinary action up to and including the termination of employment. The Bank does not condone forced labour or child labour. Safeguarding customer data is one of the top priorities for the Bank and to this end, the company ensures robust governance of customer data protection; acts in accordance with the personal data protection laws information security standards (Bank of Georgia. Governance Reporting, 2020).

Trust is the principal factor of organizational culture. Employees need to trust the people they work with. Therefore, they should trust the manager and the organization so that their involvement is of good quality. A culture of trust results in increased profits, productivity, employee job satisfaction, motivation, creativity that makes customers more loyal and promotes the development of new markets.

For developing a culture of feedback, transparency, equal opportunities, appreciation, trust and respect, meetings are held several times a year at the initiative of the Supervisory Board and facilitated by its members, where employees and members of the Supervisory Board listen to each other and share ideas and opinions about the development of the bank and the business environment in general. In addition to informal feedback, the Bank has formal feedback systems in place, such as regular employee satisfaction surveys. This ensures that employee views and suggestions are considered when making decisions, especially in cases that may have an impact on them. This allows the Bank to improve communication with the customer. In addition, the Bank uses Workplace, a business platform created by Facebook for companies, to provide regular updates to its employees on the Bank's strategy and performance, and discusses risks and opportunities through a coordinated, multichannel approach, including blogs and vlogs. As the officials of the Bank of Georgia say, the purpose of introducing Workplace was to offer its employees a modern communication channel and to create an environment where information exchange, feedback and engagement would be done promptly within the organization. The company representatives also note that the Bank of Georgia is one of the first Georgian companies to implement the Workplace internal platform for employees in order to increase transparency and openness, reduce bureaucracy and improve efficiency (Bank of Georgia. Governance reporting, 2022).

Customer satisfaction is another important value for the Bank. This is the starting point for the Bank of Georgia Group. Using the customer-oriented approach, the group anticipates customer needs when developing new products and acts based on customer feedback. The Bank permanently studies customer behavior and investigates how to increase customer satisfaction. NPS (Net Promoter Score) is an internationally recognised key performance indicator used by the Bank. In recent years customer loyalty has significantly improved. By the end of 2021 Net Promoter Score (NPS) reached a historic high of 55% (the corresponding indicator was 46% in 2020). (Bank of Georgia. Governance reporting, 2021)

The loyalty programme Plus is an unmatched value proposition on the Georgian market. It enhances retail banking and increases customer engagement and overall transaction activity. As an organization focusing on data analysis, the bank provides real-time innovative solutions and best-in-class digital services to its customers. Currently the bank uses more than 127 predictive models with high GINI coefficient, an indicator of model quality. In order to increase trust with customers, the bank ensures that its employees provide customers with complete information about a particular product or service, which strengthens its image and reputation (Forbes.ge, 2022).

The deep level (basic assumptions) of the Bank's organizational culture is clearly expressed in the relationship rules, the importance of self-development, employee selection procedures, top management activities and socialization methods. The Group recognises that diversity impacts the organization, it strives to benefit from the culturally diverse human resources and promotes development of an equal opportunity and diversity culture, thus gaining a reputation of an attractive potential employer in the eyes of future employees. The Bank group employs people of different ethnic origin as the company believes that these people can enrich the workplace with valuable insights. The employees who are well aware of the customs and languages of other cultures help the bank's decision-making and problem-solving teams to make potentially better decisions and avoid problems. The Bank continuously strives to be an inclusive organization, where diversity is valued, with the ability to recruit and retain a diverse workforce. In addition, the organization ensures that no individual or group is directly or indirectly discriminated against for any reason (gender, marital status, ethnic origin, disability, age, sexual orientation, race, and nationality, political or religious beliefs).

In Georgia, universal human rights are protected by the Constitution and on the basis of the standards, principles and norms established by international conventions and declarations. Obviously, universal human rights are a priority for the Bank of Georgia and represent the main starting point of its corporate culture, which is reflected in the corporate manual and the Bank's human rights protection policy. The Bank is committed to fair and transparent decision-making in all employee-related matters, which is confirmed by its Anti-nepotism Policy. The Bank also introduced Know Your Employee (KYE) procedures, which include screening requirements at recruitment, employment and departure stages of employment (Bank of Georgia. Governance reporting, 2022).

Attraction and retention of professional and competitive personnel being in demand on the market, which is vital for the image of the organization, is one of the main characteristics of the organizational culture. The issue of highly professional employees remains the biggest challenge in the modern labor market. The Bank's Talent Acquisition team actively monitors the labour market and engages with prospective candidates in Georgia and abroad. At the same time, the bank aims to develop talent internally. Internal candidates have a priority when filling vacancies, especially for middle and senior management positions. In 2021, new positions were filled with 54% internal candidates, which is 10% higher compared with the corresponding figure of the previous year (44%). The recruitment policy of the Bank includes panel interviews, relevant control procedures, and online applicant tracking system (ATS). All this ensures a fair hiring process that provides equal employment opportunities to all candidates, in line with our business principles, strategic objectives, and new job requirements. In 2021, employee retention rate amounted to 85% which is 2% higher compared to the corresponding indicator of 2020 (83%). Such a culture of recruitment and retention strengthens the bank's reputation as a best employer (Bank of Georgia. Governance Reporting, 2020).

Attracting talented young people and promoting their employment is one of the main values of the bank. Without this, it is impossible to form and implement human capital management policy in the organization. Bank of Georgia provides employment opportunities not only for successful students and graduates, but also for educated, motivated young people with higher education, who want to learn the principles of working in a bank from the initial level and develop their career there. In order to prepare future leaders, the Bank runs

Leaderator (Bank of Georgia, n.d.), a student development programme highly recognised on the Georgian labour market among students and recent graduates. The programme supports students' academic activities, provides financial reward and promotes the socialization of talented students in the Bank's activities.

The Bank offers competitive remuneration and benefits packages to support career progression and work-life balance of the employees. Gender equality is the foundation of organizational culture. In 2020, the Bank of Georgia was recognised by its lending partner Development Finance Institutions (DFIs) as meeting the criteria of the 2X Challenge for women's economic empowerment and gender equality. The Bank also monitors the Equal Pay Gap (EPG) between the compensation of male and female employees in the same position. Results of the monitoring are reported to the Remuneration Committee of the Supervisory Board annually (Bank of Georgia. Governance Reporting, 2021). Thus, for the Bank EPG is one of the indicators for ensuring equal opportunities.

The high employee professionalism, the culture of teamwork and great love for the work are determinants of the success of the bank's activities as a whole. Therefore, the company creates a comfortable working environment for the employees and, along with the above projects, offers them health insurance, membership in a pension scheme, privileges when using banking products, and financial support related to marriage, the birth of a child, or caring for a family member's health. The bank continues to care for the preservation of nature, to support those with disabilities and special needs, to develop social enterprises and promote innovative projects focused on social products.

Innovation, strategic thinking, knowledge orientation and knowledge prioritization are deep assumptions of the group. A variety of training programmes provided by the bank allow employees to learn and improve their qualifications and skills throughout their careers. An internal portal was launched in the Bank in 2020 which provides guidance to enable its employees to have in-depth career conversations with managers and subordinates by focusing on their strengths and aspirations. 86% of employees participated in the process. To encourage feedback culture at the Bank and mutual support in the talent development process, a self-paced online course "Providing Effective Feedback" was developed in 2020 and made available to all employees. 228 employees completed the course in 2021 (Bank of Georgia. Governance Reporting, 2021).

In order to effectively carry out its activities, the Bank encourages the culture of workplace gratitude and recognition. Being recognised for progress and accomplishments is integral not only to learning and development, but also, and most importantly, to making the work environment more engaging and rewarding for the company's employees. The Bank encourages engagement and dedication of talented employees with awards granted to the Best Employee and the Best Team of the Year. In 2020, employee recognition through the Korn Ferry Engaged Performance™ survey saw improvement compared to 2019 (Bank of Georgia. Governance Reporting, 2020).

With high culture, the bank helps the society to understand social, economic and legal problems, to properly assess the situation and to implement appropriate measures. For the implementation of important social and economic projects, in 2019-2021 the Bank became the winner of the Corporate Responsibility Award for Sustainable Business Development in two nominations: quality education (SDG 4) and decent work and economic growth (SDG 8). Winning these nominations, on the one hand, was the company's message to the society on the issues that are of high importance for our country, such as quality education, decent work and economic growth; and, on the other hand, the Bank showed over 7,000 employees that the bank cares about them and creates decent working conditions; the company proved to its more than 2 million customers once again that the Bank of Georgia is the brand to be proud of that does much more than just offering banking services. This is another visible result of high culture in the bank's activities (Un Global Compact Network Georgia, 2022).

Conclusion

The study of the documentation depicting the functioning of the Bank of Georgia has shown that the organizational culture, along with other variables, plays an important role in a bank's activities. It determines the image and reputation of the bank, ensures employee and customer satisfaction, equal remuneration for work, high professionalism, a sense of teamwork; creates a trusting environment for both employees and customers; develops a culture of appreciation, recognition and diversity, which in turn helps the management to make potentially better decisions and avoid problems; promotes the introduction of innovation and growth of creativity; and ensures the development of talents and strengthens the reputation of the bank as the best employer.

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