

ASSIGNMENT QUESTIONS OLD Mutual

Submitted by: Cuneguines Nixon

Student number: 40392508

Program: Dip (PD) Innovation Management

Word count:3882

Character count:22252

Introduction

The term organisational culture can be defined as the collection of "values, expectations, and practices" that shape the actions of all the stakeholders of the organisation (Roscoe *et al.*, 2019). Organisational culture is considered important because this refers to the expectations, objectives, mission and values of the organisation that guide its employees regarding their actions. Therefore, it is considered that every organisation possesses a particular organisational culture that helps the organisation to operate. This essay is focused on shedding light on the organisational culture of one organisation named "Old Mutual Limited". Now, with time, every organisation needs to upgrade themselves and align with the contemporary trends and these alignments require significant changes within the organisational culture (Roscoe *et al.*, 2019).

The purpose of this essay is to explore the organisational culture and leadership style of Old Mutual Limited along with exploring the necessity and effectiveness of the process of organisational change and its consequences.

From the purpose statement the main focus of the study is understood and in this section the objectives of this essay to fulfil the purpose are presented. Then the existing leadership style and the leadership style to lead and facilitate the change are explored along with the effectiveness of the applied leadership style. Every step involved in the process of change is discussed with its purpose and value.

Brief of the topic/ Background

Old Mutual Limited is an African organisation, specialised in financial services and this is the largest financial service provider in Africa. This organisation provides financial solutions to corporate and retail customers. In 2018, a change was introduced within the organisation by retaining some of the old aspects of the organisation and adopting some new aspects (Oldmutual.com, 2022). Specifically, "values of respect, integrity, and accountability" are planned to be retained and on the other hand, "power of diversity and inclusion" are the major areas of change.

Necessity to change of Old Mutual's organisational culture

From the above section "brief of the topic," it is understood that the organisational change is executed for aligning the organisation with the current market trends. The change is made by retaining some of the old aspects like "values of respect, integrity, and accountability" along with introducing some of the new aspects like "power of diversity and inclusion" (Roscoe *et al.*, 2019). The managing director of the company believes that organisational values usually define the organisational culture. She also believes that "values of respect, integrity, and accountability" are an integral part of the organisation for a long time and these make the organisation lead in the finance industry. That is why these qualities are retained during the change (hbsp.harvard.edu, 2018). The Managing Director and other leaders of the organisation aimed for a secondary listing of the company on the "London Stock Exchange". For that purpose, it was clear to the leaders that a fundamental level of change is required within the organisation for achieving sustainable growth of the organisation. According to the leaders, a significant change in culture and values is required for this intended sustainable growth. This is the primary and main reason behind initiating the change in the organisational culture. However, there are many other reasons and some of these are briefly discussed in the following section.

In the current times, leadership style is solely associated with the cultural change of the organisations. This is because the leadership styles promote the culture of an organisation (Carvalho *et al.*, 2019). For example, the participative leadership style involves people within the problem-solving and decision-making processes which promotes an employee-friendly work environment. On the other hand, according to an autocratic leadership style, the leaders make rules and the employees follow. Both leadership styles have several advantages and disadvantages and most importantly with time, market conditions and trends leadership styles need to be changed. The global organisation leaders also think that change in the business environment mandates significant cultural evolution within the organisation. That is why the leaders think that a proper alignment between business needs and organisational culture is required and for that purpose, according to contemporary requirements a change is required within the organisational culture.

The Managing Director and other leaders of the organisation also aim to respond to the market condition by engaging all the stakeholders within the process of change. The other purpose of these leaders is to upgrade the operational processes with the current trends which also requires

a strategic change. The leaders believe that change can only lead to the intended growth. That is why the leaders want to involve all the stakeholders to set goals, establish objectives and define the roles of every individual in the change management process (Senadjki and Gaskin, 2018). The leaders also think that to run the organisation successfully more clarity is required regarding communication within the organisation (Kraśnicka, Głód and Wronka- Pośpiech, 2018). Overall, it can be stated that there are two main focuses of the organisation and these are being listed on the "London Stock Exchange" and improving the operational processes of the organisation for achieving a better position within the target market.

Justification of the change effort

This is a appropriate approach because in Africa Old Mutual Limited is popular in the target market because of its values, integrity and accountability. On the other hand, through this change "power of diversity and inclusion" is planned to be introduced. Diversity is an essential component of organisational culture which promotes growth and sustainability (Wipulanusat, Panuwatwanich and Stewart, 2018). It is considered that having a diversified workforce has several advantages. For example, a diversified workforce enhances the overall productivity of the organisation through the collective expertise of the employees. The main purpose of this change is to promote organisational growth and make it listed on the "London Stock Exchange" and that is why this effort is completely justified.

Secondly, the leaders intend to explore and revise the leadership style of the organisation and this is also very appropriate because it is already discussed that leadership styles promote the culture of an organisation and sometimes enhance organisational productivity (Cardiff, McCormack and McCance, 2018). For example, the "participative leadership style" promotes a sense of belongingness among the employees with the organisation and this feeling motivates the employees which eventually enhances organisational productivity (Tsai *et al.*, 2019). From that point of view, for improving the organisation and making a great brand image this effort is highly appropriate. From the following section, the leadership style used by the Managing Director can be understood and from that section, the justification behind the leadership style followed can be understood.

Description of Morule's leadership style

It is generally considered that an appropriate leadership style facilitates the process of change within the organisation. For example when the "participative leadership style" is followed then all the stakeholders including the employees get involved in the process and this approach boosts the problem-solving and decision-making processes (Cardiff, McCormack and McCance, 2018). In contrast, the sense of belongingness obtained from these participations motivates the employees for working towards change. Concerning these facts in this section the leadership style of the Managing Director of Old Mutual Limited is discussed. From the case study it is seen that the Managing Director first tried to address all the key stakeholders at the "Provincial Management Board (PMB) meeting". The purpose was to generate assistance during the ongoing change. The Managing Director intends to promote cultural change within the organisation through the active participation of employees.

For this purpose, the Managing Director depends on the representatives of the employees because she considers that these representatives only can establish a robust culture by creating a road map for the employees and the organisation. The other purpose of this "Provincial Management Board (PMB) meeting" was to set goals, establish objectives and define the roles of the individuals. According to the Managing Director and the Chairperson of the organisation a clear communication approach needs to be established among the stakeholders so that they can feel that they are the crucial part of this change. Not only that, the Managing Director Morule intends to include many voices instead of utilising the "top-down mandate". Concerning these activities and approaches it can be stated that Morule uses a "participative leadership style" or a "democratic leadership style". The Managing Director understands the fact that any type of organisational change requires spontaneous participation of the stakeholders and that is why she has taken this approach.

It is considered that any type of change in the organisational level brings resistance among the employees and other stakeholders but for embracing growth change is mandatory, as understood from different studies. According to the "Maslow's Hierarchy of Needs" an individual act or works for satisfying his needs (Carvalho *et al.*, 2019). In other meaning, the needs motivate a person to work and these needs include "physiological needs, safety needs, belongingness, and self-actualization". People generally get motivated when these needs are highlighted and eventually satisfied. The role of the leaders is to highlight these needs and create the scope for the stakeholders to satisfy these. According to the concept of this theory,

the leaders of Old Mutual Limited including the Managing Director and the Chairperson, have taken a proper approach and this approach is justified with the intended changes. In this context, another aspect should also be mentioned which is the features of the participative or Democratic leadership style. From the above discussion it is understood that following this leadership style the leaders encourage the participation of the employees within the decision-making and problem-solving processes and because of the high flexibility sometimes this leadership style is considered the best approach (Wagstaff and Burton- Wylie, 2018). In the following section, the effectiveness of this leadership style followed by Morule is discussed.

Effectiveness of Morule's Leadership style for creating a sustainable organisational culture change

From the description of Morule's leadership style it is known that she follows the "democratic leadership style" and more specifically the "participative leadership style". Now in the current times because of globalisation, the businesses are being expanded to the international level and because of this, the level of competition is increasing to a great extent (Pretorius, Steyn and Bond- Barnard, 2018). In this scenario the organisational culture should be altered in a way that makes the organisation aligned with the current market trends and growth opportunities. It is considered that an organisational culture which easily can embrace change within the organisation, is more likely to sustain in any situation. That is why, it is the aim of every organisation to promote an organisational culture that helps the organisation to sustain itself for a long time.

In this section the features of this leadership style are mentioned along with the intentions of the leaders of the organisation. According to the concept of democratic leadership style the leaders encourage the participation of the employees within the decision-making and problem-solving processes (Odor, 2018). On the other hand, Morule intends to include many voices instead of utilising the "top-down mandate" for this intended change. That is why, it can easily be stated that as the intention and action properly aligns, that is why, the effectiveness of Morule's Leadership style for creating a sustainable organisational culture change, is high.

Other activities under this leadership style include encouragement for participation of the stakeholders in the "Provincial Management Board (PMB) meeting" of the organisation. The purpose was to get support from all the stakeholders during the ongoing change regarding setting goals, establishing objectives and defining the roles of the individuals. This process

works in two ways. Firstly it promotes the sense of belongingness which motivates the employees to work with better efficiency and the other is, this approach boosts the speed of problem-solving and decision-making processes (Wiewiora and Kowalkiewicz, 2019). These two collectively make the organisation more productive. That is how, this approach of Morule's Leadership style for creating a sustainable organisational culture change, can also be considered as highly effective.

Identification of the steps involved in the change process at Old Mutual

The intended change was initiated for improving the organisation as per the current market condition. The leaders also intend to promote sustainable growth of the organisation through promoting participative leadership within the organisation and changing the organisational culture. In the first stage, the leaders have decided the intended change and the targets that the organisation needs to achieve. After deciding the initial target of the organisation, the leaders of the organisation intended to involve all the key stakeholders of the organisation at the "Provincial Management Board (PMB) meeting". The purpose behind this approach was to generate assistance during the ongoing change, settlement of goals, establishment of objectives and defining the roles of the individuals (Wipulanusat, Panuwatwanich and Stewart, 2018). Through this meeting the leaders have given a clear picture about the big scenario of change to the employees. This has helped the employees to understand their roles and contribution to these changes and this also makes them feel themselves as crucial parts of the change. Then through these meetings the collective opinions are used to make the changes within the organisation.

Any process of organisational change includes five major steps within the change management process. These five steps are, preparing the organisation for the intended change, crafting the vision and mission for the change, implementation of the changes, embedding planned changes within the organisation, and monitoring the process of change and analysing the results of the implemented changes. In the case of Old Mutual Limited also these steps are followed and the plan for change is executed (Ogbeibu *et al.* 2018). In the first stage the headquarters of the organisation was moved to the skyline of Sandton, South Africa and after that the Managing Director of the organisation felt the necessity of a change by retaining some aspects like "values of respect, integrity, and accountability" and on the other hand, "power of diversity and inclusion" are the major areas of change (Cardiff, McCormack and McCance, 2018). The

second stage is about crafting the vision and mission for the change. In this stage, all the activities associated with the "Provincial Management Board (PMB) meeting" of the organisation took place and the ultimate planning for the change is done in this stage. The next stages including implementation of the changes, embedding planned changes, and monitoring the process of change are performed accordingly.

Purposes and values of each of the change activities

The process of change includes five stages which are already discussed in the previous section. From the case study of Old Mutual Limited the first three stages are very clear and the purposes and values of those activities are discussed in this section. The first step is about preparing the organisation for the intended change. In this stage all the planning needs to be done properly. In the case of Old Mutual Limited the Managing Director planned the target and approaches for achieving the target. The purpose of this activity is to plan the entire process from the very beginning according to the resources and target to achieve (Weerts, Vermeulen and Witjes, 2018). The value of this stage is, this provides a strong base for the entire process. The next stage is about crafting the vision and mission for the intended change. In this stage the goals and objectives are formed according to the target of the organisation. These objectives are the real-time plans for achieving the vision set in the previous stage of change.

In the case of Old Mutual Limited the Managing Director called the "Provincial Management Board (PMB) meeting" for involving the stakeholders with the process of change. The purpose is to promote the involvement of all the stakeholders within the process of change and motivate them. The value of this activity can be understood from the discussion of the features of the participative or Democratic leadership style (Wagstaff and Burton- Wylie, 2018). It is seen that through this leadership style the leaders encourage participation of the stakeholders within the decision-making and problem-solving processes of the organisation, which enhances organisational productivity. According to the plans framed in the second stage, in the third stage implementation of the changes are to be made. This is the most important stage within the entire change management process. In this stage all the planned activities get executed.

The next two stages are embedding planned changes and monitoring the process of change within the organisation. Embedding planned changes means that the alteration of the organisational culture according to the changes made to the organisation. As a result of this stage the changes get sustained properly within the operational processes of the organisation.

The next stage is about monitoring the process of change (Carvalho *et al.*, 2019). This is also a crucial stage. The purpose of this stage is to assess and understand the impacts of the changes. This is crucial because if the changes possess any adverse impact then through monitoring that can easily be detected. Overall, it can be stated that the entire process of change of organisational culture of Old Mutual Limited is planned enough and possesses an effective impact on the organisation.

Formulation of recommendations for Morule in sustaining the new culture

In order to handle any change a proper leadership style and change management process are required. Here in this section, that area is highlighted regarding sustaining the new culture. According to the change management theory of Lewin's, any change can be embraced properly through three steps and these steps are, "unfreezing, change and refreezing" (Odor, 2018).. This means in the first stage the planning needs to be done along with making every stakeholder involved within the process. In the second stage the planning should be executed and the third stage is about aligning the organisational processes with the changes. It is recommended that the leaders focus on this last stage because for getting a sustainable organisational culture in Old Mutual Limited this stage is extremely important.

Secondly, it is seen that the intended change is mainly for promoting "power of diversity and inclusion" within the organisation. In this regard the first recommendation is to remain aware about the "unconscious bias" , because these biases hinder the smooth operations of the organisation (Roscoe *et al.*, 2019). Diversity and inclusion can be prominently promoted by promoting "pay equity". That is why, it is recommended that a pay equity should be established within the organisation. The other purpose of the change is to promote organisational growth and that can be done by promoting a strategic training program. This helps in two ways: firstly it improves the productivity of the employees and secondly it motivates the employees. That is why it is recommended to promote a strategic training program (Carvalho *et al.*, 2019). The other way to promote diversity and inclusion is to show respect to all cultures and educational and social backgrounds. That is why, it is recommended that the organisations should acknowledge all the holidays of all the cultures.

The next recommendation is regarding the promotion of a strong leadership style within the organisation. This is because leadership style can potentially affect the organisational culture of the organisation. Currently the Managing Director of the organisation follows a participative

leadership style for embedding the changes and it is recommended that in future also, this leadership style should be followed for sustaining the new culture within Old Mutual Limited (Pretorius, Steyn and Bond- Barnard, 2018). The next recommendation is about tracking the progress of the organisation after implementing changes. For this purpose it is recommended that the organisation conduct a continuous research on the target market to understand the current trends and strategies of the organisation. This approach will help the organisation to retain the position within the target market.

Conclusion

This essay is focused on exploring the organisational culture and leadership style of Old Mutual Limited. The company has embraced some changes with the purpose of improving the organisational culture and growth. Through this essay, the necessity of changes is discussed along with the leadership style of the Managing Director of the organisation and the effectiveness of the leadership style. The processes of change including the purpose and values of every step are discussed in this essay. Through this essay the necessity of change is learned along with the standard process of change. This essay has helped to learn the association between the leadership style and organisational culture. It is clearly learned that leadership style plays a crucial role in establishing a sustainable organisational culture which effectively promotes the growth of the organisation for a long term.

According to Mourule's leadership style the final decision ultimately rests on the leader but all considerations and factors of a decision come from the collective mind of the group under this.

The recommendation can be focused on approaching a new leadership style that will help te organization to achieve its objective.

References

- Cardiff, S., McCormack, B. and McCance, T., 2018. Person-centred leadership: a relational approach to leadership derived through action research. *Journal of Clinical Nursing*, 27(15-16), pp.3056-3069.
- Carvalho, A.M., Sampaio, P., Rebentisch, E., Carvalho, J.Á. and Saraiva, P., 2019. Operational excellence, organisational culture and agility: the missing link?. *Total Quality Management & Business Excellence*, 30(13-14), pp.1495-1514.
- Carvalho, A.M., Sampaio, P., Rebentisch, E., Carvalho, J.Á. and Saraiva, P., 2019. Operational excellence, organisational culture and agility: the missing link?. *Total Quality Management & Business Excellence*, 30(13-14), pp.1495-1514.
- Faizan, R., Nair, S.L.S. and Haque, A.U., 2018. The effectiveness of feminine and masculine leadership styles in relation to contrasting gender's performances. *Polish Journal of Management Studies*, 17.
- Kraśnicka, T., Głód, W. and Wronka-Pośpiech, M., 2018. Management innovation, pro-innovation organisational culture and enterprise performance: testing the mediation effect. *Review of Managerial Science*, 12(3), pp.737-769.
- Odor, H.O., 2018. Organisational culture and dynamics. *Global Journal of Management and Business Research*.
- Ogbeibu, S., Senadjki, A. and Gaskin, J., 2018. The moderating effect of benevolence on the impact of organisational culture on employee creativity. *Journal of Business Research*, 90, pp.334-346.
- Oldmutual.com., 2022, *Home*, Available at: <https://www.oldmutual.com/> (Accessed on 21/11/22)
- Pretorius, S., Steyn, H. and Bond-Barnard, T.J., 2018. Leadership styles in projects: Current trends and future opportunities. *South African Journal of Industrial Engineering*, 29(3), pp.161-172.
- Roscoe, S., Subramanian, N., Jabbour, C.J. and Chong, T., 2019. Green human resource management and the enablers of green organisational culture: Enhancing a firm's

environmental performance for sustainable development. *Business Strategy and the Environment*, 28(5), pp.737-749.

Studocu.com., 2022, *Home*, Available at: <https://www.studocu.com/in> (Accessed on 21/11/22)

Tsai, Y.S., Poquet, O., Gašević, D., Dawson, S. and Pardo, A., 2019. Complexity leadership in learning analytics: Drivers, challenges and opportunities. *British Journal of Educational Technology*, 50(6), pp.2839-2854.

Wagstaff, C.R. and Burton-Wylie, S., 2018. Organizational culture in sport: A conceptual, definitional, and methodological review. *Sport & Exercise Psychology Review*, 14(1), pp.32-52.

Weerts, K., Vermeulen, W. and Witjes, S., 2018. On corporate sustainability integration research: Analysing corporate leaders' experiences and academic learnings from an organisational culture perspective. *Journal of cleaner production*, 203, pp.1201-1215.

Wiewiora, A. and Kowalkiewicz, A., 2019. The role of authentic assessment in developing authentic leadership identity and competencies. *Assessment & Evaluation in Higher Education*, 44(3), pp.415-430.

Wipulanusat, W., Panuwatwanich, K. and Stewart, R.A., 2018. Pathways to workplace innovation and career satisfaction in the public service: The role of leadership and culture. *International journal of organizational analysis*.