



2.5 Organisational (corporate) culture (HL)

# Terminology exercise



**Check that you understand the terminology used in this subtopic by dragging the correct word into each space.**

The term \_\_\_\_\_ culture refers to the set of values, attitudes, beliefs, expectations and assumptions of an organisation. A simple way of remembering culture is to think of it as 'the way we do things around here'. Culture influences and is influenced by all the elements of \_\_\_\_\_ management, including organisational structure, leadership style, rewards, training, recruitment and communication.

Handy's Gods of Management theory claims that there are four dominant cultures in business. In businesses that exhibit a \_\_\_\_\_, decision-making is highly centralised and leaders tend to be autocratic. In a business with a \_\_\_\_\_, roles within the organisation are flexible, and productive, independent teamwork is valued. An organisation with a \_\_\_\_\_ is defined by clear rules and hierarchies, and employees have power through their position rather than their own qualities. Finally, businesses with a \_\_\_\_\_ tend to be employee-centric and employees often have a similar level of knowledge and expertise.

When change occurs in an organisation, there can be a – a situation where more than one culture competes for dominance and conflict results. Cultural clashes can increase and decrease , so it is important for businesses to avoid or reduce them as much as possible. In particular, when a business pursues , it will need to ensure that cultural integration occurs along with the integration of operations.

task culture

cultural clash

person culture

external growth

role culture

human resource

organisational

power culture

labour turnover

motivation

 Check