

**Chapter: 10**

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### Organizational Culture

*Organizational (Company / Corporate) culture comprises the attitudes, experiences, beliefs and values.*

**Work-groups** within the organization have their own behavioral quirks and interactions that, to an extent, affect the whole system. **Task** culture can be imported. That is to say, computer technicians will have expertise, language and behaviors gained independently of the organization that set them apart from their colleagues, but their mere presence can influence the culture of the organization.

Senior management may try to determine a **corporate culture**. They may wish to impose corporate values and standards of behavior that specifically reflect the objectives of the

organization. In addition, there will be an internal culture within the workforce.

Organizational culture is the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization. Organizational values are beliefs and ideas about what kinds of goals members of an organization should pursue and ideas about the appropriate kinds or standards of behavior organizational members should use to achieve these goals. From organizational values develop organizational norms, guidelines or expectations that prescribe appropriate kinds of behavior by employees in particular situations and control the behavior of organizational members towards one another. (Strategic Management, Charles W. L. Hill, Gareth R. Jones, Fifth Edition, 2001 Houghton Mifflin, Means Business, Inc.)

### **Strong/Weak cultures**

**Strong culture** is said to exist where staff respond to stimulus because of their alignment to organizational values.

Conversely, there is **Weak Culture** where there is little alignment with organizational values and control must be exercised through extensive procedures and bureaucracy.

Where culture is strong - people do things because they believe it is the right thing to do - there is a risk of another phenomenon, **Group-think**. Irving L. Janis described "Group-think". He defined it as "... as a quick and easy way to refer to a mode of thinking that people engage when they are deeply involved in a cohesive in group, when members' strivings for unanimity override their motivation to realistically appraise alternative of action." This is a state where people, even if they have different ideas, do not challenge organizational thinking, and therefore there is a reduced capacity for innovative thoughts. This could occur, for example where there is heavy reliance on a central charismatic figure in the organization, or where there is an evangelical belief in the organization's values, or also in groups where a friendly climate is at the base of their identity (avoidance of conflict). In fact group-think is very common, it happens all the time, in almost every group. Members that are defiant are often turned down or seen as a negative influence by the rest of the group, because they bring conflict (conflicting ideas) and

disturb the central culture. In cultural studies, culture is seen as ethnocentric (Barone, J.T, Switzer, J.Y), or culturocentric, meaning that we tend to think that our culture/subculture is the best. The stronger the culture, the greater the risks of groupthink. By contrast, bureaucratic organizations may miss opportunities for innovation, through reliance on established procedures. Innovative organizations need individuals who are prepared to challenge the status quo - be it groupthink or bureaucracy, and also need procedures to implement new ideas effectively.

### **Classifying organizational culture**

Several methods have been used to classify organizational culture. Some are described below:

#### **Hofstede**

**Hofstede** demonstrated that there are national and regional cultural groupings that affect the behavior of organizations.

Hofstede identified five characteristics of culture in his study of national influences:

- Power distance - The degree to which a society expects there to be differences in the levels of power. A high score suggests that there is an expectation that some individuals wield larger amounts of power than others. A low score reflects the view that all people should have equal rights.
- Uncertainty avoidance reflects the extent to which a society accepts uncertainty and risk.
- individualism vs. collectivism - individualism is contrasted with collectivism, and refers to the extent to which people are expected to stand up for themselves, or alternatively act predominantly as a member of the group or organization.
- Masculinity vs. femininity - refers to the value placed on traditionally male or female values. Male values for example include competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions.
- *Long vs. short term orientation* - describes a society's "time horizon," or the importance attached to the future versus the past and present. In long term oriented societies, thrift and perseverance are valued more; in short term oriented societies, respect for tradition and reciprocation of

gifts and favors are valued more. Eastern nations tend to score especially high here, with Western nations scoring low and the less developed nations very low; China scored highest and Pakistan lowest.

### **Deal and Kennedy**

Deal and Kennedy defined organizational culture as *the way things get done around here*. They measured organizations in respect of:

- **Feedback** - quick feedback means an instant response. This could be in monetary terms, but could also be seen in other ways, such as the impact of a great save in a soccer match.
- **Risk** - represents the degree of uncertainty in the organization's activities.

Using these parameters, they were able to suggest four classifications of organizational culture:

**The Tough-Guy Macho Culture.** Feedback is quick and the rewards are high. This often applies to fast moving financial activities such as brokerage, but could also apply to policemen or



women, or athletes competing in team sports. This can be a very stressful culture in which to operate.

**The Work Hard/Play Hard Culture** is characterized by few risks being taken, all with rapid feedback. This is typical in large organizations, which strive for high quality customer service. It is often characterized by team meetings, jargon and buzzwords.

**The Bet your Company culture**, where big stakes decisions are taken, but it may be years before the results are known. Typically, these might involve development or exploration projects, which take years to come to fruition, such as oil prospecting or military aviation.

**The Process Culture** occurs in organizations where there is little or no feedback. People become bogged down with how things are done not with what is to be achieved. This is often associated with bureaucracies. Whilst it is easy to criticize these cultures for being over cautious or bogged down in red tape, they do produce consistent results, which is ideal in, for example, public services.

## Charles Handy

Handy (1985) popularized a method of looking at culture which some scholars have used to link [organizational structure](#) to Organizational Culture. He describes:

- a **Power Culture** which concentrates [power](#) in a few pairs of hands. Control radiates from the center like a web. Power Cultures have few rules and little [bureaucracy](#); swift decisions can ensue.
- In a **Role Culture**, people have clearly delegated authorities within a highly defined structure. Typically, these organizations form hierarchical bureaucracies. Power derives from a person's position and little scope exists for expert power.
- By contrast, in a **Task Culture**, teams are formed to solve particular problems. Power derives from expertise so long as a team requires expertise. These cultures often feature the multiple reporting lines of a [matrix structure](#).
- A **Person Culture** exists where all individuals believe themselves superior to the organization. Survival can become difficult for such organizations, since the concept of an organization suggests that a group of like-minded

individuals pursue the organizational goals. Some professional partnerships can operate as person cultures, because each partner brings a peculiar expertise and clientele to the firm.

### **Edgar Schein**

[Edgar Schein](#), an [MIT Sloan School of Management](#) professor, defines organizational culture as "the residue of success" within an organization. According to Schein, culture is the most difficult to change organizational attribute that exists, outlasting organizational products, services, founders and leadership and all other physical attributes of the organization. His organizational model illuminates culture from the standpoint of the [observer](#), described by three [cognitive](#) levels of organizational culture.

At the first and most cursory level of Schein's model is the organizational attributes that can be seen, felt and heard to the uninitiated observer. Included are the facilities, offices, furnishings, visible awards and recognition, the way that its members dress, and how each person visibly interacts with each other and with organizational outsiders.

The next level deals with the professed culture of the organizational participants themselves. At this level, company [slogans](#), [mission statements](#) and other operational [creeds](#) are often expressed, as are local and personal values widely expressed within the organization. Organizational behavior at this level can usually be studied by interviewing the organization's membership and using questionnaires to gather attitudes of organizational membership.

At the third and deepest level, the organization's [tacit assumptions](#) are found. These are the elements of culture that are unseen and not cognitively identified in everyday interactions between organizational members. Additionally, these are the elements of culture which are often taboo to discuss inside the organization. Many of these '[unspoken rules](#)' exist without the conscious knowledge of the membership. Those with enough organizational experience to understand this deepest level of culture usually become acclimatized to these attributes over time, thus adding to the invisibility of their existence. Surveys and casual interviews with organizational members cannot draw out these attributes--rather much more in-depth means must be used to first identify then understand organizational culture at this

level. Note that culture at this level is the underlying and driving element of organizational culture that is often missed by most organizational behaviorists.

Using Schein's model, understanding paradoxical organizational behaviors becomes more apparent. For instance, an organization can profess highly aesthetic and moral standards at the second level of Schein's model while simultaneously displaying curiously opposing behavior at the third and deepest level of culture. At the surface organizational rewards can imply one organizational norm but at the deepest level imply something completely different. This insight offers an understanding of the difficulty that organizational newcomers have in assimilating organizational culture and why it takes time to become acclimatized. It also explains why organizational change agents usually fail to achieve their goals: underlying tacit cultural norms are generally not understood before would-be change agents begin their actions. It is also noted that merely understanding culture at the deepest level may not be enough to institute cultural change, because the dynamics of interpersonal relationships (under often-times threatening conditions) are

added to the dynamics of organizational culture in the process of instituting desired change.

### Elements of culture

Johnson (1988) described a cultural web, identifying a number of elements that can be used to describe or influence Organizational Culture:

- **The Paradigm:** What the organization is about; what it does; its mission; its values.
- **Control Systems:** The processes in place to monitor what is going on. Role cultures would have vast rulebooks. There would be more reliance on individualism in a power culture.
- **Organizational Structures:** Reporting lines, hierarchies, and the way that work flows through the business.
- **Power Structures:** Who makes the decisions, how widely spread is power, and on what is power based?
- **Symbols:** These include the logos and designs, but would extend to symbols of power, such as car parking spaces and executive washrooms!

- **Rituals and Routines:** Management meetings, board reports and so on may become more habitual than necessary.
- **Stories and Myths:** build up about people and events, and convey a message about what is valued within the organization.

These elements may overlap. Power structures may depend on control systems, which may exploit the very rituals that generate stories.

### **Critical Views on Organizational Culture**

Writers from [Critical management studies](#) have tended to express skepticism about the functionalist views of culture put forward by mainstream management thinkers. Whilst not necessarily denying that organizations are cultural phenomena, they would stress the ways in which cultural assumptions can stifle dissent and reproduce management propaganda and ideology. After all, it would be naive to believe that a single culture exists in all organizations, or that cultural engineering will reflect the interests of all stakeholders within an organization. In any case, Parker (2000) has suggested that many

of the assumptions of those putting forward theories of organizational culture are not new. They reflect a long-standing tension between cultural and structural (or informal and formal) versions of what organizations are. Further, it is perfectly reasonable to suggest that complex organizations might have many cultures, and that such sub-cultures might overlap and contradict each other. The neat typologies of cultural forms found in textbooks rarely acknowledge such complexities, or the various economic contradictions that exist in capitalist organizations.

### Glossary

Culturocentric	مستغرق/متمركز حول ثقافته الأصلية
Ethnocentric	مستغرق/متمركز حول عرقيته أو أصوله العرقية
Grouptink	فكر المجموعة
Mainstream	الاتجاه السائد
Mission Statement	بيان الرسالة (رسالة المنظمة)
Organizational Culture	الثقافة التنظيمية
Paradigm	مثال/نموذج/نمط
Perseverance	مثابرة/مواظبة/دأب
Rituals	الطقوس



Skepticism

النزوع إلى الشك أو الشكوكية

Slogans

شعارات

Stories and Myths

القصص و الخرافات /الأساطير

Tacit assumptions

الافتراضات الضمنية