

Ανοικτό Πανεπιστήμιο Κύπρου

Σχολή Οικονομικών Επιστημών και Διοίκησης

Μεταπτυχιακό Πρόγραμμα Σπουδών Διοίκησης
Επιχειρήσεων

Μεταπτυχιακή Διατριβή



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Μαρία Τοφαλλή

Επιβλέπων Καθηγητής

Αλεξία Παναγιώτου

Ιούλιος 2018

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Η παρούσα μεταπτυχιακή διατριβή υποβλήθηκε προς μερική εκπλήρωση των απαιτήσεων για απόκτηση μεταπτυχιακού τίτλου σπουδών στη Διοίκηση Επιχειρήσεων από τη Σχολή Οικονομικών Επιστημών και Διοίκησης του Ανοικτού Πανεπιστημίου Κύπρου.

Ιούνιος 2018

Summary

Today's times are affected by the scientific and technological development and all humanity have been affected. People can travel all over the world for entertainment, they are able to communicate with their friends and family to another continent and goods and products are produce to one country and sold to another. Many people say that through the globalization of the world, the countries have lost their identity and who they are. Influences from the other countries and peoples have changed them through the years.

A company is a small community and therefor they have their own identity, rituals, standards and culture that separate them from the other. All these should be applying within an organization on the same level on all departments and employees.

Maersk Line A/S is a world – wide company in shipping industry with offices all over the world. Several people say that the values and culture of the company had made them what they are today. But is it true? Does a family company of 110 years history have the culture as was set by the family?

The first chapter of the study investigates the literature aspects of organizational culture, the theories and types of culture one organization establish. Through the research I have performed I analyze the findings of the researches wrote related to organizational culture through the years and I also state what are the aspects of a culture on a multinational company.

On the second chapter of the study we get to know Denmark. Before analyzing the company, I believe it was important to learn the culture and the country where the company came from. It is well known that Denmark considers one of the best countries to live and its culture influences several other countries and people. Maersk Line as a Danish company has several similarities with the country's culture and the foundation of the company's culture has been affected by the country.

On the third and last chapter of the essay we have the case study of Maersk Line. On this chapter, we learn who Maersk Line A/S is, the history of the company, the values and the culture. It is said that through the years Maersk Line became a worldwide family business setting it as a good example for the rests.

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Chapter 1

Culture, Organizational Culture and National Culture

1.1 Organizational Culture

The world is full of contrasts between people, groups and nations who feel, think and act different. At the same time, these people are exposed to common problems and need the cooperation and support between them to apply the decisions they need to take. This can be done by understanding the differences of each group and bring solutions that will work. As per Hofstede these patterns of feeling, thinking and acting are called mental programs and a person's behavior is determined by them. The most usual term used for these programs is culture.

The term culture comes from social anthropology and as per literature culture is the socially transmitted behavior patterns, arts, beliefs, institutions and all other products of human work and thought characteristics of a community or population. (Kotter John; Hestett James, 1992) (Hofstede, 1994)

1.1.1 Definition of Organizational Culture

Regarding organizational culture though, defining the meaning of organizational culture is a challenge for all researchers. Literature offers a wide range of definitions following the same pattern and analysis. As per Handy this inability is because "culture cannot be explained exactly because it is something we understand, something we feel". Organizational culture is the personality of an organization, which differentiates one organization from another. Modern literature accepts Schein's definition as the most common one. (Brown, 1995)

According to Schein “culture is a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid, and therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those patterns”. (Schein, 1992)

Other researcher’s definitions are:

Schwartz and Davis (1981): “Culture is a pattern of beliefs and expressions shared by organization’s members. These beliefs and expectations produce norms that powerfully shape the behavior of individuals and groups in the organization.

Pacanowsky and O’Dannell – Trujillo (1982): “Organizational Culture is not another puzzle, it is the puzzle. From our point of view, a culture is not something an organization has; a culture is something organization is”.

Scholz (1987): “Corporate culture is the implicit, invisible, intrinsic and informal consciousness of the organization which guides the behavior of the individuals and which shapes itself out of their behavior”. (Brown, 1995)

Robbins (2000): “culture is a concept, used to indicate the climate and practices that organizations develop around handling people or refer to espoused values and credo of an organization”

Mullins (1999): “organizational culture is the collection of traditions, values, beliefs, policies, and attitudes that constitute a pervasive context for everything one does and thinks in an organization”.

Aswathappa (2003): “Culture is a complex whole which includes knowledge, belief, art, morals, law, custom, and other capabilities and habits acquired by man in a society”. (Naicker, 2008) (Insights, 2017)

1.1.2 Contents of Organizational Culture

Culture can be analyzed in levels according to the degree to which the culture phenomenon is visible to observers and the resistance to change.

Schein in his book he presents three levels of organizational culture. These levels range from the tangible, the ones you can see or feel to the deeply embedded, unconscious basic assumptions and in between he added the espoused values.

At the top of the levels Schein put the level of Artifacts which include all the phenomena we can see, feel and hear when one encounters when he enters to an organization. This level is easy to observe but difficult to decipher. This level contains the visible behavior of the organization and the organizational processes; the physical and socially constructed environment of an organization. Artifacts includes the visible products of the group such as architecture, language, technology and products, artistic creations, style, clothing and emotional as well as myths and stories told about organization.

On the next level, Schein put Espoused Values which include the values, the beliefs and the attitude of the organization. Reflects someone's sense of what ought to be as distinct from what is, what is right and what is wrong, what will work or what will not. Values are the moral and ethical codes and determine what people think that ought to be done. Beliefs concern what people think is and is not true. Attitudes connect values and beliefs with feelings. It is the predisposition to a respond in a favorable or not manner to a thing or idea.

At the bottom, Schein put the Basic Assumptions, the taken-for-granted solution to an identifiable problem. As Schein states in his book "what was once a hypothesis, supported only by a hunch or a value, comes gradually to be treated as a reality". There are five dimensions of basic assumptions the humanity's relationship to nature, the nature of reality and truth, the nature of human nature, the nature of human activity and the nature of human relationships. (Brown, 1995) (Schein, 1992)

Hofstede on the other hand describes the contents of culture in four levels; symbols, heroes, rituals and values. He pictures culture as the skins of an onion, indicating that symbols represent the most superficial and values the deepest manifestations of culture with heroes and rituals in between.

As per Hofstede symbols are words, gestures, pictures or objects that carry a meaning which is recognized by those who share the culture. There are words (jargon or slang), gestures, and pictures or other physical objects that carry a particular meaning within a culture. Heroes are people dead or alive, real or imaginary who possess characteristics that are highly prized in a culture and serves as models of behavior. Rituals are collective

activities that are technically superfluous to reach desired ends but within culture they considered essential. The core of culture according Hofstede is values. Values are broad tendencies to prefer certain states of affairs over others. Represents the collective beliefs, assumptions, and feelings about what things are good, normal, rational, and valuable They are the feelings with an arrow indicating a plus or a minus side. (Hofstede, et al., 2010) (Brown, 1995) (Naicker, 2008) (Insights, 2017)

1.1.3 Organization Culture Theories

Before we analyze the types of Organizational Culture it is important to mention the theories that researchers approach over the years. The theories developed on the Organization Culture follows the humanitarian approach and can be grouped into three categories: the cognitive approach, the structural approach and the symbolic approach.

The cognitive approach

Culture is the various standards for perceiving, evaluating, believing, and doing that a person because of his experience of their actions and admonitions. A person finds he must attribute different standards to different sets of others, he perceives these sets as having different cultures (Ward Goodenough).

The main purpose of this approach is to explore the separate ways members of a culture perceive and describe their social environment. The organization imposes rules, function and behavior, something similar is considered with culture, ie a structure of knowledge that determines perception and understanding action.

The cognitive approach was applied on the analysis of organizational culture, emphasizing that organizations are fields in which grids of subjective meanings are formed; or common reference frameworks are established, which they accept their members.

The most recent researches on the cognitive dimension mainly deal with organizational content cultures and end in three types: lexical knowledge (definitions, key concepts, reference frameworks) managerial knowledge (beliefs about causes and results knowledge - recipe (rules based on chain relations cause and effect).

The structural approach

This theory considers that since culture is a result of human intellect then there should be common traits in all cultures. Based on this, the culture is geared towards identifying cultural generalizations, endogenous, unscrupulous structures and put forward the claim of generalized strength.

Each organization has a specific structure, data cognitive features and management has its own practices to achieve the goals and strategy of the organization.

The symbolic approach

The symbolic approach considers cultures as systems of common symbols and signaling. The aim is to investigate semantic systems which are hidden in human action and can interpreted based on the ways in which they are linked symbols and form sign language.

In the analysis of organizations, the adoption of the symbolic approach requires that the organization, such as culture, is a symbolic speech pattern, which must be interpreted and decoded to make it understandable.

Organizations are ranked according as per the degree to which they accept and consider common values, roles, rules and expectations that make up the structure of a lattice within the organization. The grid structure consists of:

- the history of the organization
- the determinations of specific situations that were caused from parts of the organization
- the interpretation and rendition of meaning through the relationship of interaction is prevalent among members.

The symbolic approach claims that organizations they are transformed into imaginary structures of members about them their experiences for the organization. (Tofalli, 2012)

1.1.4 Organizational Culture Types

Several methods have been used to classify organizational culture. While there is no single type of organizational culture and organizational cultures vary widely from one organization to the next, commonalities do exist and some researchers have developed models to describe different indicators of organizational cultures. (Wikipedia, 2018).

Kim Cameron and Robert Quinn

Kim Cameron and Robert Quinn conducted research on organizational effectiveness and success. Based on the Competing Values Framework, they developed the Organizational Culture Assessment Instrument that distinguishes four culture types.

Competing values produce polarities like flexibility vs. stability and internal vs. external focus – these two polarities were found to be most important in defining organizational success. The polarities construct a quadrant with four types of culture:

Clan culture (internal focus and flexible) – A friendly workplace where leaders act like father figures. Clan cultures are most strongly associated with positive employee attitudes and product and service quality. Key elements are participation, consensus,

social and friendly relationships, mutual trust, devotion workers. The organization's goal is cohesion and his long-term success through his loyalty, loyalty and his high morale of people.

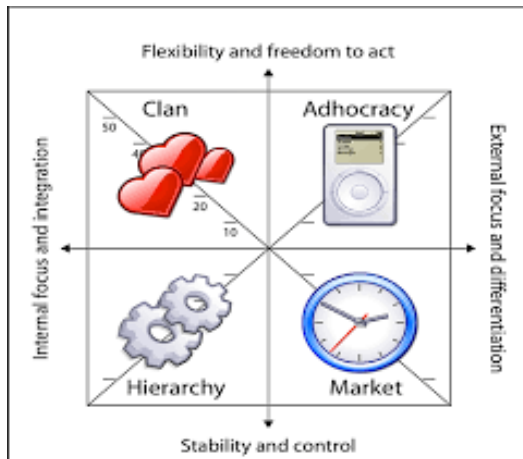
Adhocracy culture (external focus and flexible) – A dynamic workplace with leaders that stimulate innovation. The essential element is monitoring and information with external environment, changes, adaptability to this, the freedom of initiative, the risk taking, the creativity, success, competition, innovation, innovation the existence of new and unique products. The power comes from ability and development of individuals and managers act as entrepreneurs and creators of innovation.

Market culture (external focus and controlled) – A competitive workplace with leaders like hard drivers. Market cultures are most strongly related with innovation and financial effectiveness criteria. The main objective is to achieve the results through efficient use of available resources. Main elements of short-term planning, location and the existence of standards efficiency, rationality, cost control, definition of and the efficient use of resources. The workers are oriented towards the achievement of objectives and competition, managers are characterized by hard work, high production and competitiveness, leadership and acquisition of market shares.

Hierarchy culture (internal focus and controlled) – A structured and formalized workplace where leaders act like coordinators. The key features are the hierarchy, the internal formality, the regulations and procedures to control and predictability of people's

attitudes. The power of men stems from their position and the managers have the task of organizing and coordination.

As per Kim Cameron and Robert Quinn the culture of an organization consists of elements of all the above models which depending on the degree to which they dominate or not elements of each of these four models. (Tofalli, 2012) (Wikipedia, 2018)



Handy and Harrison

Zeus (power), Apollo (role), Athena (task) and Dionysus (person) the four main types set by Harrison and named by Handy.

Power culture (Zeus) – concentrates power among a small group or a central figure and its control is radiating from its center like a web. Power cultures need only a few rules and little bureaucracy but swift in decisions can ensue. The father - master knows. Leadership resides in the person who is in charge, and rests on the leader's ability and willingness to administer rewards and punishments. At best, the leader is firm, fair and generous and has loyal subordinates. At worst, the leader leads by fear, with abuse of power for personal gains.

Role culture (Apollo) – authorities are delegated as such within a highly defined structure. These organizations form hierarchical bureaucracies, where power derives from the personal position and rarely from an expert power. The duties and rewards of employees' roles are clearly defined. Control is made by procedures, strict roles descriptions and authority definitions. These organizations have consistent systems and are very predictable. The main values of a role - orientated organization are order, dependability, rationality and consistency. This type of organization provides stability, justice, and

efficient performance. People are protected in their jobs and need to spend less time looking out for themselves, and can devote more energy to their work.

Task culture (Athena) – teams are formed to solve particular problems. Power is derived from the team with the expertise to execute against a task. This culture uses a small team approach, where people are highly skilled and specialized in their own area of expertise. Additionally, these cultures often feature the multiple reporting lines seen in a matrix structure. Individuals are rated for performance, their ability, experience and contribution to its success group or organization. The people like their work and want to contribute to the company, thus enjoying an intrinsic reward. The slogan that dominates is "dynamic people "rather than" human potential ".

Person culture (Dionysus) – formed where all individuals believe themselves superior to the organization. It can become difficult for such organizations to continue to operate, since the concept of an organization suggests that a group of like-minded individuals pursue organizational goals. Characteristics are the independence, the flexibility, mutual respect, failure to rank and individualism. The organization exists to serve the needs of its members and to offers them the ability to act on their own goals and values. They have existential motivations, they want to be some, deny the bosses or use them as an alibi. (Wikipedia, 2018) (Tofalli, 2012) (Naicker, 2008)

Deal and Kennedy

Deal and Kennedy defined organizational culture “as the way things get done around here”. They created a model of culture that is based on 4 different types of organization culture. Each of them focus on how quickly the organization receives feedback, the way members are rewarded, and the level of risks taken:

Work-hard, play-hard culture – This has rapid feedback/reward and minimal risk resulting in: Stress coming from quantity of work rather than uncertainty. High-speed action leading to high-speed recreation.

Tough-guy macho culture – This has rapid feedback/reward and high risk, resulting in the following: Stress coming from high risk and potential loss/gain of reward. Focus on the present rather than the longer-term future.

Process culture – This has slow feedback/reward and low risk, resulting in the following: Low stress, plodding work, comfort and security. Stress that comes from internal politics

and stupidity of the system. Development of bureaucracies and other ways of maintaining the status quo. Focus on security of the past and of the future.

Bet-the-company culture – This has slow feedback/reward and high risk, resulting in the following: Stress coming from high risk and delay before knowing if actions have paid off. The long view is taken, but then much work is put into making sure things happen as planned. (Wikipedia, 2018) (Tofalli, 2012)

1.2 National Cultures and Organizational Culture in Universal Environment

At a time when scientific and technological development has broken the boundaries of national borders, the economic world is talking about the limits of a global economy. International businesses hold a sizeable proportion of the world market in a market in which national borders have been abolished and the movement of goods, services and people is free. The global economy is based on the global interdependence of the sources of revenue that businesses need in the product / service market and between their competitors. This is achieved through multinational companies that aim to carry out transactions across national borders. A multinational company is a corporate organization that owns or controls production of goods or services in at least one country other than its home country.

1.2.1 National Cultures

In the context of global economy and the growth of economic interdependence between countries, national culture is becoming crucial for modern business processes. Today, the global economy is expanding rapidly and with this expansion, understanding the impact of national culture on an organization becomes one of the most influential factor in the success or failure of a multinational company. Understanding culture can equip person for the challenges of modern business environment. Recognizing the importance of cultural differences helps understand the international partners and competitors of a company and helps on improving the managerial skills. Cultural diversity influences many

processes in every-day business of a company and it is quite important to manage it to get the best results.

Professors Geert Hofstede, Gert Jan Hofstede, Michael Minkov and their research teams conducted one of the most comprehensive studies of how values in the workplace are influenced by national culture. As per study called "The Hofstede model", there are six Dimensions of national culture. These dimensions represent independent preferences for one over another that distinguish countries from each other.

Power Distance Index

This dimension expresses the extent to which the less powerful members of institutions and organizations within a country accept and expect that power is distributed unequally. Reflects the answer to the basic question of how to handle the fact that people are unequal.

People exhibiting a large degree of Power Distance accept a hierarchical order in which everybody has a place and which needs no further justification. In institutions and organizations with low Power Distance, people strive to equalize the distribution of power and demand justification for inequalities of power.

Individualism Vs Collectivism

The high side of this dimension, called Individualism, can be defined as a preference for a loosely-knit social framework in which individuals are expected to take care of only themselves and their immediate families.

Its opposite, Collectivism, represents a preference for a tightly-knit framework in which individuals can expect their relatives or members of a group to look after them in exchange for unquestioning loyalty.

A society's position on this dimension is reflected in whether people's self-image is defined in terms of "I" or "we." The degree of Individualism varies within countries as well as among them and it is important to base the country scores on comparable samples from one country to another.

Masculinity Vs Femininity

The Masculinity side of this dimension represents a society where the emotional gender roles are clearly distinct: men are supposed to be assertive, tough and focused on material

rewards for success. Women are supposed to be more modest, tender and concerned about the quality of life. Society at large is more competitive.

Its opposite, Femininity, stands for a society where the emotional gender roles overlap, both men and women are supposed to be modest, tender and concerned about the quality of life. Society at large is more consensus-oriented.

In the business context Masculinity Vs Femininity is sometimes also related to as “tough Vs tender” cultures.

Uncertainty Avoidance Index

The Uncertainty Avoidance dimension expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity. The fundamental issue here is how a society deals with the fact that the future can never be known: should we try to control the future or just let it happen?

Countries exhibiting strong Uncertainty Avoidance Index maintain rigid codes of belief and behavior, and are intolerant of unorthodox behavior and ideas. Weak Uncertainty Avoidance Index societies maintain a more relaxed attitude in which practice counts more than principles.

Long Term Orientation Vs Short Term Normative Orientation

Every society must maintain some links with its own past while dealing with the challenges of the present and the future. Societies prioritize these two existential goals differently.

Societies who score low on this dimension, for example, prefer to maintain time-honored traditions and norms while viewing societal change with suspicion.

Those with a culture which scores high, on the other hand, take a more pragmatic approach: they encourage thrift and efforts in modern education to prepare for the future.

In the business context, this dimension is referred to as “(short-term) normative Vs (long-term) pragmatic”.

Indulgence Vs Restraint

Indulgence stands for a society that allows relatively free gratification of basic and natural human drives related to enjoying life and having fun. Restraint stands for a society that suppresses gratification of needs and regulates it by means of strict social norms.

During the preparation of this study I used two books of Professor Geert Hofstede and his team both published in different periods. It is very interesting the fact that during my research I have noticed the changes of the national cultures and its dimensions. On the book published on 1994 Professor Geert Hofstede stated only four dimensions of national cultural. Where on the other hand on the book published in 2010 the include six. It is quite fascinating noticing that through the last 15 years national culture has changed and two additional dimensions have been added. Also, it is very interesting the fact that the other four dimensions have been changed two adding new levels on each dimension. (Hofstede, 1994) (Hofstede, et al., 2010) (Insights, 2017)

1.2.2 Difference between Organizational Culture and National Culture

Using the world culture for both nations and organizations suggests that the two kinds of cultures are identical phenomena. This is incorrect: a nation is not an organization and the two cultures have different nature. This difference is due to the different roles played in each by the manifestations of culture.

National culture relates to the deeply held values, for example, good vs. evil, normal vs. abnormal, safe vs. dangerous, and rational vs. irrational. National cultural values are learned early, held deeply and change slowly over the course of generations.

Organizational culture, on the other hand, is comprised of broad guidelines which are rooted in organizational practices learned on the job. (Hofstede, 1994) (International, 2018) (Matijević, Sandra ; Vrdoljak Raguž, Ivona ; Filipović, Davor ;, 2015)

1.2.3 Difficulties of Transferring Mother Organizational Culture to other National Cultures among a multinational organization

As companies continue to expand across borders and the global marketplace becomes increasingly more accessible for small and large businesses it brings ever more opportunities to work internationally.

International business deals not only cross borders, they also cross cultures. Multinational and cross-cultural teams are becoming more common, where businesses can benefit from an increasingly diverse knowledge and new approaches to business problems. Culture influences how people think, communicate, and behave. However, along with the benefits of insight and expertise, global organizations also face potential stumbling blocks when it comes to culture and international business.

Recognizing and understanding how culture affects international business can help avoid misunderstandings and excel in a globalized business environment.

Communication

Effective communication is essential to the success of any business venture, but it is particularly critical when there is a real risk of your message getting “lost in translation.” Verbal or non-verbal languages, first difficult to translate, creates numerous difficulties, and even have multiple meanings. Multinational companies are challenged by the different communication styles that affect developing strong relationships between partners, employees and clients. In many international companies, English is the de facto language of business. But more than just the language you speak, it’s how you convey your message that’s important. Moreover, while fluent English might give you a professional boost globally, understanding the importance of subtle non-verbal communication between cultures can be equally crucial in international business. It is vital managers to construct more training to understand languages, symbolic understanding and non-verbal communication difficulties, which is taken as a part of daily life. Patience is required to build the right relationship outside of the board room.

Power Distance

Power distance relates to how power is distributed within an organization. Typically, American companies utilize a low power distance and have more informal hierarchies that allow interaction between executives and their subordinates. Managers ask for feedback from employees and even socialize with them. Companies with high power distance are typically very hierarchical in nature and have severe differences in authority.

Workplace etiquette

Different approaches to professional communication are just one of the innumerable differences in workplace norms from around the world. Researchers has put together a

useful infographic for a quick reference of cultural differences in business etiquette globally.

For instance, the formality of address is a big consideration when dealing with colleagues and business partners from different countries. Do they prefer titles and surnames or is being on the first-name basis acceptable? While it can vary across organizations, Asian countries such as South Korea, China, and Singapore tend to use formal “Mr./Ms. Surname,” while Americans and Canadians tend to use first names.

The concept of punctuality can also differ between cultures in an international business environment. Different ideas of what constitutes being “on time” can often lead to misunderstandings or negative cultural perceptions.

Along with differences in etiquette, come differences in attitude, particularly towards things like workplace confrontation, rules and regulations, and assumed working hours. While some may consider working long hours a sign of commitment and achievement, others may consider these extra hours a demonstration of a lack of efficiency.

Cross-cultural training

The cross-cultural training carries varied methodology to understand about the adjustment process in diverse society. Time punctuality; linguistic barriers, business meeting and practices, cultural stress, and body languages and greeting are major components of cultural trainings. Therefore, it is needed an international manager to develop comprehensive knowledge about the cultural and local affair, which is designing the process of encountering into localization. Further, although, the achievement of cross-cultural training is taken as foundation of professional development, managers are often unable to response on social cohesion, workforce development, national policy, success of immigration and settlement process, and localization through a single cross-cultural view.

Conflict

Conflict refers to some form of friction, disagreement, or discord arising within an organization when the beliefs or actions of one or more members are either resisted by or unacceptable to another one or more members. Conflict involve violence, interpersonal discord, and psychological tension.

Organizational hierarchy and context

Organizational hierarchy and attitudes towards management roles can also vary widely between cultures. Whether those in junior or middle-management positions feel comfortable speaking up in meetings, questioning senior decisions, or expressing a differing opinion can be dictated by cultural norms. Often these attitudes can reflect a country's societal values or level of social equality. This hierarchy helps define roles and responsibilities across the organization. Organizations that have high-context cultures are collectivist and focus on interpersonal relationships.

The concept of high- and low-context culture and how an employee's thoughts, opinions, feelings and upbringing how they act within a given culture is vital for a multinational company. North America and Western Europe are generally considered as low-context cultures. This means that businesses in these places have direct, individualistic employees who tend to base decisions on facts. High-context cultures are the opposite, in that trust is the most important part of business dealings. There are areas in the Middle East, Asia and Africa that can be considered high context. (Hult, 2017) (Pudasaini, n.d.) (Nnia, 2015) (Hofstede, et al., 2010)

Chapter 2

Denmark and Danish Culture

As a Danish company Maersk Line A/S endorses and has influences from the country where it is born. In order to understand Maersk Line A/S we must learn parts of the history and culture of Denmark.

2.1 Denmark

Denmark is a Scandinavian country in Europe. The southernmost and smallest of the Nordic countries, it is south-west of Sweden and south of Norway and bordered to the south by Germany. The Kingdom of Denmark is the sovereign state that contains Denmark proper and two autonomous constituent countries in the North Atlantic Ocean: the Faroe Islands and Greenland.

The earliest archaeological findings in Denmark date back to the Eem interglacial period from 130,000–110,000 BC. Denmark has been inhabited since around 12,500 BC and agriculture has been evident since 3900 BC. From 10,000 to 1500 B.C., the population of Denmark evolved from a society of hunters and fishers into one of farmers. During the Pre-Roman Iron Age (500 BC – AD 1), native groups began migrating south, and the first tribal Danes came to the country between the Pre-Roman and the Germanic Iron Age.

The residents of Denmark belonged to the same ethnic group with the Vikings of Scandinavia. Danish sailors raided along with the Vikings of Scandinavia in Northern Europe and especially in England. Denmark as an independent nation is first mentioned in the 8th century AD. In the 10th century King of Denmark Harald embraced the Christian religion and the entire Danish nation Christianized. In 1013, King Svein, son of Harald, conquered England. His son Svein, Canute the Great, united throughout England, Denmark and Scandinavia and formed a large country in Northern Europe. In 1282 the

nobles forced the king of Denmark to recognize the Magna Carta, which recognized their rights and obligation to share power with a parliament and a noble council.

In 1380 under the authority of Olaf II, Denmark was united with Norway, the territories which included Iceland and the Faroe Islands. In 1389, Queen Margaret A', mother of Olaf II, conquered Sweden. Then began the efforts to unite the three kingdoms (Denmark, Norway and Sweden) which finally achieved with the signature of the Kalmar Union in 1397. In the 18th century Denmark began the colonization of Greenland, which had been conquered by 1380. In the early 16th century Sweden gained its autonomy and in 1523 its independence.

During the Napoleonic wars, Denmark was an ally of Napoleon resulting through the Treaty of Kiel on 1813 to lost Norway, which was ceded to Sweden. In 1864 the German Bismarck allied with the Austrians and Prussians, declared war against Denmark to promote his plans for the unification of Germany.

In the First World War, Denmark remained neutral. In 1939 their government signed a ten-year pact with Hitler, but they have not managed to avoid a German invasion a few months later. During the Nazi occupation Iceland became independent, which was acquired by the Danish in 1380. In 1945 Denmark was liberated by British troops. In the same year Denmark became a UN member in 1949 a member of NATO.

In 1972 the Danish the request to the then EEC was accepted, along with Ireland and Great Britain, and in 1973 Denmark became a full and equal member. Greenland gained its autonomy from Denmark in 1979.

Today Denmark is an independent country with 5.707.000 estimated population. Their government is unitary parliamentary constitutional monarchy with Monarch Queen Margrethe II and Prime Minister Mr. Lars Løkke Rasmussen. The capital of Denmark is Copenhagen with estimated population 1.206 million. The official regional languages are Danish and German, the religion is Christian Protestant and the currency is Danish Krone. (Wikipedia, 2018) (Infoplease, n.d.) (Denmark, 2018)

2.2 Danish Country Culture

What do Lego and Hamlet, the Vikings and Hans Christian Andersen have in common? They all come from the same country, the country with the happiest people, Denmark. The heritage of Denmark's culture is rich and worldwide recognized both in arts and science. The astronomical discoveries of Tycho Brahe, the principle of conservation of energy by Ludwig Colding and the contribution of Niels Bohr in atomic physics as well as the research of Lene Vestegaard Hau in quantum physics nano technology and Bose Einstein Condensates demonstrates the range of Danish scientist achievements. The philosophe essays of Soren Kierkegaard, the short stories of Karen Blixen and the plays of Ludvig Holberg have earned the international recognition. (Wikipedia, 2018)

In 2016, Denmark was once again ranked no. 1 country in The World Happiness Report and in 2017 was on second place just after but very close to Norway, followed by Iceland and Switzerland. But the big question is why is Denmark the happiest country in the world? Their culture minister, Bertel Haarder, wanted to find out. Few months afterwards the citizens were asked to send what they believe are the country's most important values. From 2,500 suggestions, the ministry pared it down to 20 and put it to an online vote. More than 300,000 people participated, resulting the below list of the top 10 national values (the quotes are definitions from the ministry, compiled by the Local):

- Freedom: "Freedom is the fundamental value of Danish democracy. In the Western tradition, the freedom of the population is tied to the freedom of the individual."
- Equality under the law: "Denmark is often at the top of international surveys on trust and low corruption."
- Gender equality: "The Danish society is based on equality between the sexes. This means that men and women should have the same rights and opportunities."

- Hygge: “Hygge is considered a special way of being together in a relaxed atmosphere. Hygge is its own word and many say it cannot be translated.”
- Welfare society: “In the Danish welfare society, residents enjoy a high level of protection against social and physical risks and benefit from of a range of public goods.”
- Trust: “The Danish culture of trust is based on an expectation that one’s fellow citizens and public institutions are reliable.”
- The Danish language: “Danish is the mother tongue of more than 90 percent of the population in Denmark. Language is not just a communication tool; it is a culture bearer.”
- Association activities and volunteerism: “Associations constitute a basic way of organizing communities throughout Denmark.”
- Liberal-mindedness: “Liberal-mindedness is based on the premise that all people should have the right to decide over their own lives. To demonstrate liberalism means having an open-minded and tolerant attitude and mindset.”
- Christian heritage: “Christianity’s concept of charity and the Protestant ideas about the importance of work, personal responsibility and equality of all people before God have left their mark upon modern Denmark.” (Anderson, 2016)

But Denmark is more than just the happiest people. Their happiness is just a result of their culture and history.

Arts, Literature and Music

Arts: The development of Danish art can be divided into two periods. The first one starts as early as the Bronze Age. The Bronze Age in Denmark covers the period 1700 - 500 BC. The new metal of bronze, which replaced stone and flint, was imported to Denmark from foreign areas of Europe. Weapons, tools and jewelries were now made of bronze and gold. The domesticated horse was introduced to Denmark in the Bronze Age. Together with the sun and the ship it became a central element in the religion of the Bronze Age.

However, the art development came to a halt in Middle Ages, when Denmark's culture was heavily influenced by Germany and the Scandinavian countries. The 17th century is the Golden Age of the Danish art, which was reborn with a new Danish identity. The Golden Age of Danish Painting emerged to form a distinct national style for the first time since the Middle Ages; the period lasted until the middle of the 19th century. It has a style drawing on Dutch Golden Age painting, especially its landscape painting and depicting northern light that is soft but allows strong contrasts of colour. The treatment of scenes is typically an idealized version of reality, but unpretentiously so, appearing more realist than is actually the case. Interior scenes, often small portrait groups, are also common, with a similar treatment of humble domestic objects and furniture, often of the artist's circle of friends. Little Danish art was seen outside the country and the Danish-trained leader of German Romantic painting Caspar David Friedrich was important in spreading its influence in Germany. This period continues today and leads the contemporary Danish artists. Richard Winther, Jeppe Hein, Per Kirkeby and many others are the carriers of the contemporary Danish art, which has already served as an artistic influence for many artists.

Literature: The Danish literal heritage is strongly connected to the development of the Scandinavian literature. The Danish literature doesn't simply include fiction and storytelling only, but also has a vast number of prominent philosophers, historians, and thinkers. Danish literature was initiated by the historian Saxo Grammaticus, who wrote about Danish history up to the end of the twelfth century, including Scandinavian mythology, with its traditional stories of gods and legendary heroes.

One of the most significant characters of the Danish literature is, of course, Hans Christian Andersen. He has established fame for fantastic storytelling throughout the world. His works, which are entertaining, mind, blowing, and life-changing, has conquered an army of fans, regardless the age or nationality.

Leif Davidsen, Bjarne Reuter, Jens Christian Grondahl and many other contemporary Danish writers are the modern representatives of the Danish

literature and always succeed in fully capturing the attention of readers and introducing new and fresh innovations.

Music: Earlier in 18th century the Danish music was in the hands of individual musicians. These musicians took the music industry of their town and some rural areas into their hands. Sometimes music at the parties was provided by amateurs, who only had music as their hobby and played an instrument or sang a song. Traditional Danish music has many similarities with the Scandinavian music. The most popular Danish instruments are the fiddle and accordion, the sounds of which prevail in the majority of Danish folklore.

Contemporary Danish music industry expands beyond traditional and includes rock, pop, jazz, classical and world music. The Danish music production is popular outside of the country as well, particularly in Europe. The Danish biggest hit ever was the “Barbiegirl” by Aqua. The song was a huge strike to the music charts all over the world, and it still remains one of the most favorite songs of the Europeans.

Denmark is also known for its many music festivals. During the summer, there is a wide range of both Danish and international rock, folk and jazz music to choose from. The most famous festivals are the Roskilde Festival, the Skanderborg Festival, the Folk Festival in Tønder and the Copenhagen Jazz Festival. The Roskilde Festival is one of the largest and most trend setting events on the European rock scene. The Royal Danish Music Conservatory was founded in 1867, and the Rhythmic Music Conservatory was founded in 1986. (Wikipedia, 2018) (Denmark, 2018) (Encyclopedia, 2018) (Nationalmuseet, 2018) (Hus, 2018) (Denmark.net, 2018)

Language

Danish is spoken by almost 6 million people mostly in Denmark and Greenland. It is also taught as a first foreign language in the Faroe Islands and Iceland. The language seems very different for the listener’s norms that it can even sound comical even though it is language very close related to English. There is a recognition that many words sound somewhat like English especially when you

see them in written page. This makes Danish one of the least difficult languages for native English speakers to acquire.

Danish is a descendant of Old Norse, the common language of the Germanic peoples who lived in Scandinavia during the Viking Era. Danish, together with Swedish, derives from the East Norse dialect group. Until the 16th century, Danish was a continuum of dialects with no standard variety or spelling conventions. With the Protestant Reformation and the introduction of printing, a standard language was developed which was based on the educated Copenhagen dialect. It spread through use in the education system and administration. Following the loss of territory to Germany and Sweden, a nationalist movement adopted the language as a token of Danish identity, and the language experienced a strong surge in use and popularity, with major works of literature produced in the 18th and 19th centuries. Today, traditional Danish dialects have all but disappeared, though regional variants of the standard language exist. (Wikipedia, 2018) (Berdichevsky, 2011)

Food

Danes have a reputation for being crazy about food (*madglade*). Danish food is a delight because it whets, tickles and fulfills the appetite. It is not the food items themselves but the whole food culture, the *hygge* atmosphere. There are three traditions that are usually involved in dining in Denmark so that you can *hygge* yourself while enjoying a good meal or snack. The three S's that go together are establishing the dining experience *Spisning* (eating), *Snak* (conversation) and *Skål* (the toast to accompany drinks in honor of those present or past memories or good times to come).

Danish cuisine features the products most suited to its cool and moist climate: barley, potatoes, rye, greens, berries and mushrooms. Dairy products are a world-class specialty. The products of modern Danish agriculture and the fishing industry supply the country and provide a large surplus of good export.

Danish cuisine originating from the peasant population's own local produce, was enhanced by cooking techniques developed in the late 19th century and the wider

availability of goods after the Industrial Revolution. The open sandwiches, known as smørrebrød, which in their basic form are the usual fare for lunch, can be considered a national speciality when prepared and decorated with a variety of fine ingredients. Hot meals are traditionally prepared from ground meats, such as frikadeller (meat balls) and medisterpølse, or from more substantial meat and fish dishes such as flæskesteg (roast pork with crackling) or kogt torsk (poached cod) with mustard sauce and trimmings. Denmark is known for its Carlsberg and Tuborg beers but amongst the Danes themselves imported wine has gained in popularity since the 1960s.

Cooking in Denmark has always been inspired by foreign and continental practises and the use of imported tropical spices like cinnamon, cardamom, nutmeg and black pepper can be traced to the Danish cuisine of the Middle Ages and some even to the Vikings.

In recent years, some Danish chefs have developed the new Danish cuisine, an innovative way of cooking based on high-quality local produce. This new philosophy and cuisine has attracted the attention and been celebrated by the international gourmet community and contributed to the considerable number of highly acclaimed restaurants in Copenhagen and the province, with some of them awarded Michelin stars. (Encyclopedia, 2018) (Wikipedia, 2018) (Berdichevsky, 2011) (Kingsley, 2012)

Hygge

Hygge is the word for a mood of coziness and comfortable conviviality with feelings of wellness and contentment. The word hygge comes from a Danish word meaning "wellbeing". But it is also speculated that hygge might originate from the word hug. Hug comes from the 1560s word hugge, which means "to embrace". In Danish hygge refers to "a form of everyday togetherness", "a pleasant and highly valued everyday experience of safety, equality, personal wholeness and a spontaneous social flow". The noun hygge includes something nice, cozy, safe and known, referring to a psychological state.

Hygge is a tricky word to define, it's a feeling, an experience, a sensation. It means creating a warm atmosphere. It is enjoying the good things in life with good people. The warm amber glow of candlelight is hygge. Stomping through woods, wrapped up warm on a fresh Autumn day before returning to a fireside for hot cocoa is definitely hygge. Friends and family – that's hygge too. But Hygge is more than the above. Hygge is a philosophy; a way of life that has helped Danes understand the importance of simplicity, time to unwind and slowing down the pace of life. (Berdichevsky, 2011) (Encyclopedia, 2018) (Wikipedia, 2018) (Visit Denmark, 2018)

Chapter 3

Maersk Line A/S

Maersk Line is the world's largest container shipping company, known for reliable, flexible and eco-efficient services. It is the largest operating and most profitable unit of A.P. Moller Group – Maersk Group, a business conglomerate with Headquarters in Denmark. Maersk Line A/S activities were the foundation of the Group and the over 110 years history of the Group is integral part of both Maersk Line and Maersk Group. A.P. Moller – Maersk Group's activities are organized into several main business segments: Container shipping and related activities; APM Terminals; Tankers, Training, offshore and other shipping activities; Oil and gas activities; Retail activity; and Shipyards, other industrial companies etc.

3.1 Maersk Line A/S History

In 1904 Captain Peter Maersk Moller and his son Arnold Peter Moller established Aktieselskabet Dampskibsselskabet Svendborg, The Steamship Company of Svendborg, based on their home town in Denmark, called Svendborg. It was the beginning of the company Maersk Line and Maersk Group to which through the passage of time will turn into a big giant in the field of shipping, transport and energy. Their first vessel was a second-hand steamship called Svendborg.

On 22.08.1912 Arnold Peter Moller founded a new steamship company called "The Steamship Company" based on Copenhagen. The new company's fleet was six vessels and both company and vessels funnels and Flags adapted the white seven pointed star on a blue background. Captain Peter Maersk Moller, who was a deeply religious Christian, attached a blue banner with a white seven pointed star on both sides of the black chimney on the steamship Laura, first steamship bought in 1886, when his wife recovered from illness. In a letter to his wife, Moller explained in October 1886, "The little star on the

chimney is a memory of the night when I prayed for you and asked for a sign: If a star would appear in the gray and cloudy sky, it would mean that the Lord answers prayers." The same star became the emblem of the Maersk Line and Maersk Group. In 1918, they establish their own shipyard in Odense which help them increase their fleet and capacity. The first steamship was delivered on 26.05.1920, in 1921 they delivered the first motor vessel and in 1927 the first tanker.

In 1928 the company changed its name into AP Moller Maersk and a new passenger and cargo liner service was launched between United States and Asia. Taking advantage, the benefits of the liner business industry on 12.07.1928 M/V Leise Maersk left Baltimore with destination Far East loaded with Ford car parts and general cargo. This was the beginning of Maersk in the liner industry. At the same time five tankers have joined into company's fleet adding tanker operations in its activities.

Second World War is crucial for the survival of the second largest shipping company in Denmark. On April 18, 1940 and to avoid bad impacts into the company AP Moller issues instructions, *the Permanent Special Instruction One*, all Maersk ships report directly to New York office and follow their instructions. On the next day Germany invades Denmark who surrenders the same day. On 24 April the son of Peter Moller, Maersk McKinney Moller was become partner of the company and two days after he and his family moved to New York where he manages the New York office throughout the war.

In June 1943, United States take control of the US ships and Maersk Vessels serve in to US Navy during the war. This will harm the company because by the end of the war Maersk's remain available ships will be only seven vessels and fourteen will remain under US shipping board from the forty-six vessels the company had at the beginning of the war.

In 1947 a new shipbuilding program was started with orders for new vessels to shipyards all over the world and return of the headquarters to Denmark. By the end of 1953 company's fleet had the size as it was before World War II.

On 16 March 1946 Chastine Maersk made the first voyage after the war for Maersk departed from New York with destination Manila and Shanghai and one year after Maersk sets up Transatlantic Line supporting the rebuilding of the war – torn Europe. In 1950 as part of the after-war expansion new routes are added. Routes to Thailand, India, Hong Kong, Indonesia, countries toward the Persian Gulf as well as West Africa are added into the company's Liner Network.

On 26 May 1953 Mr. Arnold Peter Moller and his son Mr. Maersk McKinney Moller they establish the A.P. Moller & Chastine McKinney Moller Foundation. The foundation main purpose is to support Danish culture and heritage, medical science and of course the Danish Shipping. In 1965 after the death of Arnold Peter Moller the foundation became the principal shareholder of the two shipping companies, The Steamship Company of Svendborg and The Steamship Company.

The decade between 1960 – 1969 Maersk shows a big growth. In 1962 Danish government grants a license to AP Moller to search for oil in the Danish Part of North Sea. Maersk Oil A/S is later founded. In 1964 after an agreement with Herman Sailing AP Moller became partner of Dansk Supermarket. In 1962 Maersk added a new service to its activities, shipping supply. Today a fleet of supply vessels serves offshore oil and gas industry. With the development of the new Lindo Shipyard and the production and delivery of new vessels, oil and gas tankers, supply vessels and cargo vessels, increase significantly the fleet of the company until the beginning of 1970. During that period of time AP Moller also establish Maersk Medical, Maersk Air, and Maersk Drilling adding different services on to the company's activities.

In 1956, we have the container revolution. Malcolm McLean, owner of Sea – Land Services Inc. in USA, was wondering how we could get trucks entire cargo onto a ship as quickly as possible. Together with engineer Keith Tantlinger they develop container, 8 feet (2.4 m) tall by 8 ft (2.4 m) wide box in 10 ft (3.0 m)-long units constructed from 2.5 mm (0.098 in) thick corrugated steel. The design incorporated a twist lock mechanism atop each of the four corners, allowing the container to be easily secured and lifted using cranes. The first container was loaded on to M/V SS Ideal X in April 1956 and on 1966 we have the first International Container Shipment. This will be the beginning of the modern container shipping era. The new vessel types forced port facilities to change. New specialized terminals with container cranes, areas for container storage, warehouses for transshipments, workshop for repairs and office facilities are needed to serve the need of containerization.

In 1973 following the modern times ahead AP Moller decided to place an order off nine container ships. This will be the beginning of the largest projects in the history of AP Moller -Maersk Group investing in vessels, terminals, containers, marketing and sale of this new service. Two years after M/V Andrian Maersk, the first container vessel of Maersk Line departed from New Jersey on 5th of September. This investment will establish

a new department based in Copenhagen and will create Maersk Line, Damco and AP Terminal, all related to container business.

The following years new container vessels were delivered and additional routes added on their route service. In 1991, they create a container factory in Denmark in order to meet their needs on container.

The company went public in 1982 listing the two shipping companies on the Copenhagen Stock Exchange while AP Moller remained family control business.

In 1991 Maersk Line and P&O began a partnership in global container service increasing the market share of the company.

Between 1993 – 1999 Maersk Line will become bigger and bigger. In 1993, they will take over EacBen Container Line Ltd adding nine large container ships in their fleet. Two years after the delivery of the sixteen vessels will convert Maersk Line to the largest container line in the world.

In 1996 the world's largest container ship, M/V Regina Maersk, will be delivered. By that time M/V Regina Maersk holds many records: first ship over 6.000TEU capacity, with length of 318.2 meters, it is the first container ship over 300 meters, first with 42.8m breath and first over 80.000brz.

In May of 1996 Maersk cooperation with P&O ended and a new cooperation with Sealand Corporation signed.

On February 1999 Maersk takes control of Safmarine Container Line adding another fifty vessels on its fleet. Ten months later, on November 1999, Maersk buys the container company Sealand Corporation with seventy vessels, container terminals and liner service. In June 2001 Maersk buys the Dutch Smit-Wijismüller salvage company adding more than two hundred fifty vessels. One year after the took over the shipping liner activities of the Danish Company Dampskibsselskabet Torm adding the routes from United States to Gulf and to West Coast of Africa.

In 2003 two events will bear Maersk at the forefront. The two holding companies, The Steamship Company of Svendborg and The Steamship Company, are merged to one under the name AP Moller – Maersk Line A/S and a new world record for the company. Odense

Yard produces the world's biggest and largest container ship, M/V Axel Maersk. Five sister ships are built and delivered the following years.

The year 2005 is an important year on the history of Maersk Line. Inspired by the under capacity in the container market and the fact that world trade is increasing rapidly on 11.05.2005 Maersk Line announces plans to purchase P&O Nedlloyd for 2.3 billion Euro. Maersk Line will expand its capacity by a third. From 11th May to 24th June Maersk acquired the 19.4% of P&O shares. On 29th June buys the last 25% shares of P&O and on 11th of August AP Moller – Maersk announces that the purchase of P&O has completed. Another one hundred sixty-two container vessels added on the company's fleet.

On 12.08.2006 Maersk Line breaks again the world record. For the third time in ten years Odense Shipyard delivers the world's largest container vessel with capacity 11.000TEU, M/V Emma Maersk. Maersk received eight vessels of this size the following years.

On 2013 Maersk Line signed a contract for ten new, innovative container vessels, the Triple – E class vessels. The Triple – E vessels (Economic of scale, Efficiency, Environment) will set new standards for size, fuel, cost efficiency and Co₂ emission reduction. With the capacity of 18.000TEU they had once again the record of the world's largest container vessel. On 21st July 2014 Mary Maersk, one of the ten Triple – E vessels, departed Algeciras Port, Spain with destination Tanjung Pelepas, in Malaysia loaded with 17.603TEU cargo units, the most TEU ever loaded onto a single vessel setting a new world record for Maersk Line.

On 1st of December 2016 on a press release the CEO of Maersk Line, Soren Skou, announced that Maersk Line have reached to an agreement with Oetker Group to acquire Hamburg Sud, the world's seventh largest container shipping line with one hundred thirty vessels in its fleet, fortify her position as the world's biggest shipping company. Maersk Line closed the transaction at the end of 2017.

Today Maersk Line is the world's largest overseas cargo and freight carrier. Maersk Line operates under four brands Maersk Line, Seago Line, Safmarine and MCC Transport. With offices in 120 countries, 33.000 employees, 15.80% market share and 628 vessels Maersk Line A/S is the leader in the container shipping industry. (Wikipedia, 2018) (Maersk Line, 2017) (The Maersk Group , 2017) (Maersk Group Youtube , 2018) (Maersk Line Youtube , 2018)

3.2 Company's Values

In 2003 the values of Maersk Line first presented on paper, but the five core values are part of the business for more than 110 years. These five guiding rules were handed over in December 2003, when Maersk McKinney Moller invited the top 50 leaders of the company to his private home north of Copenhagen. He had decided to leave the bridge but, as he put it, retain his cabin, as he stepped down as Chairman of the A.P. Møller – Mærsk A/S Board of Directors but remained Chairman of the Foundation.

The five corporate values were ingrained by the founders, the Moller family and are the guiding principles for the development of Maersk Line and Maersk Group for over a century. The five core values drive the way they do business – Constant Care, Humbleness, Uprightness, Our Employees and Our Name.

Constant Care – Take care of today, actively prepare for tomorrow. As Maersk McKinney Moller explained “the basic principle is that people can trust us. Authorities can trust us, employees can trust us and business connections can trust us. Your word should be your bond. We exercise constant care. With constant care, I mean care at the time the action is taken. With more certain we do the right the first time instead of heading to correct the right from wrong. That’s difficult. Of course, if we could calculate the decisioning it could be too much. But constant care is the proverb my papa left to me and to the Group”. Forward thinking, planning and execution, being informed, innovative, seeking out new ideas and looking for changes in the environment these are the meanings of constant care for Maersk Line.

Humbleness – Listen, learn, share, and give space to others. Showing trust and giving empowerment, having an attitude of continuous learning, never underestimating our competitors or other stakeholders, acknowledging the limits and mistakes. Captain Kyaw Khaung master of M/V Maersk Sebarok said about humbles “I’m the master on board the ship. I can’t just simply ask everybody to do it my way. You have to listen, learn and share. Give space to others. When we are out here nobody is coming here to make a decision. The final decision is going to make by yourself. Anything can happen, if I make a wrong decision. I always share my knowledge and take their feedback and advice. Not just ‘this is anchored decision. I know everything, being the master’. This is not the way we run the vessel. We have to be humble and take in all the feedback and evaluate yourself. I have to

be fair and square to all my employees. If they are doing good job you have to appreciate what they have done”.

Uprightness – Our word is our bond. As Ane Maersk Mc-Kinney Uggla explained on a personal interview ““Uprightness, ‘our word is our bond’ are the words that first come to mind when the family and I think of our father. He was trustworthy as a person and a personification of that value as a father. He demanded no more from others than he was willing to do himself.” Honesty and accountability, openness about the good and the bad, speaking your mind in the debate, but backing the decision.

Our Employees – The right environment for the right people. Soren Skou CEO of Maersk Line said “What will decide whether Maersk Line wins in the future is not so much the technology but the quality of the people and the way we run the company. All our values are truly important but I would like to talk about our employees as a value. As a company we deploy lots of capital, lots of technology and lots of activity. But at the end of the day none of that is proprietary. As a company, we need to attract the best people, to retain them we need to develop them. And that’s what our employees are about: creating the right environment for the right people. Our employees are important both onshore and at sea.” Attracting and retaining the right people and building the right team, providing opportunities for continual development, rewarding performance and promoting for potential, embracing diversity these are what characterize the value “our employees” for Maersk Line.

Our Name - The sum of our Values: passionately striving higher. Passion and pride for what we do and how we do it, our image in the eyes of our customers and the world, respecting and building on our strong heritage and professionalism and dedication these are the contents of Maersk’s name. Ane Maersk Mc-Kinney Uggla said “If you hit Our Name, the entire house could fall. We are really respected globally – and I’m proud of that. This is what the family, together with our leaders and employees, have built. And it’s what we must not destroy: Our Name.”

As the family states the Values are greater than any person, no matter what their seniority or heritage. They connect the past, present and future and can be seen as the scaffolding, the load-bearing pillars of the company simply built into the construction. They are carved in stone and can last forever. Naturally none of us are perfect, but the Values are there to

strive for. (Maersk Line, 2017) (The Maersk Group , 2017) (Maersk Group Youtube , 2018)
(Maersk Line Youtube , 2018)

3.3 Company's Organizational culture

"Our culture: diverse, dynamic, unique"

As Maersk claims over the years their biggest asset is their people, and without them nothing might not have happen. The key of their success is the fact that they choose the best people and they encourage and enable each individual to perform their very best within highly professional teams, acting within the framework of company's values.

Danish working culture is based on communication, collaboration and personal responsibility. The main and more important aspect of Danish Work culture is the balance between work life and personal life. Through flexible working conditions allowed to distribute and balance their workload according to individual needs. Danish people want to work and they want to do it well. They are reliable and productive. Therefor their employers believe that their employees will do their job and they will do it well.

As a Danish company Maersk Line could not avoid following the Danish Work Culture, Behavior and Influence. The four main aspects of Danish Work Culture are part of Maersk Line organization culture and they have been spread all over the organization in and outside Denmark offices.

Equity – Independence

All Maersk employees are treated democratic with equal rights. The employees are expected to work independently and show initiative. They are expected to work things and their tasks by their selves but always to discuss matters with their colleagues and managers. The company believes that this kind of autonomy can make their employees feel more trusted and appreciated giving them motive to be on their higher performance.

Open Dialogue

As most Danish companies, Maersk Line has a flat structure and hierarchy with small distance between the managers and the workers. This often gives room to employees to express their opinion and suggestions on the company's tasks. A recent example is the

“Hidden Treasures campaign” in 2017. A campaign where all employees on the company could submit an idea or comment focusing on unique digital solutions for customers. As Ibrahim Gokcen Chief Digital Officer for A.P. Moller – Maersk said, “We are launching this first idea campaign to tap into the creativity and entrepreneurship of our employees, to bring new ideas forward for digital products and services to support digital innovation and the digital transformation of Maersk.” The campaign was a big success with 679 ideas from 55 countries in two weeks showing that there is a lot of inspiration through employees which will benefit the company.

Informal

Maersk Line organization culture is characterized by being quite informal. There is no dress code, and people talk informally to each other. They do not use “Sir” and “Ms”, but they use first names with all colleagues, from trainees to managers and superiors. They also use their first names and people say you when they address each other. However, they might be more formal in their mail correspondence.

Social Activities in workplace

As most of Danish companies, Maersk Line has a set calendar of social events to which everyone is invited. Such events might be: Christmas parties, summer outings, cake on Fridays, etc. and almost everyone participates in these events. As an international company Maersk Line encourage all employees to socialize between them through weekly meetings or teleconferences, daily communication through IT applications, even trips if necessary, making the environment friendlier between the employees in all of the organization. (University, 2017) (Copenhagen, n.d.) (The Maersk Group , 2017) (Maersk Line, 2017)

On a previous chapters, we analyzed the main levels of culture as they have been described by Hofstede Geert. As per Hofstede an organization culture can be divided in four levels; symbols, heroes, rituals and values. But what are the elements of these four levers that characterize Maersk Line’s Culture?

Symbols

What makes Maersk Line world recognizable all over the world? What it has not changed all over the years and will remain the same all the years after? The seven-pointed star. The only thing that can never and did never changed through the years. The story and the

meaning of the star we mentioned before is important both for Maersk Line history but for their identity too. Pictured on their ships chimney, on all their containers, all their documents and signs is the most important symbol on their culture.

Another symbol which makes Maersk Line recognizable all over the world is its name. Even though through the years the name of Maersk Line had changes, there is only one world on it that remain the same. The “family” world MAERSK, MÆRSK as per Danish Alphabet is mentioned on the names Maersk Line had during the years.

On a book, there is a story worth mentioning. As per book *Creating Global Opportunities – Maersk Line in Containerization*, the period 1987 – 1990 there was a big expansion for Maersk Line. “That time was beginning to consider itself a global organization. A senior American manager was interviewed by the US Journal of Commerce and was heavily criticized the conference system. A few days after the article came to the Board’s attention in Copenhagen and Maersk McKinney asked what guidelines existed for managers around the world when they are dealing the press. An investigation took place and they found that indeed there is a clear guideline for all external office managers. It was dated in back in 1978 and they were all in Danish.” (Jephson, Chris; Morgen Henning;, 2014) From that day Maersk Line established a main language within the group, English Language. All employees should be well familiar both in writing and speaking English. Until recent years Maersk Line allowed only English to be spoken in all their offices and the country language could be spoken only if necessary.

Heroes

There are three men who are the three heroes and models for the company. The three men who made Maersk Line what is today, Captain Peter Mærsk Møller, Arnold Peter (A. P.) Møller and Mærsk Mc-Kinney Møller. The first was the founder of the company Svendborg Steamship Company, the second was the founder of the Maersk corporation and the third was the one who made Maersk the largest container ship operator and supply vessel operator in the world.

Rituals

Informality is the main ritual of Maersk Line. It is well noticeable that if you ever find yourself in Esplanaden 50 building you might hear the simple employee speaking to CEO in singular. Or if you attend on one of their teleconference meetings you will notice that

the employees are speaking with each other as they as friends for a lifetime, even if they might never have met in person. Exchange communication between them applies the same status. Emails, Skype communication, telephones are in a friendly set.

Values

Moral ethical codes, honesty and integrity the vital values of Maersk Line. For Maersk Line it is important to maintain its high standards and reputation.

Denmark is on second place on the list for transparency as per IT (International Transparency Organization) with score 88/100 and as a Danish company Maersk could not avoid been affected by it. Transparency is a vital aspect on the daily life of the company. Recognizing that the stakeholders have an interest in receiving appropriate insight into Maersk's management they comply with all the disclosure requirements to all tax authorities and governments in the countries they operate. Maersk Line has also invested in IoT (Internet of things) and blockchain technology in order to improve transparency for its sea freights, service chain and activities.

Maersk Line as a company of Maersk Group follows the “The A.P. Moller - Maersk Policies” the group published. As per The A.P. Moller - Maersk Policies the company has five values that follows through their policies Business Approach, pursue profitable business and responsible leadership within the industries. Our Brand, engage with customers, other stakeholders and colleagues to promote and protect the brand. Health and Safety, conduct the business in a safe manner. Legal Compliance, committed to comply with applicable laws and regulations. Our Working Culture, provide to the employees with opportunities to develop and succeed. (Maersk Group Youtube , 2018) (Maersk Line, 2017) (Maersk Line Youtube , 2018) (The Maersk Group , 2017) (Organization, 2018).

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