Understanding organizational culture

(Transcript of the video)

Organizational culture is a system of shared assumptions, beliefs and values that people have about something. Based of this, people behave in the organization. The shared values have high impact on people's behaviour in the organization. Organizational culture represents how the people dress, how people talk and even how the furniture is arranged in the organization.

Culture although difficult to express, everyone can sense it. Take an organization, for example: the culture in a hospital is different from the culture in a multi-national company. The way furniture in both the organization in the reception area will be different and the way employees behave with each other will also be different. So organizational culture talks about the way people behave. Strong culture is important for the success of the organization. It is important to understand about organisational climate.

Organizational climate is the aggregate of psychological climate, and it is about the perception of the individuals about the work environment. It has a strong influence on employee attitude, belongingness, relationship and work performance. Considering job satisfaction or employee need for achievement or affiliation or power, all these talk about the outcomes of organizational climate. In simple terms to understand organizational culture is, how things are done around here. But organizational climate, how it feels to work around here.

Let us look into the understanding of organizational culture for knowledge management (KM). Organizations have different culture and this affects the KM process.

The frameworks of organizational culture are:

1.Power model

2. Hofstede's four cultural dimensions

3. Comprehensive framework of 15 dimensions

4. Qualitative 3 perspective framework

1. Power model

Autocratic: In the autocratic, the power remains with few people and everyone have to follow the protocol. There is no possibility of raising voice against the person who gives the order. This is entirely power oriented and no autonomy is given.

Bureaucratic: Here the importance is given to hierarchy, set of rules. Here the greater emphasis is on impersonal relation. So the target is more towards completing the work. It is not towards people relationship.

Technocratic: The emphasis is more on professional standards. Here the focus is on getting things done in a professional way. So here, the structure is present, the people are more productive and the people are noted for what they are doing. There is a proper way of how to do things.

Entrepreneurial: In entrepreneurial culture, the focus is more on achievement of results and customer orientation. This is a more of an organic type of culture. It is a democratic type of culture. Here the people will be open to share their ideas, people will hold trust among themselves. There will be more of proactivity, collaboration among people, confrontation and experimentation.

So in the power model, from the first model to the last model, the power decreases slowly and the focus went to completing the tasks and then on individual orientation.

2.Hofstede's four cultural dimensions:

Individualism vs. Collectivism: In individualism, people will take care of themselves. People will be responsible to care of the immediate family. There is a clear distinction between one's own group from the other. So the individualistic nature is clearly shown in this type of culture.

Power distance: It is the acceptance by the less powerful group of the unequal distribution of power in the system. In India, the power distance is high, whereas in the US, the power distance is low. When the power distance is high, there will be lot of protocols to be followed. Hierarchy has to be followed. For anything to be done, hierarchy that has lot of steps have to be covered.

Uncertainty avoidance: It is the feel that someone have in a risky situation. Most of the people tend to avoid risk. More the people have the feel of avoiding the risk, they will score high on uncertainty avoidance.

Masculinity vs feminity: In masculinity culture, there will be more of assertiveness. The focus is more on acquisition of material resources, so it is more of material oriented. Feminity focuses on relationships. The focus is more on the quality of life.

3. Comprehensive framework of 15 dimensions

Relationship with nature: What kind of relationship people have with the nature, in terms of internality and externality? Some people will think nature is so powerful, and one cannot do anything to change nature. This is externality orientation. Some people say that nature can be changed, this is called as internality orientation. This is called as internal locus of control.

Orientation to context: This is the orientation to the environment. When environment is structured and is more unchanging, some people will have satisfaction with that because there is a clear structure and ambiguity is not there. Because many of them feel that ambiguity is disturbing. But there are other category of people, who find that ambiguity does not disturb them and these kind of people have more ambiguity tolerance.

Time orientation: What are people concerned about: past, present or the future? There are organizations where the culture is focussed towards past oriented. Such organizations keep telling about good things happened in the past and the glories in the past without worrying about what is happening in the present. There are also culture where people will focus more on present and discrete time periods. People in that culture will not have any link with the past or the future. These people will easily move from one task to another task.

Individualism vs Collectivism: This is same seen in Hofstede's cultural framework. Individualism refers to the concern about oneself and immediate family. But collectivism is the extension of oneself. Collectivism is the "We concept" than the "I concept".

Particularism vs Universalism: In a collectivistic society, groups are formed. These groups are formed based on region, caste, and ethnicity. Each group will have a specific identity. There is a specific characteristic that differentiate one group from the other group. So one is either part of the group or out of the group, i.e., in-group or out group.

Few other cultures are narcissism and other directedness vs inner directedness. The next one is orientation to sex differences.

Orientation to sex differences: Here the need is to understand androgynous culture. According to this, based on biological difference, roles are given. When more differences are there and the differences are clearly emphasized it is called as masculine culture. When biological differences are not emphasized, the culture is called as feminine culture. In the feminine culture, the focus is more on feminity part. Here the quality of men and women will be valued equally.

Orientation to power: Here the power distance is of concern and consider expressive, conserving, assertive and expanding power.

4. Qualitative 3 perspective framework:

This is qualitative in nature. In the all the other three organizational cultural frameworks, culture is measured using a framework. Here the culture is not measured using a framework rather looked at the perspectives. The perspectives include: integrated, differentiated and fragmented. Suppose, one is trying to understand employee welfare, it is a differentiated perspective. When the understanding is about customer care, this belongs to integrated and fragmented perspective.

So the qualitative part is looking from different perspectives of fragmented, differentiated and integrated.

Culture promoting KM

The culture promotes the implementation of KM in organizations. The following are the characteristics of culture that promotes KM.

- Interpersonal trust -affect, cognitive, behaviour based
- IT support- task coordination, external network, distributed cognition
- Communication practices- style and media richness
- Encouraging innovation
- Support openness
- Ensure teamwork
- Transparency
- Build social ecology