



INTERFACES BETWEEN ORGANIZATIONAL CULTURE AND INNOVATION IN MICRO AND SMALL COMPANIES (MPEs)¹

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ABSTRACT

This study aimed to identify, through a systematic literature review, interfaces between the themes of organizational culture, innovation and micro and small companies. The adopted methodology was divided into three phases: definition of the research protocol; data analysis; and synthesis. With this study, it was possible to identify the main interfaces between the themes, summarized in five categories: Organizational Strategy and Planning; Management and Internal Environment; External Environment; Profile of Entrepreneurs; and Employee Profile. Thus, it is believed in the contribution to the construction of a theoretical framework for future studies, as well as to expand the knowledge of the studied context.

Key words: culture of innovation, systematic literature review.

1. INTRODUCTION

The present context, especially with regard to the organizational and entrepreneurial world, is increasingly characterized by the longing for knowledge, the wide variety of information available, the incentive to share experiences, and the search for innovation, the differential. Innovation, in general terms, could be presented as the result of new combinations, or simply its rearrangement in different ways, through “creative destruction” where the new gives way to old elements (SCHUMPETER, 1961). For an environment conducive to innovation, a number of elements in the organization can be considered as stimuli or barriers.

In this sense, there is the approach of organizational culture as a factor that influences the practice of innovation in Micro and Small Enterprises (MSEs). In general, organizational

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culture can be understood as a set of basic assumptions, such as beliefs, values created and validated by a group, with the intention of dealing with problems of external adaptation or internal integration, and are passed on to others as the correct way to perceive, think and feel in the organization (SCHEIN, 1989). The importance of culture is also emphasized when discussing and planning organizational changes. (PETTIGREW, 1979)

At the junction of these two themes, there is then a key point presented as “culture for innovation”, or “culture of innovation”. In this context, the concepts of Volberda (1998) stand out, which interprets culture as a variable that reveals the potential for flexibility of the organization, that is, how much culture can vary, in a continuum idea, between “conservative” and “innovative”.

In relation to MSEs, the theme arises from the need that such companies have to professionalize their management and promote innovations as a way to differentiate themselves in the market and stand out from the competition often fierce with medium and large companies. (PEREIRA; GRAPEGGIA; EMMENDOERFER; TRÊS, 2009; JUNIOR, 2017). Therefore, the objective of this study is to identify, through a systematic literature review, the interfaces between the themes Organizational Culture, Innovation and Micro and Small Companies.

The article begins with a theoretical contextualization on the theme, followed by a description of the methodological procedures related to the systematic review produced on the literature. Following, the results of the survey carried out are presented and discussed and, finally, the main conclusions of the study are pointed out.

2. THEORETICAL FOUNDATION

In this chapter, we will briefly discuss the main themes that motivated the line of study in this article, namely, Organizational Culture, Innovation, and Micro and Small Companies (MSEs).

2.1 ORGANIZATIONAL CULTURE

Subjective and sometimes abstract, organizational culture is present in all companies, regardless of their industry or size. It is constantly created and shaped by work interactions, leadership behaviors, and a set of rules, routines and norms that guide and restrict behaviors (SCHEIN, 2009). Organizational culture, therefore, can be understood as a set of beliefs, values, assumptions and rituals shared by a group of individuals, and validated collectively.

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When considered valid, they are taught to the other members of the organization as being the correct way to "think" and "act" in the face of situations, thus creating an organizational identity. (FREITAS, 2002; SCHEIN, 2009)

Culture can be considered to be for a group just as personality is for an individual. (PETTIGREW, 1979; FREITAS, 2002; SCHEIN, 2009). Organizational culture can also be understood as an instrument of power, and as a set of imaginary social representations that are in constant construction and reconstruction in everyday relationships within the organization (FREITAS, 2002). Therefore, the set of habits, customs and practices of each individual add up and outline a unique and unique culture for each company, which subjectively guides organizational decisions.

For Smircich (1983), when properly composed, this set of assumptions, beliefs and values can contribute to the overall systemic balance and effectiveness of the company, where strong cultures tend to positively influence the organization's ability to succeed. On the other hand, Schein (2009), with a more contemporary view, argues that it is a dangerous tendency to evaluate certain cultures suggesting the existence of a "correct", "good" or "effective" culture. For the author, despite the diagnosis, culture cannot be interpreted in isolation, but as a result of the relationship with the environment in which it exists.

It was in the 1980s that thematic organizational culture became more widespread, entering the academies and administration courses with greater representation. Studies on organizational culture tend to see it in two ways: as a metaphor, where culture is something that the organization is; and as a variable (functionalist approach), considering culture as something that the organization has. (FREITAS, 2002). Schein (2009) defends the perspective of culture as manageable and capable of being created, inserted, involved and manipulated. It also understands that the development of a culture in a group presupposes the existence of some type of shared history. From the moment that there are spontaneous interactions in an unstructured group, there is the development of patterns and norms of behavior that are consolidated in shared knowledge,

Another way that the author brings to the formation of culture is when an individual forms a group and becomes its leader, bringing with him his beliefs, goals, visions and personal values, which direct the way "things should be". However, he emphasizes that this imposition of the leader will only produce culture if the resulting behavior leads to "success", understood as reaching the goals, satisfaction in the relationships of the group members and the shared recognition that the founder "was right" (SCHEIN, 2009).

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Organizational culture can be analyzed at different levels, according to the degree that the phenomenon is visible to the observer. These levels can manifest themselves from very tangible, which can be seen and felt, to basic assumptions, which would be the most unconscious and deep levels, where beliefs and values are considered non-negotiable (SCHEIN, 2009).

The behaviors determined by the culture can directly affect the way the company does innovation. In this perspective, the organizational culture has been worked as an important dimension for the analysis of the organization's potential for flexibility and, consequently, for innovation (VOLBERDA, 1998).

2.2 INNOVATION

From the Latin *innovatio*, innovation in the business world is seen as a synonym for competitive advantage, market differential, invention. The theme is increasingly gaining importance, due to the difficulty that companies have in innovating. Part of this difficulty may be due to a lack of understanding of the concept of innovation. In this perspective, there is what the Oslo Manual brings on the topic, expanding the concept that innovation is exclusively a new product (good or service), but also something significantly improved, including marketing processes or methods or a new one organizational method in business practices. (OECD, 2005)

In the middle of the 20th century, when the economy was seen as something essentially immutable, Schumpeter (1961) launched the idea that the economy could follow a dynamic theory - Creative Destruction Theory. For the author, "the fundamental impulse that puts and keeps the capitalist machine in operation comes from new consumer goods, new markets and new forms of industrial organization created by the capitalist company". (SCHUMPETER, 1961, p. 105) In this context, he argues that creative destruction would be an incessant revolution from within, destroying the "old" and creating new elements. Given this reasoning, Schumpeter is relevant as a pioneer in the use of this concept of reinventing oneself internally, being later grounded on the theme of innovation.

From a more intangible perspective of innovation, Drucker (1986) is one of the first to say that innovation does not even need to "be a thing", it does not need to be technical, bringing examples of social innovations, educational innovations, among others. He defends the thesis that innovation results from the combination of research and more hard work. Then the concept of systematic innovation is born: "it consists of the deliberate and organized

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search for changes, and the systematic analysis of the opportunities that such changes can offer for economic or social innovation." (DRUCKER, 1986, p. 45) However, he affirms that there are innovations that are not systematic, fruits of "flashes", but these cannot be reproduced, taught and learned.

In addition to this perspective, there is the approach adopted by Christensen (2012), known as the Innovation Dilemma. The author argues that innovations can be divided into two categories: incremental and rupture. It is believed that most companies invest resources and efforts in incremental innovations, which imply improvements in performance and product. However, for Christensen (2012) the big challenge is in disruptive innovations, which are considered a change in the value proposition in a market, but they are often associated with lower performance of attributes for the time and mentality of consumers already used, and can even create new markets.

Other authors offer counterpoints regarding the categories of innovation. Davila, Epstein and Shelton (2007), for example, explain that not all innovations are created in the same way, and therefore they can be divided into three types: Incremental, Semi-radical and Radical. According to the authors, the first type is predominant in most companies, and leads to improvements in processes and products considering the technologies and business models that already exist, coinciding with the concept presented by Christensen (2012). At the other end of the Incrementals would be the Radical Innovations, compared to the breakthrough ones, which refer to new products and services offered in entirely new ways, introducing changes both in technology and in the business model. Lastly, Semi-radical innovation involves major changes in an organization's technology or business model, but not both. Therefore, "innovation is always about combining something old with something new from the technology and business model stages". (DAVILA; EPSTEIN; SHELTON, 2007, p. 59)

Still about categorizing innovations, the Oslo Manual (OECD, 2005, p. 23) shows that a company can make several types of changes, and bring together these types of changes in the activities of companies in four types of innovation, and they are: " product innovation, process innovations, organizational innovations and marketing innovations ".

It is understood that for a change to be considered an innovation, the minimum requirement is that it be new or significantly improved for the company. However, there are the presentation of two other concepts: new to the market, or to the world. The concept of new for the market concerns the fact that the company was the first to implement innovation in its market or industry. And innovation is new to the world "when the company is the first to

introduce innovation in all markets and industries, domestic or international". (OECD, 2005, p. 70)

In addition, the Oslo Manual (OECD, 2005) also includes a section on innovation in small and medium-sized enterprises. It points out aspects such as the importance of having an efficient interaction with other companies and institutions of Research and Development (R&D) in order to exchange knowledge and seek commercial partnerships. Other points addressed that affect the innovative capacity are the lack of own funds to conduct innovation projects and difficulties in obtaining external financing when compared to larger companies.

2.3 CHARACTERISTICS OF MSM

According to Junior (2017), in Brazil, MSEs have a series of peculiarities. The first of them would be the fact that they are the largest employers, hiring more employees with a formal contract than the medium and large, and are responsible for 27% of the Gross Domestic Product. The author also points out that despite the bureaucracy, it is relatively simple to open a micro or small business, and they do not demand high volumes of capital. Guimarães, Carvalho and Paixão (2018) state that the participation of MSEs in all sectors (commerce, service and industry) corresponds to more than 97%, which shows their predominance in the universe of active companies in the country.

MSEs have the facility to take goods and services in great reach, reaching many citizens and meeting their needs. This is quite evident in commerce, where in the most distant centers these companies link the consumption intention of families to goods produced by medium and large industries. Despite this, small companies are fragile and very sensitive to market fluctuations, and face great difficulties in competing with large companies for the competitive advantage they impose. (JUNIOR, 2017)

Parida, Westerberg and Frishammar (2012) affirm that although MSEs are representative in the economic scenario, they have difficulty in sustaining damages resulting from ineffective innovations. Therefore, MSEs are dependent and need advantages and differentiated treatment. In this sense, to stimulate this economy, the government promotes programs, laws and public policies in favor of MSEs, in order to stimulate the expansion of small businesses and to fulfill their economic function, such as the General Law of Micro and Small Enterprises, and the Simples Nacional tax regime. (JUNIOR, 2017)

Other intrinsic characteristics of MSEs that imply vulnerability are related to their management. Normally, MSEs are managed centrally by the owner and / or head of the

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family, as approximately 50% of the MSEs are related to family businesses, leading to unipersonal decisions. In view of this, resources tend to be confused with the family budget, and the company's cash starts to serve family interests more than those of the business itself. In addition to situations like this, there are other singularities, such as, for example, the influence of the staff on company guidelines and decision making by the owner. As most of the time there is great integration and a good relationship between the strategic and operational areas, these end up being very connected both for physical reasons (such as limited space), and informal interpersonal relationships. (JUNIOR, 2017)

Pereira et al. (2009) also present the professionalization of management as one of the main difficulties of MPEs, usually presenting the following developments: precarious levels of control and indicators; lack of working capital and several financial problems; insufficient knowledge of the market and competitors; inadequate choice of point or location; and lack of customers.

Another factor common to smaller ones, according to Junior (2017), is the question of the logistics of offering goods and services to their surroundings, where the commercial reach tends to be the public that passes by the establishment without needing means of transport. , and not all have the capacity to distribute (deliver) goods. These companies understand their limitations in terms of physical, financial and human resources to serve the consumer universe, and recognize the difficulties related to expansion, and in large part entrepreneurs are unable to meet the requirements necessary to obtain capital. Thus, financial resources are scarce and expensive, making investments more difficult than operating expenses, such as investments in marketing plans and strategic actions that reinvent and bring innovation to the business. (JUNIOR, 2017)

In contrast to the difficulties that MSEs have in common, Junior (2017) presents factors that can become differentials for MSEs and become satisfaction for clients, such as, for example, the quality of services, quality of care, and the physical environment (the more modern and more attractive, the better for the consumer, arousing greater interest in the products). In this sense, the importance of MSEs does not fail to train and qualify their employees, since employees better qualified in production and sales will make a difference in “the moment when the customer decides to materialize his need for consumption with the acquisition of the good. or service. ” (JUNIOR, 2017)

Given the above, Junior (2017) concludes that MSEs have a number of similarities, some of which are the owner's constant presence in the business; the participation of members

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of the management family; the low volume of capital handled; greater fragility in the face of crises; and difficulties in accessing credit lines due to the lack of guarantees.

With regard to innovation, based on Deloitte's research, 2007, regarding the small and medium-sized companies that have grown the most in Brazil, the authors Pereira et al. (2009) state that SME entrepreneurs associate innovation more with an innovative business model and less with the development of differentiated products and services. According to the survey, entrepreneurs “associate innovation with the ability to expand their business inside and outside their own markets.

It was also noticed that innovation is seen as a competitive advantage, and 80% of the interviewees affirmed the importance of innovation to grow faster than the competition. The authors also identified that the ability to innovate could be related to three categories: managerial skills; entrepreneurial capacity; and operational logistics. In the view of entrepreneurs, the most relevant category is management skills, where 49% of respondents mentioned the importance of having a good knowledge of the market in which they operate, and 48% confirmed the need to have a good sales strategy as key points for business success. (PEREIRA et al. 2009)

3. METHODOLOGY

To identify the current scientific knowledge on a given subject, the alternative is the use of systematic literature review. Such a method allows to identify gaps to be explored and trends in the area. (FERENHOF; FERNANDES, 2016) The systematic literature review is a method of scientific investigation with planning and gathering of original studies, synthesizing the results of multiple primary investigations through strategies that limit bias and random errors. (COOK; MULROW; HAYNES, 1997) It is also defined by Greenhalgh (1997, p. 672) “as a synthesis of primary studies that contains clearly explained objectives, materials and methods and that was conducted according to a clear and reproducible methodology” .

In order to identify the interfaces between the themes Organizational Culture, Innovation and Micro and Small Enterprises, this methodology of systematic literature review was used, which was divided into three phases: definition of the research protocol; data analysis; and synthesis. The initial phase of defining the protocol includes defining the search strategy, consulting databases, document management, standardization and selection of

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documents, and composition of the portfolio. The next phase, of analysis, includes data consolidation, and the final phase, of synthesis, refers to the preparation of reports.

The Web of Science and SCOPUS databases were used because they are widely used in studies of socioeconomic sciences, as they present the largest number of search results. Such databases are also compatible with data analysis software, and still allow in their search procedure all journals whose impact index is calculated by the Journal Citation Report (JCR). (CARVALHO; FLEURY; LOPES, 2013)

In order to carry out the document management stage, the Mendeley software was used to compile the research results, exclude duplicate documents, and also make the next stage of standardization and selection feasible, since it facilitates the reading of titles, abstracts and keywords for each publication.

Tables 1 and 2 present the research protocol, separated by databases, showing the date of the searches, the keywords used, the results found, as well as the final result after the filter and elimination, carried out in the “standardization and selection” stage. of documents”. It is noteworthy that there was no need to restrict the temporal coverage of the research, nor the languages, as there are few publications in the area, and such delimitations would not contribute to the process. Still, the deleted articles are repetitions contained in both bases, or articles that were very different from the original theme of the search, not having the culture of innovation in MSEs as the main aspect.

Frame 1 - Search parameters - WOS

SEARCH DATE	5/17/2018
DATA BASE	<i>Web Of Science</i>
DESCRIPTORS	TS = (((("organi? Ational culture") AND ("innovation" OR "culture for innovation" OR "innovative culture") AND ("small? Medium? Ent? Prize *" OR "SME" OR "small? Medium ? sized? then? prize * "OR" small and medium-sized enterprises "OR" Small and medium-sized enterprises ")))
RESULTS FOUND	46
ELIMINATED	9
FINAL BALANCE	37

Source: Own elaboration, 2018.

Frame 2- Search parameters - SCOPUS

SEARCH DATE	Aug 28
DATA BASE	SCOPUS

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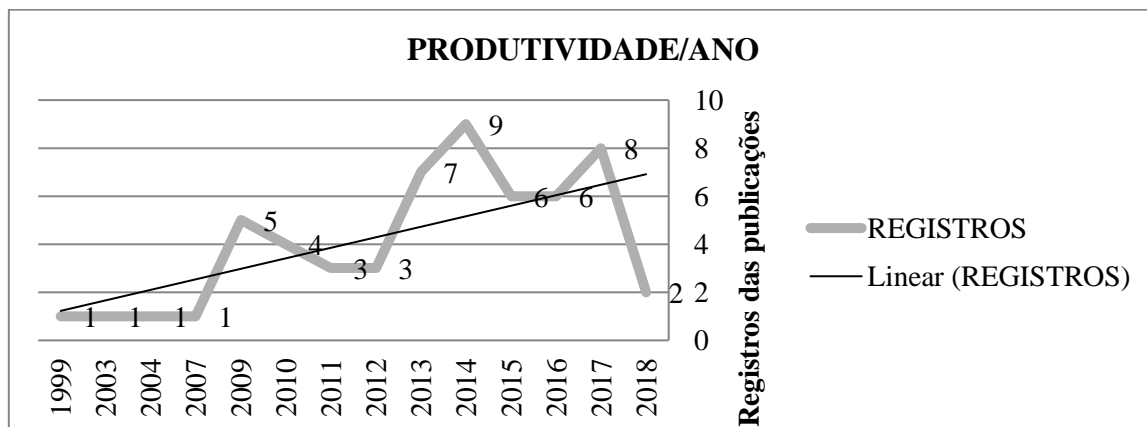
KEYWORDS	TITLE-ABS-KEY (((("organi? Ational culture") AND ("innovation" OR "culture for innovation" OR "innovative culture") AND ("small? Medium? Ent? Prize *" OR "SME" OR " small? medium? sized? ent? prize * "OR" small and medium enterprises "OR" Small and medium-sized enterprises "))))
RESULTS FOUND	39
ELIMINATED	19
FINAL BALANCE	20

Source: Own elaboration, 2018.

This selection of 57 articles was used to perform a set of simple descriptive statistical analyzes, using Excel. From these analyzes, the following indicators were raised: productivity per year, results found by basis, number of publications by country / continent and keyword cloud. Each of them is presented in sequence, in greater detail.

The first indicator refers to productivity per year. Among the 57 articles selected, there was a peak in publications in 2014, adding up to 10 records in the area. The first record found of productions in this theme was in 1999, and it is observed that, since 2009, interest in the area has grown, albeit slowly, as Graphic 1, where there has been an increasing average trend in the last 8 years.

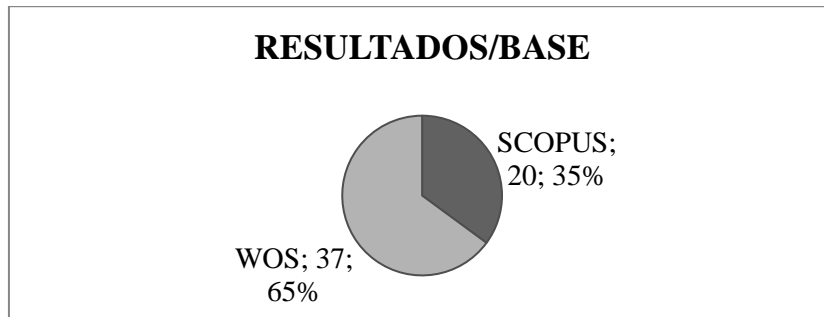
Graphic 1 - Productivity / Year



Source: Own elaboration, 2018.

Regarding the databases used, we have the Graphic 2 demonstrating that the Web of Science presented 64% of the selected articles, post filter and elimination. SCOPUS therefore presented 36% of the articles used. This can also be explained by the fact that the first search was carried out in WoS, and many of the articles found in the second search (in SCOPUS) presented duplications with the results previously found, thus needing to be eliminated.

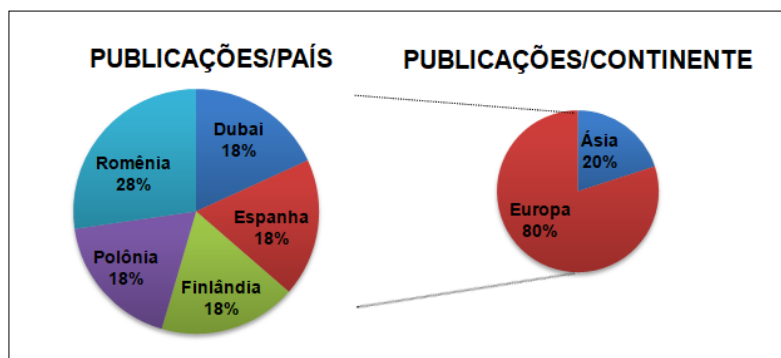
Graphic 2 - Results / Base



Source: Own elaboration, 2018.

The following indicator shows which countries the publications are concentrated in, considering that for this analysis the sample corresponds only to publications with more recurring authors (as Graphic 33). There is a balance in the countries presented, with emphasis only on Romania. This analysis also presents the extract publications by continent, where Europe holds 80% of the publications, and Asia 20%.

Graphic 3 - Publications by Country and Continent



Source: Own elaboration, 2018.

The last analysis refers to the keywords used by the authors in the publications. After survey, 195 keywords were used, among them, the most repeated ones are highlighted in Figure 2 and meet the theme of this study: *Innovation; Culture; SMEs*. In this selection of articles, it was identified that the main themes (culture, innovation and MSEs) present different types of correlations with each other, or with other themes such as organizational learning, knowledge management, organizational change, organizational performance, among others, which correspond to the keywords also present in the following figure.

Figure 1 - Keyword cloud



Source: Own elaboration, 2018.

After this phase, a subsample of articles was extracted, as described in the last step of the systematic review step by step, resulting in seven articles, which helped compose the discussion of this study. Such an excerpt from the original sample was made taking into account the level of proximity of the content of the article with the proposal of this study, considering only those articles that predominantly dealt with the issues of organizational culture, innovation and MSEs. When analyzing these articles from the new sample, it was observed that the subjects addressed and the conclusions of the studies addressed some common categories, namely: Organizational Strategy and Planning; Management and Internal Environment; External Environment; Profile of Entrepreneurs; and Employee Profile. Therefore, the logic chosen for presenting the results of these articles was through the use of the aforementioned categories. In view of the above, Chart 3, which presents a summary of the analysis categories, contains their meanings and the respective authors who present contributions in the area.

Frame 3 - Categories of Analysis and Authors

CATEGORIES	AUTHORS
<p>1 Organizational Strategy and Planning: seeks to understand whether the company has a mission, long-term vision, established objectives, planning routines with the involvement of employees, and how these factors influence innovation.</p>	<p>Abdul-Halim, Ahmad, Geare and Thurasamy (2018); Do, Mazzarol, Volery and Reboud (2014); Grundström, Öberg and Rönnbäck, (2012).</p>
<p>2 Management and Internal Environment: it helps to understand how resources, knowledge and processes are managed, how flexible the structure is, as well as to perceive particularities of the internal environment that stimulate innovation.</p>	<p>Al-Ansari, Xu and Pervan (2014); Do, Mazzarol, Volery and Reboud, (2014); Abdul-Halim, Ahmad, Geare and Thurasamy (2018); Bakovic, Lazibat and Sutic. (2013); Grundström, Öberg and Rönnbäck (2012);</p>

3 External Environment: involves understanding how the market and competition influence the company and how it contributes to innovation.	Al-Ansari, Xu and Pervan (2014); Szymańska (2016); Wang and Costello (2009).
4 Entrepreneur Profile: It seeks to understand how the entrepreneur's profile, his experiences and skills impact the company's cultural traditions, and how his leadership style influences innovation.	Abdul-Halim, Ahmad, Geare and Thurasamy (2018); Çakar and Ertürk (2010); Grundström, Öberg and Rönnbäck (2012); Wang and Costello (2009).
5 Employee Profile: This dimension seeks to demonstrate which behavioral and profile traits of employees help with innovation, seek to collaborate with suggestions and how they participate in the innovation process.	Abdul-Halim, Ahmad, Geare and Thurasamy (2018); Bakovic, Lazibat and Sutic. (2013); Çakar and Ertürk (2010).

Source: Own elaboration, 2019.

4. ANALYSIS AND DISCUSSION OF RESULTS

When discussing the themes of culture and innovation, the need arises to relate them in order to understand how the innovation process takes place in companies, specifically in MSEs, and how this process can be directly influenced by the organizational culture in which it is inserted. . As already mentioned, to present the selected articles that refer to this theme, it was decided to organize them according to the five categories of analysis proposed by the researcher, extracted from the articles of the systematic review. The categories are: Organizational Strategy and Planning; Management and Internal Environment; External Environment; Profile of Entrepreneurs; and Employee Profile.

The first one, *Organizational Strategy and Planning* seeks to understand whether the company has a mission, long-term vision, established objectives, planning routines with employee involvement, and how these factors influence innovation. In this sense, the authors who corroborate this perspective bring in their studies the importance of innovation strategies (DO et al., 2016), being the mission and vision elements that influence the culture of innovation. (GRUNDSTRÖM; ÖBERG; RÖNNBÄCK, 2012; ABDUL-HALIM et al., 2018)

The innovation strategies adopted by MSEs are seen as a way of measuring the innovation management process. (DO et al., 2016) This and six other elements (innovation strategy; input management; knowledge management; organization and culture; portfolio management; project management; and marketing) were part of the study that provided useful

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inputs for examine the way in which the resource of an innovative SME can be managed for the management of innovation. The survey results concluded that "companies that have an open culture and system in innovation management are more likely to generate higher sales volume and a higher margin rate for investments in innovation". (DO et al., 2016, p. 196, free translation)

Despite Abdul-Halim et.al, (2018, p. 2), affirm that “organizational culture, market orientation and organizational learning are generally less formal, less organized and less sequential in MSEs”, emphasize the culture as a relevant factor for the search for innovation. They also point out that MSEs, in particular, need to have four basic elements of the organizational culture to influence the culture of innovation: adaptability, involvement, mission and consistency. In this category, the mission stands out, which involves issues such as long-term vision, strategic orientation, goals and objectives.

Grundström, Öberg and Rönnbäck (2012) reinforce that an innovative mission and vision statements are characteristics that are part of an innovative organizational culture. Their studies also focus on the theme of innovation, but specifically on how innovation is treated in the succession of a family SME. The main objective was to compare intrafamily successions and the acquisition of external parts of family owned manufacturing MSEs to determine possible differences in the way they are perceived and managed. The study focuses on two long-term aspects of family businesses: their succession and their ability to innovate.

Therefore, such studies concluded that regardless of whether it was successful for a family member or even for an external owner, innovations tend to focus much more incrementally, based on the present, not translating a complete innovation. In addition, the succession provides only small changes in the orientation of innovation. This can be partially explained by the way companies were and remained after succession, how they were marked by the organizational values that influenced their future and their contextual insertion, and how the previous owner tends to choose a successor based on the continuity of these existing values . (GRUNDSTRÖM; ÖBERG; RÖNNBÄCK, 2012) This study reveals the organizational strategy bias behind the emphasis on values and the respective influence on the company's future.

Regarding the Management and Internal Environment category, this helps to understand how resources, knowledge and processes are managed, how flexible the structure is, as well as the perception of the particularities of the internal environment that stimulate innovation. According to Al-Ansari, Xu and Pervan (2014), in constantly changing environments,

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innovative practices in MSEs are related to the company's ability to seek new and better ways to identify, acquire and implement ideas and tasks, considering they are related to the design and management of processes, products, services, administrative systems, organizational structures and marketing methods, to deal with market dynamics.

As previously mentioned, studies by Do et al. (2016) also reinforce the importance of management to promote innovations, by emphasizing the search for measuring the innovation management process. This is demonstrated in the measurement areas used in their studies, such as, input management, knowledge management, organization and culture and project management, in order to understand the way in which the resources of innovative MSEs are managed.

There is a consensus that the organizational environment of MSEs is characterized by constant changes, and therefore the importance of a culture of innovation to improve performance and adapt to new contexts. (AL-ANSARI; XU; PERVAN, 2014; ABDUL-HALIM et al, 2018) Among the four elements mentioned in the previous category, by the authors Abdul-Halim et.al (2018), adaptability, involvement, mission and consistency, stand out the first one for this category, adaptability, which refers to the ability to adapt internally in the face of external changes.

On flexible work environments and management, Bakovic et al. (2013) state, for example, that “radical innovations are associated with organizations that have experimental cultures, an entrepreneurial climate, decentralized and loose structure, flexible work processes [...]” (MCMILLAN; MCGRATH, 2000; GAUTIGNON et al ., 2002 apud BAKOVIC et al, 2013, p. 76, free translation) The authors studied about incremental and radical innovations, and in general, radical innovation (in contrast to the incremental that would be to improve existing products), is to innovate developing new products. They also concluded that organizational culture is considered the most important factor in stimulating innovative behavior and thus creating innovations. Grundström,

To be the driving force behind the development of small innovative companies, in Szymańska's perception (2016, p. 143, free translation) the organizational culture must be characterized by elements related to innovation, such as: “knowledge flow (internal and external) to increase the innovation capacity of companies; [...]; operating flexibility; and the transfer of knowledge to other entities ”. In this study, the importance of knowledge management and the flexibility of operation are highlighted, as already observed by the other authors, in maintaining a culture for innovation.

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The third category, *External Environment*, involves understanding how the market and competition influence the company and how it contributes to innovation. For the authors Al-Ansari, Xu and Pervan (2014), innovation practices and the characteristics of an innovative culture must have the ultimate goal of dealing with market dynamics. Wang and Costello (2009, p. 66, free translation) suggest that "innovation will be influenced externally [...] by the dynamism of the market", emphasizing the impact that the market can cause in MSEs. In addition to this conclusion, studies by Wang and Costello (2009) also state that there is a lack of research on innovation in this segment of companies. In the authors' view, professionals and academics have not yet been able to portray how innovation is initiated, developed and sustained within the scope of small businesses. The objective of the study was "through the comparison and contrast of empirical evidence, [...] to show that business innovation depends on the availability and sufficiency of financial and human resources" (Ibidem, p. 66, free translation). It was concluded that an organizational culture that supports the development of new products will influence the results of innovation.

The influence of the market can also be seen in the words of Szymanska (2016), when mentioning that continuously expanding the markets to use new solutions is one of the characteristics of the organizational culture related to innovation in MSEs.

The next category, *Entrepreneur Profile*, seeks to understand how the entrepreneur's profile, his experiences and skills impact the company's cultural traditions, and how his leadership style influences innovation. Abdul-Halim et al, (2018) emphasize culture as a relevant factor in the search for innovation, highlighting in this process cultural characteristics such as commitment, perseverance, loyalty, stability and willingness to improve knowledge and creative skills, in the case of SMEs, such characteristics must be present first in the profile of the business owner.

Çakar and Ertürk (2010) also identified that the culture of the company's owners influences the organizational culture and the set of values shared by employees. The model proposed by the authors presents hypotheses that were statistically supported in the sample of small companies, highlighting those that are positively related to the capacity for innovation, that is, the more present the category, the greater the capacity for innovation, whether they are: Individualism and Empowerment.

Another important characteristic presented in companies that have an innovative organizational culture, regarding the profile of the entrepreneur, would be the willingness of managers and owners to learn and adapt to innovations in the markets. (GRUNDSTRÖM;

ÖBERG; RÖNNBÄCK, 2012) As already mentioned in the first category, the authors analyzed specifically how innovation is treated in the succession of a family SME. It was observed that, in succession, the previous owner tends to choose a successor based on the continuity of these existing values. These findings show the impact that the profile of the owners and their preferences have on the MPE, especially when it comes to innovations.

In the studies by Wang and Costello (2009), mentioned in the External Environment category, the objective is to show that business innovation depends on the availability and sufficiency of financial and human resources. One of the conclusions of his studies, which reinforce this category (Entrepreneur Profile), is the perception that innovation will be influenced internally by the entrepreneur's experiences. The business owner's previous experiences, as well as his confirmed beliefs and values, are guiding in the aspect of innovation.

The last category of analysis, Employee Profile, seeks to demonstrate which behavioral and profile traits of employees help with innovation, seek to collaborate with suggestions and how they participate in the innovation process. For Bakovic et al. (2013), innovations are associated with companies that have a number of characteristics, among them, those that refer to employees refer to heterogeneous human resources profiles and strong technical skills. In other words, the more varied the set of employee profiles, and the more technical knowledge they have, the greater the conditions for promoting innovation.

Of the four basic elements of organizational culture that influence innovation in MSEs, cited by Abdul-Halim et al. (2018), those that fit into this category are: involvement and consistency. Involvement is about commitment and psychological involvement with the organization. That is, the more committed to the organization, the greater the innovation capacity of that employee. Consistency, on the other hand, is a common mentality between leaders and followers, which portrays a high degree of conformity. This reveals that, if the employee and leader are aligned in terms of objectives and expected results for the company, the greater the capacity to innovate.

Still on the capacity for innovation, Çakar and Ertürk (2010) concluded in their studies that the more present the characteristics of Individualism and Empowerment, the greater the capacity to innovate. In other words, the more space and autonomy the entrepreneur gives to employees, both to make decisions and to contribute with ideas and suggestions, the greater the chances of innovations in SMEs.

5. CONCLUSIONS

At the end of the literature review and presentation of the results, we conclude about the importance of studying the thematic culture of innovation for Micro and Small Enterprises. MSEs have played an active role in developed and emerging economies (WANG; COSTELLO, 2009), and in order for such companies to embark on innovation, they must have a culture of innovation. (ABDUL-HALIM et al., 2018, BAKOVIC et al., 2013)

It is also possible to notice that the literature is dispersed in the approach of these themes (WANG; COSTELLO, 2009), therefore the importance of identifying the interfaces between the themes of organizational culture, innovation and micro and small companies. Therefore, through the Systematic Literature Review, and subsequent presentation of the results of a selection of articles that dealt with greater emphasis on the issues of culture of innovation in MSEs, it was possible to identify the main interfaces between the themes, summarized in five categories: Organizational Strategy and Planning; Management and Internal Environment; External Environment; Profile of Entrepreneurs; and Employee Profile. Thus, it is believed that it was possible to contribute to the construction of a theoretical framework for future studies.

Regarding recommendations for future studies, it is suggested that researchers deepen the thematic culture of innovation in MSEs, permeating not only statistical and quantitative biases, but also qualitative ones, identifying the main innovation practices that MSEs execute, and how this is reflected in the organizational culture.

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