

Building a New Corporate Culture for Business Development in a Transition Economy: A Case of Kazakhstan based on Lessons from South Korea

Choong Y. Lee

Kelce College of Business, Pittsburg State University, U.S.A.

ABSTRACT: *Kazakhstan possesses a tremendous economic growth potential as the country continues its transition to a market economy. However, despite huge potential, Kazakhstan has not been able to develop a competitive economy. One of the main causes is that there are few Kazakh companies or business organizations who could compete in global markets due to poor organizational performance. Most Kazakh companies' organizational culture is outdated and primitive to be competitive. They desperately need to build a sound business culture including an efficient organizational culture for creating a competitive environment for business in Kazakhstan. With more business interactions between Kazakhstan and Korea, recently many experts and business leaders in Kazakhstan have paid serious attentions on the Korean style of management and its unique organizational culture, and are considering them as a model for developing their style of management and building a new organizational culture suitable for Kazakh organizations. This paper will analyze the Korean business organizational culture, and discuss its main characteristics and key elements. It will also talk about the current issues and existing problems in the Kazakh organizational culture, and finally propose some ideas learned from Korea that Kazakhstan could adopt to develop its new competitive organizational culture.*

KEYWORDS: *Business Performance, Corporate Culture, Kazakhstan, Korea, Transition Economy*

I. INTRODUCTION

Since its independence in 1991, Kazakhstan has been one of the leading Central Asian republics in terms of economic restructuring efforts taken towards a successful transition to a market economy. To employ the market economy principles, the Kazakh government started a very aggressive reform initiative by liberalizing trade and prices, privatizing state-owned enterprises, breaking up monopolies, and supporting investments. As a result, Kazakhstan has become a member of the World Trade Organization (WTO) in 2015. As the Kazakh government embarks on further reforms, more multinational companies are working in Kazakhstan today, contributing to a speedier economic transition [1].

Today Kazakhstan possesses a tremendous economic growth potential as the country continues its transition to a market economy. Despite this potential, Kazakhstan has not been able to develop its economy to the level many experts expected to reach. One of the main causes is that there are few competitive business companies or organizations who should make significant contributions to the Kazakh economy by creating value-added products. Most businesses in Kazakhstan are small in terms of size and outdated with poor performances due to little experience in a free economy. Their organizational culture is not well-developed and primitive to be competitive as well as productive in any market, domestic or foreign. Most of problems regarding organizational culture are originated from its long tradition of nomads as well as strong mentality of socialist ideology and bureaucracy established during the Soviet ruling period. Therefore, Kazakhstan desperately needs to change business culture, including organizational culture of business and related supporting organizations as well, for creating competitive environment for business in Kazakhstan. Eventually Kazakhstan could develop its economy with more competitive businesses deployed with better organizational culture.

The Korean economy has experienced a lot of success for the last three decades and has been one of the most dynamic ones in the world. Even now, the Korean economy continues to thrive while many other major economies are in difficult situations with lower growth of global economy and uncertain future of global markets as well. Although Korea has little amount of most natural resources with a very small domestic market, it has one of the most impressive economies in the world. What is even more miraculous is that in three decades, Korea has been able to transform its economy to one of the most competitive economies from one of the poorest countries in the world. The rapid development of "chaebols" or Korean business conglomerates, such as Samsung, Hyundai, LG, SK, and POSCO, etc., has attracted attention from all over the world in many

ways. In a large measure, the success of Korean businesses is attributed to their unique organizational culture [2]. Korea is still widely influenced by traditional Asian values and belongs to the group of Asian countries that is dominated by the Confucian culture, as Kazakhstan has similar traditions and values in its culture [3].

Recently, Kazakhstan has paid attention on Korea for its economic development, tried to attract many Korean companies and would like Korea's business partners to invest more in Kazakhstan with advanced technologies. Therefore, it is important for Korea and Kazakhstan to learn each other more from their cultural similarities and differences for developing their mutually beneficial relationship further. The history of Korean economic development is said to center around the history of Korea's big enterprises or "chaebols". Korea's eleven largest enterprises, such as Samsung, Hyundai, LG, SK, and POSCO, etc., have recently entered the list of the world's top 500 enterprises. The success of these big enterprises is inseparable from their business cultures including organizational culture, and it is worthwhile for Kazakhstan and Kazakh businesses to study the uniquely developed Korean-style organizational culture. From it, they can learn what made Korean businesses so successful and can potentially create similar success for themselves by overcoming the challenges they face now.

II. OVERVIEW OF ORGANIZATIONAL CULTURE

Although organizational culture has been studied since the early 1980s, it did not receive major attention from researchers or practitioners until the 2000s. While it is not the only determinant of organizational success or failure, it can be a competitive advantage because it plays a significant role in an organization and eventually determines the organizational performance. Also, since organizational culture has only emerged alongside modern enterprises, it does not have a long history as a research subject by academic scholars. Therefore, there are different definitions and understandings about organizational culture. For example, the majority of Japanese scholars define organizational culture as an "atmosphere of a community," while the common Western meaning of organizational culture is mainly the culture of a company [4].

According to literature review [5], organizational culture is a summation of management thought, management style, group consciousness and code of conduct formed during the long-term operations of an organization. A well-known definition says that organizational culture is a cognitive framework consisting of attitudes, values, behavioral norms and expectations [6]. These attitudes, values, behavioral norms and expectations are reflected in the organizational culture. Therefore, an organizational culture is considered to be a set of collective norms that govern the behavior of people within an organization [7]. An organizational culture is characterized by members' shared ability to understand specific concepts within the organization [8]. In other words, organizational culture could be defined as "the way each organization thinks about things and does things as an organization" [9]. While organizational culture is not the only determinant of organizational success or failure, a positive culture enables the smooth flow of information and nurtures harmony among its members. Consequently, it could be a significant competitive advantage over other organizations with which a company competes [4] [10].

III. KOREAN CORPORATE CULTURE

Since its independence in 1991, under a wave of reform, Kazakhstan began to develop its economy quickly by creating more private businesses, like many other countries in transition. With more private companies in its economy, Kazakhstan has found lots of socio-economic problems brought by those private companies. Most of those problems have been hurting sustainable development of economy in Kazakhstan, and some of serious problems and issues are closely tied to organizational culture, including business ethics and mentality. Therefore, Kazakhstan has realized the importance of organizational culture [1]. In fact, recently Kazakhstan has begun to focus its attention on developing a new organizational culture by studying formation of other countries' organizational culture. Due to cultural similarity and business ties between two countries as well as all the success of Korean business, Korean organizational culture has received serious attentions from business leaders and academic researchers as well as political leaders in Kazakhstan.

According to "Economics Research in Korea" [11], when Korea's first Five-Year Plan came into effect in 1962, its GNP was only 2.3 billion dollars and the per-capita GNP was only US \$87. However, within only 20 years, the economy of Korea soared, and Korea had developed into one of the major economies in Asia. It is called a "miracle of the Han River". In 1996, Korea became a high-income country with a per-capita GNP exceeding US \$10,000 and a GNP reaching US \$440 billion. There are many factors which has enabled Korea to make such miracles within only three decades. On the whole, the history of Korea's economic development is the history of Korean enterprises, such as Samsung, Hyundai, LG, SK, and POSCO, etc. Their success has undoubtedly helped the development of the Korean economy and is one of the reasons why Korea's unique organizational culture has been widely studied by researchers all over the world.

FORMATION OF KOREAN CORPORATE CULTURE

Korean organizational culture has gradually formed with the emergence, development, and expansion of Korean businesses. In the last three decades, the Korean economy has developed based on a unique combination of the government's guidance and businesses' cooperation within the principle and framework of a free market economy. Therefore, it is necessary to understand the development of Korean enterprises before discussing the Korean organizational culture.

SOUTH KOREAN BUSINESS BEFORE THE ECONOMIC DEVELOPMENT IN THE EARLY 1960'S

Korea, which was a Japanese colony from 1910 to 1945, was forced to develop mainly its agriculture for Japan's own benefits during the colonial period. As a result, when the Korean Peninsula was divided into the two Koreas at the end of World War II, there were no major industries or enterprises in the country. Furthermore, nearly all the industrial facilities that did exist in Korea were completely destroyed during the Korean War, 1950-1953. After the Korean War, South Korea tried to develop its economy through its industries and businesses until the early 1960s, but the economic development was slow. With the economic help of the United States, Korea began to introduce modern businesses and management in order to establish a free market economy while many leaders of the Korean society were able to receive education and training from the United States based on Western philosophies and systems. During this period of Korean modern business, South Korean enterprises operated on a small scale. Their owners focused solely on accelerating the accumulation of capital, instead of adopting scientific administration. The enterprises' profit mode appeared to be unplanned and an obsolete management method.

GROWTH OF SOUTH KOREAN ENTERPRISES SINCE 1970'S

The actual development of South Korean enterprises took place in the late 1960s. According to the article "Economics Research in Korea" by Chung [11], the late president Park Chung Hee, who came into power in 1961, established the important national slogan that "economic development comes first". From then on, all the South Korean government's efforts and policies focused on advancing the country's economic development. The government of South Korea guided the development of its economy by making a series of laws and rules, such as those promoting foreign export, and other kinds of legislation. Both macro-control and micro-control were implemented to setup the necessary channels for the development of foreign export. South Korean enterprises were able to develop their businesses under the strong directions of the Korean government. With the protection of the government, the South Korean enterprises could commit themselves to producing light industrial products, such as textile, shoes, and food, etc., first. They were able to successfully substitute foreign products of those items, and then gradually develop technology-based advanced industries for the global market. During this period, the South Korean enterprises relied on large-scale, low-price production, overseas export, entrepreneurs' patriotism and their devotion, and workers' full dedication and diligence, in order to achieve the most miraculous economic development in the history of free market economies. South Korea's philosophy of "more is better" played a significant role in the South Korean enterprises' development stage. It required all stakeholders to work hard, and this enterprise organizational culture became one of the key factors for the success of South Korean corporations, as well as for the sustainable development of the Korean economy.

INFLUENCE OF ASIAN CULTURE ON THE SOUTH KOREAN CORPORATE CULTURE

As an East Asian country, South Korea has been highly influenced by traditional Asian values and norms, such as Confucianism. Confucianism has had a greater influence in South Korea than in any other nation [12]. According to the article entitled "Group Leadership in Korea" by Yang [12], it is quoted that "In the Confucian culture circle of East Asia, South Korea is the most faithful country to Confucianism."

According to ancient records, the introduction of Confucianism-based culture to the Korean peninsula could be dated back to China's Warring States period and the early Western Han dynasty. Since the Western Han dynasty, Confucianism has dominated the South Korea culture [13]. Confucianism spread to Korea during the Three Kingdoms period to the Silla and Goryeo dynasty, but at first, it did not play a dominant role in the country's ideology or culture. However, the Chosun dynasty adopted the policy of advocating Confucianism and suppressing Buddhism. Buddhism began to decline and Confucian culture began to dominate the Korean society. Subsequently, Confucianism was promoted as the state principle and basic belief of the Chosun dynasty.

In South Korea, Confucianism is still regarded as a standard of value that upholds the ethics, morals, and diligence of a well-educated person [13]. It also advocates being honest, respectable and loyal. Nowadays, most people in South Korea praise Confucianism even more and are appreciative of its effects on Korea's economic development and national unity. It is said that Korean businesses owe their success in the global market to the very unique organizational culture based on Confucianism and its principles. Here are key elements of Korean culture, which shows how Confucianism-based culture is embodied in Korean enterprises.

(1) Family-Centered Mentality

The family is the basic unit of social life in Korea and comes under Confucian influence. In Korea, it is believed that you can always do more with your family's support. Loyalty to your family is associated with the interest of the whole family, which can be considered a kind of traditional familism that was developed on the basis of Confucianism. Since enterprises are a core of modern industrial society, managers are considered the central person of the "family". Familism has exerted great influence on the organization of businesses. Since the beginning of South Korea's rapid economic development, the family structure of South Korea has shifted from a big family to a small family. Belonging to an enterprise in South Korea is associated with a sense of familism. Employees value the "family" at their company more than their financial compensation. Family-centrism on enterprises are embodied in three principles. First, the family structure and familial relationships influence the sense of achievement of a company's "family members". Second, ties of familism in enterprises decide their economic relations. Third, the cultural tradition of a family institution directly affects individual economic behavior and career choice [13].

(2) Structure of Centralism

In South Korea, the management and decision-making power of enterprises is centralized in the board of directors and above. So, the power structure of enterprises only includes one or two persons from the top management positions and those individuals on the board of directors. Although the right of inheritance of enterprises belongs to the seniors or immediate families, the board of directors and business managers undertake the protection of an enterprise's assets. The decision-making system of South Korean enterprises is more centralized than Western enterprises. Most business operators do not delegate their power to subordinates, which is also one of the principles of centralization. Under these circumstances, the board of directors works extremely hard for the company because they bear full responsibility of all the company's operations. This centralized system gives many benefits to South Korean enterprises even though it costs to them because of unique culture and tradition of Korea [13].

(3) Seniority in Personnel Policy

In general, the order of South Korean society is based on age. In an organization, young employees who have better skills and knowledge often do not get fair treatment due to their age. This sort of treatment is the reflection of familism from the principles of Confucianism. Parents make a strict order of status in a family, and each family member has certain responsibilities based on this order. Recently, however, the system based on seniority has been challenged in South Korea. The aspects of an employee's position and a person's achievements are now considered and have led to a more rational policy. But in most conditions, personnel policy is still mainly based on seniority. Thus, respect for elders is still strong in South Korean organizational culture [13].

(4) Inheritance Relationship based on Blood

South Korean society is dominated by seniority, and this tradition has been adopted by Korean enterprises. Under conventional conditions, a company is normally inherited by its higher-level personnel, and they are often non-immediate family members. However, family and blood relations are of utmost importance in South Korean society. Blood and family relations help determine who will inherit a company. Enterprise members should be respectful to superiors who are immediate family members. Most of them can accept this practice of superiority because the potential inheritors are normally judged based on their ability to help the enterprise grow and become stable. For example, Samsung, the most well-known chaebol or business conglomerate in South Korea, follows this kind of inheritance practice, like other major enterprises in South Korea [2].

(5) Authority and Harmony

It is hard to decide whether the leadership style of South Korean enterprises is traditional or untraditional and democratic or autocratic. Employees of South Korean enterprises believe their company's leaders have absolute authority, regardless of that leader's management style. Because employees have the perception that their superiors have absolute power, the top management in South Korean enterprises have the biggest influence on decision-making. However, a great number of companies in South Korea advocate harmony to emphasize a sense of unity among their employees. The emphasis of harmony is effective in stabilizing an organization; employees in particular admire harmony and strive to achieve it. Employees also have a high regard for the personality and morality of their superiors and even judge a superior's leadership based on those two things. But when harmony is overemphasized, it becomes a device to make subordinates always accept the authority of their superiors. Therefore, employees may lack self-discipline and may be unable

to find a solution when a problem arises. So, when employees and management oppose each other, a company is at the risk of suffering from instability and major problems can occur easily [2].

INFLUENCE OF WESTERN CULTURE ON THE SOUTH KOREAN CORPORATE CULTURE

After the Korean War, the U.S. had a strong influence on every aspect of the South Korean society through its military aid and economic support. In particular, it is widely accepted that the structure of the South Korean military has been based on the U.S. models and principles. The military is one of three channels in which Western science, management skills, and culture have been introduced to South Korea. For example, many South Korean military officers have been trained in the U.S. and work as managers in enterprises after retiring from their military service. As a result, they could introduce the American management system into the management of South Korean enterprises. For example, a retired general named Park Tae-Joon built one of the most technologically advanced and well-known steel companies in the world, POSCO. Under his leadership, POSCO has become a well-respected company with incredible international and domestic success in less than three decades [14]. On one hand, a majority of South Korean companies adopt the military-type organizations and operations so as to instill a sense of obedience and responsibility in all its employees; on the other hand, they adopt them to improve the governing ability of its leaders. The absolute obedience and high sense of responsibility that characterizes South Korean corporations has directly influenced employees' code of conduct and the corporations' business management models. Now that Korea has established a global economy, the strict military culture of corporations has gradually changed, and South Korean enterprises are beginning to favor a culture of competition, innovation, and personal competence [2].

Although the 35 years of Japanese colonial domination on the Korean peninsula is considered a negative period in the Korean history, it helped Korea somewhat modernize its society. In addition, the organizational culture of Japan influenced South Korean enterprises by introducing a Japanese style of collectivism and personnel management. The creation of modern enterprises in South Korea occurred during the period of Japanese rule. The unique trade union system, lifetime employment practices, and business patterns of Japan have also influenced the organizational culture of South Korea [2].

IV. CHARACTERISTICS OF SOUTH KOREAN CORPORATE CULTURE

Both traditional Asian culture and Confucianism have been deeply integrated into the lives of the Korean people since the beginning of the Chosun dynasty. Even under the influence of Westernization today, South Korean families still keep a strict family hierarchy based on traditional Asian culture as well as Confucianism. Confucianism has become one of the most defining factors for the South Korean's character, the way of thinking, and the style of life. Therefore, organizational culture in South Korea had been built originally based on Confucian culture and tradition. Recently, the democratization movement of South Korea has exerted great influence on the country's organizational culture. South Korean enterprises have become more democratic in their decision-making and business practices. For instance, instead of managers having complete authority in a company, power has begun to become delegated to subordinates. Therefore, employees have a stronger sense of democracy and are able to participate in the decision-making process more than ever [2].

Also, South Korean organizational culture has been influenced by technological development and advancement in South Korea. Just like Japan, South Korean enterprises had to import foreign advanced scientific technology due to a lack of advanced technology and a weak foundation of technological development. In the 1960s through 1980s, a majority of South Korean enterprises achieved immense economic success through an "imitation strategy" with low production costs brought by economies of scale and cheap labor. From the 1990s, South Korean enterprises started to realize that advanced technology could bring a stronger competitive power, and so they shifted their focus to technological development, independent innovation and entrepreneurship. The article "Korea's National Brands in 2010" [15] stated that the leaders of POSCO believe "Resource is limited but people have infinite creative ability". The president of Samsung, Mr. K.H. Lee, issued a strong message reinforcing the importance of innovation by stating that "everything must change except your wife and children". Recently, most South Korean enterprises have changed from producing cheap products based on cheap labor to producing more innovative products of high added value, with high productivity, and at a high price. Innovation has become an important part of South Korean organizational culture today. Consequently, there are some interesting characteristics of South Korean organizational culture:

(1) Learn Wisely from Others' Strong Points

The South Korean organizational culture has integrated American and Japanese organizational culture together based on the principles and values of Confucianism. The South Korean organizational culture has been uniquely developed by combining other countries' organizational cultures. By adopting some Western values,

South Koreans can organize their work as efficiently as Westerners, while having the ability to tolerate hardship and work as diligently as Easterners [2].

(2) Develop the Country through Industrialization

The efforts to develop Korea through industrialization have become a strong driving force for South Korean enterprises. South Koreans give priority to self-esteem, which is a highly regarded characteristic in South Korean society. Many of the well-known enterprises in South Korea believe that they have the responsibility of developing the country's economy. In other words, they have a national consciousness. In an enterprise, individuals and the company itself work together to benefit each other. In South Korea, most people believe that their own progress will eventually lead to a better company and a more advanced country. In the article "Hyundai, Daewoo rule Korea" [16], the leader of Daewoo International took the lead in demonstrating and promoting the importance of contributing to a national revitalization. He said "In any era, the happy life of offspring and the foundation of happy development are brought by individual sacrifice." This strong sense of mission comes from the "sacrifice spirit" of Daewoo. Those who worked for Daewoo shared a common goal of wanting to revitalize both their company and their country. This kind of mindset dominates South Korean enterprises and led to the unprecedented development of the South Korean economy [13].

(3) Human Relations

The sense of harmony that comes from Confucianism has permeated the internal structure of South Korean enterprises and has become an important part of an enterprise's values. For example, the value of "diligence, devotion, and cooperation" of Hyundai, the value of "mutual cooperation, being a pioneer, and innovation" of LG, and the value of "unity, honesty and innovation" of KIA are embodied in all South Korean enterprises and emerged from Confucian culture. This kind of harmony can instill a sense of family into a company, which creates a sense of belonging and membership. Employees, therefore, make more contributions to their companies, rather than to themselves. The organizational culture of South Korea has created a kind of cultural atmosphere that has brought new meaning to what Koreans define as their family. Similar to a family, an enterprise experiences success and losses based on its members or employees [2].

(4) People Orientation

Due to its lack of abundant resources and technology, South Korea has recognized the importance of human resource development. The operational principle of Samsung is "talent is a never-changing theme". Confucian culture centers on the role of human beings in the world. Similarly, the role of human beings is fundamental to the modern management. Therefore, it is natural for South Korean corporations to create a people-oriented management model. This model has created a stronger sense of responsibility and self-respect among company employees. It encourages strong moral support for company's employees. People-oriented human resource management has become an important aspect of South Korean enterprises [2].

(5) Spirit of Competition and Innovation

Innovation is strongly promoted by South Korean enterprises, and success means consistent innovation. Although Confucian culture is deeply rooted in South Korea, Korea has also been influenced by the American individualism. Therefore, the organizational culture of South Korea has taken on the side of competition and individual talents. The aftermath of the Korean War made South Koreans more accepting of the American culture. The traditional hierarchy that had been seen in the Korean society for a long time is being impacted and became less important. The individualism and competition in the American culture has more or less influenced the organizational culture of South Korea since then [2].

V. INSPIRATION OF SOUTH KOREAN CORPORATE CULTURE ON KAZAKHSTAN

CURRENT CORPORATE CULTURE IN KAZAKHSTAN

With almost 28 years of progress and reform since its independence, Kazakhstan has experienced some success and some failures in a challenging environment. However, since Kazakhstan is still in an economic transition period with challenges and issues as well, it has been unable to fully develop a market economy or create world-class business corporations. As a result, Kazakhstan has no strong foundation to build its own business culture including a uniquely competitive organizational culture. Because Kazakhstan is still influenced mainly by its traditional culture, it prefers emphasizing morals and values to efficiency, even when establishing an organizational culture. An employee's performance is often based on his or her values and attitudes towards the organization. Thus, business organizations in Kazakhstan prefer fairness to being advantageous and being

just rather than efficient. They ignore their objective criteria and fair evaluation systems that are usually considered when assessing an employee's performance. Disregard for human value, a strong emphasis on traditional hierarchy, and a deep ideology in a state-controlled economy has created Kazakhstan's current organizational culture. A lack of people-oriented practices and abuse of power for personal gain has led to poor business performance [1]. The formation of an organizational culture in Kazakhstan has only just begun. In order to establish a strong organizational culture in Kazakhstan, Kazakh companies must overcome challenges and difficulties they face today due to its culture, tradition, and socio-political situations:

(1) Overemphasized Collectivism

Kazakhstan has a long tradition and culture of collectivism. Collective interests still exceed personal interests, which has been detrimental in creating an organizational culture. Most of Kazakh companies require their employees to sacrifice personal interests just for collective interests without making them understand the long-term benefits for employees or members, yet at the same time want their employees to individually serve their superiors. Even today, Kazakh companies still lack respect for individual talent and an individual's well-being, which has led to a high turnover rate [17].

(2) Lack of Scientific Goals and Poor Responsibility

Kazakh companies overemphasize intangible attributes and therefore lack a scientific approach for their decision-making. Kazakh organizational culture formed under these ideas does not help Kazakh organizations have clear goals. Instead, it usually relies on a kind of holistic approaches to management that do not have objective quantitative measures. Managers do not understand their legitimate power, responsibilities, and obligations, and so they delegate their authority to others without following the chain of command. Kazakh companies do not enforce punishments and rewards properly based on objective criteria. Consequently, managers are unable to improve their business practices even in case that employees do poor jobs. When building their own organizational culture, Kazakh companies should learn from the Korean model of organizational culture by combining Asian tradition and also western practices. Kazakh enterprises should also build a definite accountability system with a strict discipline in order to achieve excellence [17].

(3) Lack of Innovation and Poor Sustainable Development

Compared to Western culture, Kazakh culture emphasizes appearance and perception over the real meaning of actions. Therefore, Kazakh tradition and culture do not encourage innovation. Kazakh culture is considered conservative and so the Kazakh people tend to stay on the existing state, or status quo, rather than making changes for progress. Kazakh people's conservative attitude and behavior based on their culture results in poor innovation and hurts the sustainable development of business. A lack of innovation makes Kazakh business organizations inflexible and unable to adapt ever-changing market conditions and environments, making them unable to compete in the global market [17].

LESSONS FROM SOUTH KOREA FOR BUILDING A NEW CORPORATE CULTURE IN KAZAKHSTAN

Although Kazakhstan and South Korea have different social systems and national environments, the two countries have lots of common historical and cultural background. Both cultures are influenced and shaped by traditional Asian values and norms. Because both cultures have more similarities than differences, as Kazakhstan is building its business organizational culture in a free market economy, Kazakhstan could consider Korean organizational culture as a model for its sustainable development of business and economy based on the following principles.

First, organizational culture is not a cure all for Kazakh enterprises; it is the mental outlook of companies adopted by its organizations and staff. Organizational culture should be consistent with and developed from a company's business strategy [18] [19]. Organizational culture refers to the common value, code of conduct and habit of a company's employees and is usually formed during an enterprise's long-term business activities. It reflects the mental outlook of members and employees and determines the overall reputation of an enterprise and its success. The high quality of human resource is the key in the process of building any productive organizational culture. So, training employees to make them understand the importance of having productive organizational culture and its long-term benefits should be one of the very first movements each organization takes.

Second, the focus of Korean organizational culture is on its people. Therefore, Kazakh enterprises should develop their value, code of ethics, and standards of behavior and improve the professional competence of their employees based on a people-oriented mindset. They can accomplish this transformation through training and education, guidance, inspiration, and incentives, which will lead a company's employees to acquire a strong mental drive. This strong mental drive will promote business development for better organizational performance.

Third, in order to build a more productive organizational culture in Kazakhstan, it is necessary for a corporation to set long-term goals and build common values that benefit all of its employees, the nation, and the corporations themselves. Enterprises cannot have a long-term prospective until the interests of the enterprise are in line with Kazakh society's demands. Common values can regulate the behavior of company members, provide strong moral support, and can give the enterprise incentives to create an excellent reputation for the company.

Fourth, to build a great organizational culture in Kazakhstan, it is necessary for Kazakh companies to create an innovation-friendly environment, pursue excellence, and value harmony. Enterprises should have a competitive advantage and satisfy all of their stakeholders, especially their customers as well as employees. Further, enterprises should also have up-to-date market information and entertain new ideas in order to encourage innovation.

VI. CONCLUSION

Organizational culture is one of the main reasons for the success of the South Korean economy in the last three decades. So far, Kazakh organizational culture is underdeveloped and faces many challenges and problems. Kazakhstan needs to learn how to create and develop its own organizational culture. Due to cultural similarity and business ties between Kazakhstan and South Korea as well as all the success of South Korean business, Korean organizational culture has received serious attentions from business leaders and academic researchers as well as political leaders in Kazakhstan. Organizational culture in South Korea has not only been influenced by traditional Asian values, American and Japanese culture, but has also been developed with its national leadership and guide. As a result, Korea has formed a unique organizational culture, and it has become a very strong positive force for Korea's economic success. Kazakh organizational culture also has the potential to create the same kinds of economic success as Korea's for its people and country by incorporating lessons learned from Korea's organizational culture.

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