ORGANIZATIONAL CULTURE

ORGANIZATION

- A social unit of people that is structured and managed to meet a need or to pursue collective goal.

- In simple words, Different individuals come together, form a group for a collective purpose or objective.

CULTURE

- Something made-up of the Beliefs, Ideologies, Principles and Values of people living in the society.

- It determines the direction of the 'Thinking and the Action' of the people…

ORGANIZATIONAL CULTURE

- It determines through the organization's Rituals, Beliefs, Values, Means, Norms and Language.

- As a result the culture of an organization is a sense of identify – 'who we are', 'what we stand for' and 'what we do'.

- In Short, Org. Culture is the way in which 'things are done in the organization.

DEFINITION

❑ A pattern of shared basic assumptions that the group learned as it solved its problems that has worked well enough to be considered valid and is passed on to new members as the correct way to perceive, think, and feel in relation to those problems.—**Edgar Schein**

❑ Organizational culture refers to the pattern of beliefs, values and learned ways of coping with experience that have developed during the course of an organization's history, and which tend to be manifested in its material arrangements and in the behaviours of its members.—**Andrew Brown**

FUNCTIONS OF ORGANIZATIONAL CULTURE

❑ Culture promotes code of conduct.
❑ Culture facilitates recognition.
❑ Culture provides self-satisfaction.
❑ Culture provides opportunity to set the standards of performance.
❑ Culture guides and controls the employees.
❑ Culture directs employee behaviour towards goal achievement.
❑ Culture makes people development oriented.
❑ Culture develops positive attitude.

CHARACTERSTICS OF ORGANIZATIONAL CULTURE

❑ Innovation

❑ Attention to detail

❑ Emphasis on outcome

❑ Emphasis on people

❑ Teamwork

❑ Aggressiveness

❑ Stability

TYPES OF CULTURE

1.Hierarchy Culture –

 It is a systematic culture in which every things has its own level and importance. In it every things is done in a systematic process.

2. Market Culture –

 In such a organizational culture the organization total depend upon the outside or the external environment. In this culture the main focused in on stability and order with an external orientation in mind.

3. **Clan Culture –**

a **culture which is flexible** and discrete. Here the members as employees share the vision, mission and values of the organization and an atmosphere is created for fun and adventure with the spirits of work for the employees.

4. **Adhocracy Culture –**

organization that have an adhocracy culture emphasize an orientation towards the external environment with an internal flexibility and discretion.

5.Strong vs. Weak Culture -

Strong Culture is said to exist where staff respond to Stimulus because of their alignment to organizational values. i.e.- Firms operate like a very well oiled machines... Whereas, in Weak Culture there is a little alignment with organizational values and control must be exercised though extensive procedures and bureaucracy.

6. **Soft vs. Hard Culture –**

In a Soft Culture the employees pursue their own personal goals and give less importance to the organisational goals. whereas, in a Hard Culture the employees consider more on organizational goal than of their own goals.

7. **Formal vs. Informal Culture –**

In formal Organizational Culture there is more emphasis on roles, responsibility, rules and regulations. Whereas, in Informal Culture there is no such thing like rules and regulations, etc. Employees are free to do there works as they like…

CREATING CULTURE

- The ultimate source of an organization's culture is its founders.
- Culture creation occurs in three ways:
- ✓ Employees hire and keep employees with same thinking
- ✓ They indoctrinate and socialize the employees with the organization's thinking
- ✓ The founder's behavior acts as a role model for the employees
- With the organizational success, the founder's personality is embedded in the organizational culture.

How Organization Cultures Form

Robbins, 1989

SUSTAINING ORGANIZATIONAL CULTURE

- Three forces play a particularly important part in sustaining a culture:

❑Selection practices

❑Actions of top management

❑ Socialization methods (The process through which the employees are proselytized about the customs and traditions of the organization is known as socialization.)

CHANGE MANAGEMENT

❑ Change management is a systematic approach to dealing with change both from the perspective of an organization and the individual.

❑ Characteristics of Change

- It is a process and is not any event that has occurred.

- It is normal and constant in nature.

- Directive change is implemented by top to down in management hierarchy.

- Participative change involves everyone or those who are directly or indirectly affected by change.

PROCESS OF CHANGE

❑ Stage 1: Unfreezing: Unfreezing means that old ideas and practices need to be cast aside, so that new ideas can be learned.

❑ Stage 2: Change or Transition: This process involves helping an employee think reason and perform in a variety of new ways.

❑ Stage 3: Refreezing: This means that what has been learned is integrated into actual practice.

**Unfreezing**   **Refreezing**

Changing

FORCES OF CHANGE IN ORGANIZATION

- ❑ External Causes
- Demographic characteristics
- Social and political pressures
- Globalization
- Economics
- Competition
- Technology
- Legislation
- ❑ Internal forces
- HR problems/prospects
- Crisis
- Employee expectations
- Work climate
- Reduced effectiveness
- Management change
- Organizational restructuring
- Intrapreneurship

RESISTANCE TO CHANGE

- ❏ Lack of proper communication
- ❏ Self-ego
- ❏ Feeling excluded
- ❏ Lack of reliance/trust
- ❏ Mastering skills/training needs
- ❏ Fear of the unknown
- ❏ Fear of loss
- ❏ Fear of failure
- ❏ Disruption of interpersonal conflicts
- ❏ Personality conflicts
- ❏ Politics
- ❏ Cultural assumptions and values
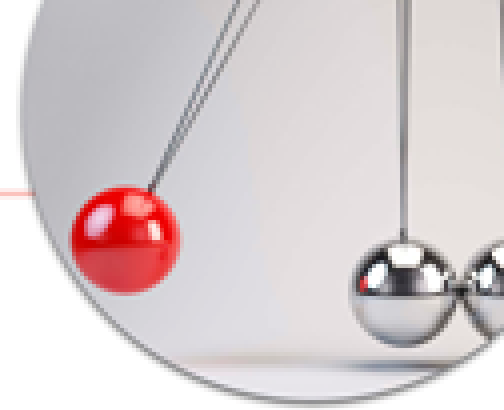
MANAGING RESISTANCE TO CHANGE

- ❑ Do change management right the first time

- ❑ Expect it

- ❑ Formal address

- ❑ Phase 1: Preparing for change

- During the creation of the change management plan, the resistance points are envisaged and tactics are derived to confront resistance.

- ❑ Phase 2: Managing change

- Once the change management plan is drafted in phase 2, the plan is executed by focusing on individuals through their own change process and addressing the obstacles for making the change successfully.

- ❑ Phase 3: Implementing change

- The deviation report is derived at this stage and is seen to what percentages have the individuals aligned themselves to the new workflows and processes. Evaluating the report allows the management to identify gaps and react to resistance that may still be occurring.

- Identify the root causes.