Industry Mindsets: Exploring the Cultures of Two Macro-organizational Settings

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Abstract

Cultures are dynamic, shared mindsets that, in organizational settings, are usually believed to be nationally or organizationally based. In this paper, the existence of *industry* cultures is explored. Previous studies of industry-based cognitive constructs have narrowly focused on top managers' mental models for strategic decision making. Here, broad-based assumption sets comprising the cultural knowledge widely shared among organizational participants within two industries (fine arts museums and California wineries) are surfaced and compared. A cognitive definition of culture and a modified ethnographic methodology frame the inquiry. The research process balances the requirements of the inductive method with the logistics of doing research in settings as broad in scope as "industry" and into issues as amorphous as "culture in modern organizations." This process involves the selection and in-depth interviewing of 96 informants in 12 organizations, representing a cross-section of members of these two industries. The distinct assumption sets that surface for each industry demonstrate, among other things, substantial differences in conceptualizations of membership, competition, the origins of "truth," the purpose of work, and the nature of work relationships. The findings suggest that the current narrow focus in research on industry-based cognitive constructs can be productively broadened to include a fuller range of cultural elements and a wider set of industry participants. The surfacing of distinct industry mindsets reinforces the emerging belief that a multiplicity of dynamic, shared mindsets exist within an organization's environment. A new cognitive lens—that of *industry*—is offered, through which scholars and managers alike can view behavior in organizational settings.

(*Organizational Culture*; *Industry Cultures*; *Qualitative Research Methods*; *Museums*; *Wine Industry*; *Managerial Cognition*; *Organizational Fields*)

Introduction

It has long been recognized that the *culture* of an organization's members provides the context for cognition, frames local sense-making, and serves as the socially constructed lens through which organization members perceive, process, and structure information. These conceptions flow from the cognitive stream of anthropological and sociological theory (e.g., Goodenough 1957, Kroeber and Parsons 1958, Spradley 1972) in which culture is viewed as "ideas, beliefs, and knowledge" (Spradley 1972,6). At the core of cultural knowledge is:

> a set of assumptions shared by the group of people. The set is distinctive to the group. The assumptions serve as guides to acceptable perception, thought, feeling, and behavior, and they are manifested in the group's values, norms, and artifacts. The assumptions are tacit among members, [are developed through and evolve from experience,] and are learned by and passed on to each new member of the group (Phillips 1990, 10).

Thus, the set of cultural assumptions is an "ideational order" that is the property of the group's members (Goodenough 1964, 11). More colloquially, it is a dynamic, shared *mindset* (Fisher 1988), a term which will be used interchangeably with "culture" in the following discussion.

Shared mindsets directly underpin perception, thought, feeling, and behavior of people who are members of a group in ways that are not directly obvious to either themselves or observers. Therefore, researchers have sought to identify the assumptions of groups in organizational settings to gain insight into human activity within the organizational context. While not predictive of individual behavior, assumptions delineate the "central tendencies" (Hofstede 1991, 253) of a group. Thus, awareness of these assumptions is a starting point from which both organization researchers and group participants can anticipate and interpret activities within the organization setting such as decision making, identification of threats and opportunities, intra- and inter-group interaction, adoption of organization structures and processes, and socialization of new members.

Traditionally, the mindset believed to be of greatest relevance in the organizational arena has been the

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national culture of each individual organization member (e.g., Adler 1991; Harris and Moran 1991; Hofstede 1980; Lane and DiStefano 1988; Nath 1988). In the past decade, monolithic *organization-wide* cultures have become a prominent focus for research on mindsets shared by organization members (e.g., Frost, Moore, Louis, Lundberg, and Martin 1985, 1991; Jones, Moore, and Snyder 1988; Schein 1985; Schneider 1990).

More recently, it has been posited that a multiplicity of mindsets may exist within and around an organization (Phillips 1990; Phillips, Goodman, and Sackmann 1992; Sackmann 1991, 1992). These mindsets may emanate from a variety of different contexts whose boundaries may or may not coincide with national or organizational boundaries. The salience of any of these mindsets at any point in time, in any particular circumstances, and as an influence on any specific type of individual or organizational behavior is considered an empirical question.

Giving credence to this notion that multiple mindsets exist within and around organizations is the growing number of empirical investigations that identify distinct cultures in organizational settings at levels of analysis beyond nations and organizations. This research has surfaced *intra-organizational* cultures based in locations, functions, and/or hierarchical levels (e.g., Bushe 1988; Martin and Siehl 1983; Martin, Sitkin, and Boehm 1985; Sackmann 1991, 1992), mindsets *cross-cutting* organizations such as professional cultures (e.g., Barley 1983, 1986; Dubinskas 1988; Everett, Stening, and Longton 1982; Gregory 1983; Van Maanen and Barley 1984), and *nonnational* cultural *overlays* upon sets of organizations such as regional cultures (e.g., Weiss and Delbecq 1987). In this research, externally oriented and internally oriented cultural assumptions (Davis 1984) shared by a cross-section of group members have been uncovered. The identification of these multiple cultural levels illustrates the existence, scope, and impact of a wider variety of mindsets upon organizational life.

Industry mindsets are potentially a fruitful field for similar empirical inquiry. If cultural knowledge is shared at this level of analysis, an understanding of the core set of assumptions should certainly allow insight into an industry's perception of its environment, internal interpersonal relationships, and intra-industry structures and processes. In addition, it should provide organization researchers and participants with a basis from which to interpret and anticipate characteristics of cross-industry interactions. Thus, activities that potentially pose cultural disjunctures (e.g., mergers, acquisitions, joint ventures, managing conglomerate organizations, communicating with or assimilating employees from other industries) could be facilitated.

This paper describes a systematic attempt to identify and map industry mindsets. First, previous explorations of the notion of industry mindsets are reviewed. This includes a discussion of theoretical arguments for the existence of cultural commonalities within industries and prior attempts to surface industry-based cognitive constructs. Potential elements of industry assumption sets are then identified. The inductive data collection and interpretation process developed for this investigation is described. Subsequently, the dominant cultural assumptions of two industries explored using this investigative process are summarized. Finally, implications of this research for organizational scholars and for managers are suggested.

Previous Explorations of the Notion of Industry Mindsets

Theoretical support for the existence of industry-based mindsets is found in the literatures of institutional theory, industrial economics, marketing, organization behavior, and strategy. Some initial empirical investigations have also emanated from several of these fields.

Institutional theorists appear to support the idea in their discussions of "industry systems" (Hirsch 1972), "societal sectors" (Scott and Meyer 1983), and coercive, mimetic, and normative processes leading to homogeneity in form and behavior among organizations within the same "organizational field" (DiMaggio and Powell 1983). A strong *industrial-economics*-based rationale for the notion of evolutionary industry cultures is offered in Dosi's (1982) proposition that economic, institutional, and social factors drive the development of technological paradigms within industries. *Marketing* theory argues that global commonalities in perceptions exist within certain industries and are developed and maintained through shared experiences (Levitt 1983).

Organization behavior theorists describe industry as one of several possible "transorganizational loci of culture" (Louis 1985, 79) and assert that assumptions shared within an industry (i.e., regarding the competitive environment, customer requirements, and societal expectations) shape the corporate cultures of organizations within that industry (Gordon 1991). Gordon (1985) attempted an empirical investigation of cultural commonalities across industries. However, he grouped organizations into industries at a very high level of abstraction, inconsistent with generally accepted definitions of industry (Porter 1980,5). A lower level of

aggregation is desirable if the emergent cultural commonalities are to be attributed to "industry" rather than to other, unspecified qualities of the aggregation.

Strategy theorists, who traditionally focus on the industry level of analysis, propose that commonly held mindsets exist across firms within industries and drive strategic decision making by individuals within those firms. For example, Huff (1982) and Rumelt (1979) contend that shared "strategic frames" for the structuring of uncertainty develop and are used within industries. Porter (1980) argues that shared assumptions about a selected set of strategic variables are the basis for the competitive grouping of firms. Fombrun and Shanley (1990) suggest that cognitive constructs are shared by both internal and external constituents of firms within a given industry. Grinyer and Spender (1979a) and Spender (1989) assert that an "industry recipe" provides the context for strategic decisions and is used by senior managers across firms within an industry to resolve their individual firm's strategic uncertainties. Spender describes an industry recipe as "the business-specific world-view of a definable 'tribe' of industry experts", "much... like a *local culture*" (1989, 7 emphasis added).

Several strategy researchers have undertaken empirical investigations into cognitive constructs shared by industry members. Fombrun and Shanley (1990) examined the collective judgment of industry executives, outside directors, and analysts in their attempt to understand stratification within industries. Grinyer and Spender (1979b) attempted to operationalize their concept of "industry recipes" in a study of top managers in several organizational units of a single conglomerate firm. Porac, Thomas, and Baden-Fuller (1989) uncovered the mental models of key decision makers in 17 U.K. knitwear firms with regard to competitive boundaries and competitive conditions. Spencer (1989) compared strategic constructs held by senior managers of firms in three British industries (iron foundries, dairies, and industrial fork-lift rental firms).

Although the results of the empirical studies are promising, researchers have made various methodological choices that limit the generalizability of their findings. They have aggregated organizations into broadly conceived groups that transcend the notion of "industry." Their studies have attempted to identify externally oriented cultural assumptions (i.e., those shared cognitions related to the competitive positioning of firms), ignoring internally oriented constructs. They have largely concentrated on discerning the mental models of narrow sets of industry participants, specifically, industry executives and subunits of a single organization. Therefore, it has not yet been determined if a shared culture exists among the wider set of participants in a well-defined industry, nor has the broad content of such a mindset been delineated.

The Data Collection and Interpretation Process

When this investigation was first envisioned in 1984, little empirically based knowledge about cultures in organizational settings was available to frame the study theoretically and to guide the research process. However, anthropological experience advises that any investigation into an alien culture requires surfacing characteristics of that culture with minimal imposition of the investigator's own culture. Therefore, an *inductive methodology* was deemed necessary.

It was then necessary to balance the requirements of an inductive methodology with the logistics of doing research in settings as broad in scope as "industry" and into issues as possibly transitory as "culture in modern organizations." Inductive anthropological methods tend to be time consuming, costly, and intrusive upon all parties involved in the research. Cultural research in organizational settings that are broad in scope is constrained by several factors: (1) the need for a relatively large sample of informants drawn, in the case of industries, from a variety of organizations to represent a broad cross-section of industry participants; (2) the desire to complete the study within a realistic time frame so the findings that are captured and disseminated will largely reflect a culture that still exists; and, (3) the importance of minimizing intrusion upon participating organizations for the benefit of both the research and the organizations. Additionally, culture in modern organizational settings is potentially more transitory than culture in traditional anthropological settings (e.g., isolated tribes) because organizations are more open networks with more rapid member turnover and, therefore, more susceptible to change. Since this study undertook to provide a basis for the understanding of and for action in currently existing cultural contexts (rather than just offering historical description), traditionally prolonged inductive methods needed to be adapted to a shorter time frame. Therefore, a three-step process for the collection and interpretation of the data was devised to achieve the requisite balance.

Step 1. Definition of the Sample

Step 1 consisted of a preliminary study to define the sample. This involved the identification of industries,

Table 1 Criteria for Industry Selection

1. Between-industry heterogeneity
   (a) contrasting environments
      (1) service / manufacturing
      (2) capital-intensive / labor-intensive
      (3) for profit / not-for-profit
      (4) private sector / public sector
   (b) no overlap in product or service
2. Within-industry prima facie homogeneity (from DiMaggio and Powell 1983, 153)
   (a) highly centralized suppliers and / or resources
   (b) high rate of interaction with regulatory agencies
   (c) small number of visible models of organization
   (d) high degree of technological uncertainty and / or goal ambiguity
   (e) high degree of professionalization
   (f) high degree of structuration
3. Accessible (local)
4. Replicable (e.g., regional / national / societal)
5. Not over-researched
6. Boundable
   (a) at least four-digit SIC level
   (b) single business units
7. Personal interest

organizations, and informants that would serve as appropriate data sources for the study.

Identification of Industries. Two conditions governed the selection of the industries to be investigated to enhance the possibility that generalizations about the nature of industry-based cultural assumptions and comparisons and contrasts of industry-specific findings could be made at the study's conclusion. These two conditions were: (1) more than one industry must be studied and (2) the probability of finding a common culture across informants and organizations within each industry must be maximized. To meet the first condition, *two* industries were selected. To meet the second condition, a variety of selection criteria were established. The criteria for industry selection are summarized in Table 1.

Of primary importance were the first two criteria noted in Table 1: (1) these two industries exhibit some degree of *between-industry heterogeneity*, and (2) the industries display a strong measure of *within-industry* prima facie *homogeneity*.

Maximization of *between-industry heterogeneity* would increase the probability of finding distinct industry-based cultures. This would ensure that comparisons, contrasts, and generalizations might be made from any industry-specific findings that did emerge. Such maximization could be achieved by seeking industries from contrasting environments, i.e., service and manufacturing, capital-intensive and labor-intensive, for profit and not-for-profit, and private sector and public sector. Selecting two industries with no overlap in product or service would also maximize between-industry heterogeneity.

Maximization of *within-industry* prima facie *homogeneity* would increase the likelihood that commonalities in industry culture might exist and that an industry culture might be more observable in greater detail and complexity. If a mindset shared across organizations within such an industry cannot be found, then the notion of industry culture may not be worth pursuing. Prima facie within-industry homogeneity could be determined by assessing each industry in terms of the coercive, mimetic, and normative forces that DiMaggio and Powell (1983) argue promote "institutional isomorphism and collective rationality"—that is, homogeneity in character among organizations within the same "organizational field." Key indicators of these forces, as specified by DiMaggio and Powell (1983, 153), are summarized under Criterion 2 of Table 1.

In addition, as shown in Table 1, other selection criteria were established. Specifically, a heterogeneous sample of organizations from each industry should be geographically *accessible* to the researcher on a long-term basis. The sample should be *replicable* in other regions of the U.S. and in other nations of the world so that regional and national cultural effects could be teased out in future research. The industries should *not have been over-researched* (Spender 1989, 76). The industries should be "*boundable*" in the sense that organizations are either members of that industry or they are not. To this end, the industries should be identifiable at the four-digit SIC level at least (thus attending to Gordon's (1985) methodological limitation of level of aggregation) and primarily composed of single-business-unit organizations. Finally, the industries should be *personally interesting* to the researcher, a criterion necessary to sustain the long-term intensive investigation required.

Initial industry assessment in terms of these established criteria was accomplished through an extensive review of published data on a variety of industries and through directed-in-depth interviews with leaders, educators and analysts (Fombrun and Shanley 1990) in these industries.[1] Two industries—*the museum industry* and *the wine industry*—appeared particularly promising because of their fit with many of the established criteria. This assessment, coupled with the assessment

in terms of *within-industry* prima facie *homogeneity*, supported the narrowing of the focus of the study to the *fine arts museum* and the *California wine* industries. In terms of DiMaggio and Powell's (1983) key indicators, both industries displayed strong prima facie within-industry homogeneity,[2] thus enhancing the possibility of finding cultural commonalities among members within each industry.

Identification of Organizations. In order to claim identification of an industry-wide culture, a variety of organizations from each industry would be needed as field sites for the study. Because industries are segmented and the sets of organizations within these segments differ in some respects, knowledge of the critical variables that differentiate these segments would allow a stratified sample of organizations to be identified. However, industry participants often see their industry segmented differently from the manner used by those presenting data in statistical or economic descriptions of the industry (Porac and Thomas 1987). In order to ascertain this "native view" (Gregory 1983), during the industry specialist interviews and the review of published data, special attention was paid to how various segments of the industry were referenced and to how organizations were categorized into these segments.

From these interviews and other conversations with industry specialists, it was discovered that three organizational variables are critical in segmenting the fine arts museum industry: *size*, *governing authority*, and *type of collection*. Four organizational variables were found to be critical in segmenting the California wine industry: *size* (i.e., annual case shipments) / *wine type* / *location*, which are interacting variables, and *ownership*. *Age* of the firm and the *range of activities* performed by the organization were additional organizational variables found to be important for detailing full membership within the wine industry.

Organizations representative of each segment of each industry were then identified using recommendations from the industry specialists and data from trade association directories. Table 2 lists the six fine arts museums that were included in the study and highlights the

Table 2 Fine Arts Museum Field Sites with Critical Variables for Selection

Fine Arts Museum	Location	Size	Governing Authority	Collection Type
Santa Barbara Museum of Art	Santa Barbara	*coll = medium $ = medium / large	private np-fdtn	general
Crocker Art Museum	Sacramento	medium	*muni / np-bpso	general
Los Angeles County Museum of Art	Los Angeles	*large / Big 8	county / np-bpso	general
Newport Harbor Art Museum	Newport Beach	small / medium	private np-fdtn	*contemporary
University Art Museum Calif. State Univ. Long Beach	Long Beach	small	*public university / np-fdtn	contemporary
Severin Wunderman Museum	Irvine	*very small	private np-fdtn	*boutique

*variable(s) considered most critical in selecting the organization

abbreviations:

- coll – collection
- $ – budget
- muni – municipality
- np-fdtn – nonprofit foundation
- np-bpso – nonprofit broadly, publicly supported organization

Table 3 California Winery Field Sites with Critical Variables for Selection

Winery	Location	Size	Ownership	Wine Type
Robert Mondavi	*Napa Valley; San Joaquin Valley	medium-large	*family	premium / superpremium / popular
Sarah's Vineyard	*Monterey area	very small boutique	*limited partnership –active	superpremium
Chateau Souverain	*Sonoma	medium	*foreign conglomerate	premium / superpremium
Guild	San Joaquin Valley	*large	*cooperative	champagne / popular
Santa Ynez Valley	*Santa Barbara County	small	*limited partnership –passive	premium / superpremium
Cilurzo	*Temecula	small	*owner-operated	premium / superpremium

*variable(s) considered most critical in selecting the site

variables deemed most critical in selecting each particular organization. The six participating wineries are similarly presented in Table 3.

Identification of Informants. Informants from the participating organizations who would serve as a stratified sample of the membership of each industry were then identified. It was recognized that culture research requires a broader sample of informants than that selected by others who have investigated industry-based cognitive constructs (i.e., Grinyer and Spender 1979b, Porac et al. 1989, Spender 1989). However, it was necessary to consider the potential complications of breadth. Although previous research on culture in organizational settings suggested the advantages of selecting a cross-section of informants across functional, divisional, hierarchical, and occupation boundaries (e.g., Everett et al. 1982; Gregory 1983; Martin et al 1985; Sackmann 1991, 1992), the logistics of including informants representative of all of these various suborganizational groupings across 12 different organizations were daunting. Therefore, a mid-range strategy was pursued. It was decided to first identify the primary activities of each industry and then to identify work roles within the set of primary activities that met two criteria: (1) they were commonly found in some form in all organizations within the industry, and (2) they offered opportunities for interaction (directly or indirectly) across organizations within the industry (per Levitt 1983).

The review of industry publications and the interviews with industry specialists allowed identification of the primary activities of each industry. For fine arts museums, these were found to include administration, curatorial, education, operations, and support. For wineries, these were found to include administration, vineyard operations, production-operations, production-winemaking, and marketing, sales, and distribution. A further review of extant trade associations and networks, trade association subgroups and committees, collaborations and joint programs, and commonly pursued career paths, as well as conversations with industry-based personnel officers, narrowed the list of potentially appropriate work roles. Pilot interviews were conducted in part to refine this selection of work roles.

Thirteen informant work roles where targeted in fine arts museums; nine informant work roles were targeted for wineries, which have fewer and more broadly specified job categories than do museums. These work roles are summarized in Table 4. Guided by Spradley's suggestions for selecting individual informants for inductive research (e.g., length of membership in group, not analytical of own responses and behaviors) (1979, 45–54), informants occupying these work roles in the

Table 4 Informant Work Roles by Industry

California Wineries	Fine Arts Museums
1. president/owner/partner	1. director
2. senior administrative officer (e.g., finance)	2. board of trustees member or chair
3. vineyard worker	3. administrative director
4. grower relations worker	4. curator
5. production operations worker (e.g., cellar-master, –"rat")	5. registrar
6. winemaker or enologist	6. exhibition designer or preparator
7. public relations or marketing worker	7. educator
8. sales worker	8. publications worker
9. hospitality worker (e.g., tour guide)	9. development worker
	10. public relations worker
	11. volunteer director or docent
	12. operations officer or facilities manager
	13. conservator

participating organizations were targeted: 56 in fine arts museums and 40 in wineries. The number of informants selected from each organization varied in relation to the organization size because, in smaller organizations, a single person often has multiple areas of responsibility, and some activities either do not exist or are contracted out.

Thus, a stratified sample of informant roles was defined for each industry and a cross-section of informants from each participating organization was identified. It is believed that by following this rigorous process each industry was represented by a cross-section of its membership in the data collection phase of this study.

Step 2. Field Data Collection

The central activity for data collection was an individual ethnographic interview (Spradley 1979) with each of the targeted informants. These interviews were "guided" by a set of "grand tour" and "experience" questions, followed by a series of "triggering questions" (Spradley 1979, 85–91). The questions raised a range of issues in an open-ended manner, allowing informants to cover the topics to the extent and at the level of intensity that *they* deemed appropriate. "Grand tour" questions allowed rapport to be established, an open-ended tone to be set, "native" terms to be collected, and an overview of the organization from the perspective of the informant to be acquired. "Experience" questions assisted in increasing rapport, expanding understanding of native terminology, and learning the background of the informant.

The "triggering questions" were specific to the surfacing of industry-based cultural assumptions. The design of these questions proved to be the most challenging task, because at the root of such questions lies probably the most vexing problem in cultural research: *what to identify as ostensibly "cultural" characteristics.* Delacroix (1987) noted that

> each culture forms an integrated whole; its parts hang together with some degree of coherence, like the furniture in a tasteful home. The lay observer senses the coherence before he recognizes the parts. [Yet, ordinarily]...we don't know enough about contemporary modern cultures to avoid arbitrariness in selecting what is essential to this coherence (Delacroix, 1987: 7).

The theoretical and empirical contributions previously cited, as well as findings of previous research on culture in organizational settings, offer guidance in this regard. This collection of work suggested that assumptions regarding *strategic issues*, *interpersonal work relationship issues*, and *social issues* were potentially the essential elements of a "coherent" industry culture.

Strategic issues around which shared assumptions have been thought to form within industries include: the identification of the competitive boundaries of an industry and definitions of competition (Porac et al. 1989); specialization, financial leverage, price policy, and technological leadership (Porter 1980, 127–129); and the relevant elements of the market segment for which the industry produces, the input and output mechanisms employed, and the methods for recognizing and dealing with the uncertainties inherent in the particular market and in these input/output mechanisms (Grinyer and Spender 1979b, Spender 1989).

Interpersonal work relationship issues also have been shown to be an important focus for uncovering a group's mindset (Davis 1984, Gordon 1985, Gordon and Cummins 1979) and are particularly relevant for uncovering assumptions attributed to cultural overlays upon organizational settings (Hofstede 1980). Shared assumptions have been found to form around interpersonal work relationship issues such as vertical and horizontal interdependence, clarity of performance expectations, performance emphasis, conflict resolution, and individual initiative (Gordon 1985, Gordon and Cummins 1979), as well as superior-subordinate relationships, the level of anxiety in the employee-company

relationship, individual dependence on the organization, and the relative importance of a more assertive versus a more nurturing work environment (Hofstede 1980).

The notion that assumptions regarding "*social issues*" are possible elements of an industry cultural assumption set was extrapolated from Levitt's (1983) argument regarding the development and maintenance of commonly exhibited artifacts, norms, and values in "global industries." Levitt contends that these global commonalities within industries are developed and maintained through shared experiences, such as managerial training at common universities or institutes and attendance at international conference (Westreich 1983). University or institute training programs (managerial and technical), the use of the same consultants (Capon, Farley, and Hulbert 1980), industry conferences, trade shows, international trade journals, and trade associations are also channels of direct and indirect communication within industries. They provide opportunities for industry members to jointly approach and define new situations, to experiment with or report the results of potential solutions to common problems and "generic situations" (Porter 1980), and to engage in discussion that leads to a consensus on appropriate and/or efficient resolutions (Becker 1982). In this way, these common communication channels serve as the mechanisms by which industry-based assumptions are formed, learned, and passed on. Important strategic and work relationship issues are certain to be discussed in these forums (Huff 1982), and the content and outcome of these discussions is expected to affect the way one

Table 5 Schein's Typology of Cultural Assumptions with Issues for Uncovering Elements of the Assumption Set*

Category 1: The relationship between the group and the environment
Assumptions that fall into this category are concerned with the group's perception of itself as either (1) dominating, (2) in harmony with, or (3) subjugated to its environment. Important clues to commonly held assumptions of this type come from knowledge of a group's perception of the composition of its environment, the relative importance of elements in its environment, its identity, its perception of its boundaries, and its role or function within its environment.

Category 2: The nature of reality and truth
Assumptions in this category are concerned with what is "real," what is "true." Conceptions of time and space help to define this reality. Therefore, elements of the assumption set pertinent to this category might be gleaned from knowledge of how reality and truth are determined by the group (specifically, the group's bases for decision making), from insight into the group's temporal focus (past, present, or future), from an understanding of how the group structures time, and from information about the group's perception of the availability and use of its physical environment.

Category 3: The nature of innate human nature
Assumptions in this category are concerned with the group's perception of human beings as inherently good, evil, a mixture of good and evil, or neutral. Of subsequent concern is whether the inherent quality is alterable or unalterable. Evidence of the group's perception of what constitutes a "good" group member versus a "bad" group member (if such categories even exist) and of what mechanisms, if any, can promote change in performance provides knowledge as to the character of assumptions of this type.

Category 4: The nature of human activity
Assumptions in this category concern the group's perception of human activity as: (1) proactice, purposive, aimed toward accomplishment of external goals, oriented toward "doing"; (2) controlled by fate, the spontaneous expression of a "given" personality, oriented toward "being"; or (3) self-development in-progress, focused on the perfection of oneself, oriented toward "being-in-becoming." Clues to the character of assumptions of this type come from knowledge of the group's perception of humans as active pursuers of external goals, as passive beings, or as seekers of opportunities for growth and self-perfection.

Category 5: The nature of human relationships
Assumptions in this category are concerned with the group's perception of the appropriate basis for structuring human relationships for the purposes of distributing power and influence and of experiencing love and intimacy. Schein describes the appropriate focus of the structuring as either on the individual ("individualistic"), on the group ("collateral"), or on lines of direct descent/succession ("lineal"). Knowledge of how the group structures work, how the group resolves conflict, and whether the group emphasizes (1) individual rights and welfare, (2) group consensus and welfare, or (3) hierarchy, tradition, continuity, and/or family offers clues to existing assumptions of this type.

*Adapted from Schein (1985, 128 – 135)

conceptualizes the competitive business environment and one's work situation. However, these ever more numerous opportunities for interaction and joint problem solving also provide opportunities for establishing common assumptions related to issues *beyond* the strategic or work-related issues at hand. Such issues might include the source of control over one's life, central life interests (work/family/leisure/other activities), what constitutes work versus play, social responsibilities, political leanings, definition of the role of industry in society, and delineation of the relative importance of personal growth. Thus, the not necessarily intended consequence of the formal communication activities may be the establishment of informal channels of communication (e.g., friendships, personal networks) through which assumptions about *"social"* issues—those *outside* the realm of work—are derived, selected, and undergo review and revision.

Schein (1983, 1985) and Kluckhohn and Strodtbeck (1961) provided additional inspiration to identify potential elements of an industry cultural assumption set. Their work illustrated that a series of categories of cultural assumption appears to be generic in societal and organizational context (e.g., Adler 1991; Dyer 1985, 1986; Lane and DiStefano 1988; Nath 1988). Schein's categorization scheme offered direction regarding issues that could be pursued to elicit insights into the cultural assumptions of a group. This typology, with Schein's suggestions of issues that may uncover assumptions in each category, is contained in Table 5.

When Schein's typology was overlapped with the three issue categories (strategic, interpersonal work relationship, and social) generated from previous theoretical contentions and empirical research regarding industry cultures, a picture emerged that mapped the range of specific topics useful as focal points for surfacing elements of an industry-based cultural assumption set. Table 6 illustrates the matrixing of these two sets of categories and the resultant suggestions of topics for inquiry. As an example, Table 6 shows that the first category of the Schein typology—the relationship between the group and the environment—suggests that assumptions regarding strategic issues might be surfaced by inquiry into such topics as definitions and estimations of competitors, stakeholders, and other internal and external environmental elements. This same category also suggests inquiry into the perceived role of the industry in the society is needed to uncovered assumptions regarding social issues.

Thus, the topics for inquiry outlined in Table 6 offered direct guidance concerning what might be essential elements of a "coherent" industry culture. Their range expanded the frame of attention of the researcher, broadening the focus for data collection beyond the single class of strategic issues explored in other research on industry mindsets (Fombrun and Shanley 1990, Grinyer and Spender 1979b, Porac et al. 1989, Spender 1989). Most importantly, these topics for inquiry gave rise to a series of direct questions that could be asked and specific activities that could be observed in attempting to uncover the cultural assumption sets of industries. These questions/activities were adapted into "triggering questions" for the interview.

Table 6 Topics for Inquiry into Industry-based Cultural Assumptions

Generated by matrixing the Schein (1985) typology and the issues drawn from the literature-based arguments

Category from Schein Typology	Issue		
	Strategic	Work Relationship	Social
1. Relationship between the group and the environment	Competitors and stakeholders		Role of the industry in society
2. Nature of reality and truth	Planning resources and horizons	Decision-making styles; space allocation	
3. Nature of innate human nature	Evaluation of stakeholder motivation	Standards for selection nd promotion	
4. Nature of human activity		Personal motivation	Central life interest; job choice rationale
5. Nature of human relationships		Patterns of communication and authority	Social responsibility

"Grand tour," "experience," and "triggering questions" were collected and sequenced in a General Interview Guide,[3] which specified the *minimum* range of topics to be covered with each informant. Ethnographic interviews with the 96 informants were conducted solely by the researcher between June 1987 and May 1988, ranging from 45 minutes to 7 hours and averaging about 100 minutes each. Pilot interviews

were conducted in one identified "model" organization in each industry in part to test the language, flow, and generic nature of the guided interview.

Supplementary data was also collected by document review, observation, and participation. Specifically, published data and documents by and about both industries and the individual organizations within them were read. Intra-industry interactions (e.g., trade association meetings, conferences, a "harvest festival") and intra-organization activities (e.g., formal and informal company and laboratory tours, staff meetings, the 1988 grape "crush," the physical mounting of exhibitions, staff analytical wine tastings, museum members activities) allowed opportunities for observation and, at times, participation.

The set of 96 interviews yielded the interview tapes and notes that served as the basic data for analysis. The supplementary activities of document review, observation, participation, and the preparation of a verbal journal allowed internal validation of the interview data.

Step 3. Thematic Content Analysis

In Step 3 of the process, thematic content analysis (Carney 1972, Holsti 1969) was performed on the data collected to identify individual informant's themes. This process requires that "categories" that capture the essence of the research focus be initially and tentatively identified as part of a "unitizing" scheme for classifying the various data (Carney 1972, 38–40; Holsti 1969, 94–126). Therefore, themes surfaced from informant interviews were initially classified using the Kuckhohn and Strodtbeck (1961) and Schein (1985) typologies as basic guides. As the classification process progressed, an inductively derived modification of the Kluckhohn and Strodtbeck (society-specific) and the Schein (organization-specific) categories of cultural assumptions evolved for these industry settings (Phillips 1990, 119–128, 205–224). This evolution is illustrated in Table 7.

Using these modified categories, the themes of each individual informant were then reclassified to identify individually held assumptions. Finally, these individually held assumptions were collated across subgroups (e.g., organization, profession, work role, tenure, division, hierarchy) to identify those dominant assumptions shared by the majority of informants within each industry—the "central tendencies" (Hofstede 1991, 253) of each macro-organizational group. Feedback from a variety of participants in Steps 1 and 2 of the data collection process was then employed to assure that the assumptions surfaced from the analysis *reflected*, rather than *invented*, the industry cultures.

Table 7 Evolution of the Basic Categories of Cultural Assumptions

Categorizations for Societies, Organizations, and Industries

Categories of Cultural Assumptions in Societies*	Categories of Cultural Assumptions in Organizations**	Categories of Cultural Assumptions in Industries***
1. Man-nature orientation	1. Relationship between the group and the environment	1. Relationship between the group and the environment
2. Time orientation	2. Nature of reality and truth	2. Origins of truth
		3. Nature of time and space
3. Human nature orientation	3. Nature of innate human nature	4. Nature of innate human nature
4. Activity orientation	4. Nature of human activity	5. Purpose of work
5. Relational orientation	5. Nature of human relationships	6. Nature of work relationships

*Kluckhohn and Strodtbeck (1961).
**Schein (1985).
***Phillips (1990).

Cultural Assumptions in the Fine Arts Museum and California Wine Industries

Although the mindset of any group is a richly textured "gestalt," its parts must be unwoven to be tersely conveyed in the linear format of the written word. Therefore, the mindsets of the two industries studied will be conveyed by specifying the dominant assumptions that were surfaced during the research process. Table 8 presents a summary of the dominant assumptions found to be shared within each industry. The assumption sets are organized for our presentation using as a framework the above-mentioned inductively-derived typology of cultural assumptions for industry settings. The italicized elements in Table 8 are the categories and subcategories of this typology.

Despite each culture's holistic nature, distinct differences between the mindsets of the fine arts museum

Table 8 Cultural Assumption Sets Found in Two Industries
Fine Arts Museums and Wineries

Assumptions in Fine Arts Museums	Assumptions in Wineries
1. *Relationship between the group and the environment* a. *identification of group* membership based on degree of allegiance to educational mission; "**why** we exist"; internal status structure b. *critical elements* 1) *constraining*: $ resource suppliers; time 2) *freeing*: positive image 3) *seek harmony with*: primary / direct $ resource suppliers; public at large c. *competition* friendly interdependence; identified by resource	1. *Relationship between the group and the environment* a. *identification of group* membership at several levels: firm and geographic regions; "**where** we are" b. *critical elements* 1) *constraining*, but can be modified: grape supply; regulators; physical environment 2) *enabling / enhancing*: quality product; appropriate image; educated public 3) *seek harmony with*: consuming public; firms in region; industry at large c. *competition* within regions, between industries; ever-expanding market
2. *Origins of truth* expertise through education and, secondarily, experience	2. *Origins of truth* expertise through experience gained from experimentation; expertise revealed by hierarchy
3. *Nature of time and space* a. *time* polychronic exhibition cycles; orientation to present; time = constraining element b. *space* private offices not for privacy; light & space = precious commodities	3. *Nature of time and space* a. *time* annual cycle = vineyard year; sequential improvement in quality / reputation / knowledge; 1 yr. planning horizon b. *space* reflect small, family-owned image
4. *Nature of innate human nature* variable by individual; *mutable*?: staff — no audience — yes	4. *Nature of innate human nature* variable by individual; *mutable*?: staff — no re: attitude yes re: skills consumers — yes re: attitude
5. *Purpose of work* fulfill mission, evangelistic; feed personal passion for art	5. *Purpose of work* work = "a job"; done for rewards (tangible & intangible)
6. *Nature of work relationships* collective / collaborative; hierarchical overlay	6. *Nature of work relationships* hierarchical; open communication along chain of command

and the California wine industries can be concisely illustrated in a most effective manner by contrasting the assumptions of each industry within each category of the typology (Phillips, 1990: 141–224). Several points of greatest contrast between these assumption sets will be considered.

Relationship Between the Group and the Environment: Identification of "The Group"

Fine arts museum industry members identify themselves and other group members in terms of *why their industry exists*. "Museum people" speak primarily of their shared responsibility to convey their passion for visual arts and to fulfill an educational mission to their immediate communities and to the public at large. They express a permanent allegiance to the institution of the fine arts museum and to its educational mission. This mission is described as follows: "to narrow the distance between a work of art and the visitor" {educator}[4] by increasing exposure to and knowledge about specific art objects, certain eras of art, and art history in general; to provide a "continually enriching experience" {educator} through on-going exposure to "significant work that [has the potential to] impact peoples' lives [by] providing new perspectives and stimulating new ideas" {publications officer}; to "use the educational potential of artworks to engage [people] in the search for the great 'ah-ha!'" {educator}. They feel they must continually "bring people [into the museum] to have experiences [because they] never know when [the museum visit might] become a significant event for a person" {administrative director}; "for 1%, something clicks and changes their lives" {curator}. Accordingly, the industry's mission is not felt to be a "charter," as in the normal corporate use of the term "mission," Rather, it is believed to be a true "mission," in the religious sense of the term. Indeed, it is felt that "all of us in art museums are working for a higher purpose" {registrar}.

In contrast to museum workers' strong identification with the industry at large and with its educational mission, winery workers tend to identify who they are and who are the members of their "group" in terms of the company for whom they currently work and the California wine-growing region in which that company is located. The primary group with which they personally identify is their *firm*. Secondarily, winery workers have a *regional* sense of "group," seeing themselves as a part of a specific intra-state geographic region, which they define in a variety of ways. For example, Napa Valley-based winery workers may identify specifically with the Napa Valley or more generally with "Napa-Sonoma," and winery workers in the Santa Ynex Valley may identify specifically with the Santa Ynez Valley or with the larger Santa Barbara County or with the even broader "Central Coast." Often, California is referred to as an ancillary geographic region of identification. However, this does not imply that winery workers perceive the statewide industry to be their cultural reference group. Rather, they consider California to be only a geographical reference group that can be exploited for attributes such as its marketing benefits. By no means does the sense of group identification among winery workers (at any of the multiple levels at which they define group boundaries) carry the same connotation of permanency, loyalty, dedication, and self-sacrificing missionary-like zeal characteristic of the group of fine arts museum workers.

The Relationship Between the Group and the Environment: Competition

In conversation with fine arts museum workers, any reference to the term "competition" is usually met with a preliminary expression of chagrin, as if the term were embarrassing or offensive. Quickly following is the explanation that "it is not like being Procter and Gamble versus Lever Brothers" {development officer}, rather more like "the two-gas-stations-on-the-corner' theory" {director}. The relationship among museums in particular and cultural institutions in general is professed to be a "fraternity of interests" {director}, even a collaborative effort, rather than competitive.

Paradoxically, this belief in friendly interdependency exists in parallel with beliefs that belie the existence of a competition-free environment. Fine arts museum workers map their competitors in terms of critical resources for which they compete: *audience*, *money*, and *art*. They can readily enumerate distinctly different sets of organization or industry competitors for each of these resources.

Competition for *audience* is felt to emanate from art museums with a similar collection focus, from all types of museums within the same geographical region, and, primary, from all forms of local leisure activities (e.g., the outdoors, amusement parks).

> When you go to New York as a tourist, you go to the Met, the Modern, the Guggenheim, and the Natural History Museum, as well as the Statue of Liberty. In Los Angeles, museums are in competition with Disneyland, Universal Studios, and Farmer's Market {publications officer}.

This illustrates the shared belief that a large part of the art museum audience views the museum as an alternative form of entertainment or recreation. This belief

coexits with, yet stands in marked contrast to, the art museum community's perception of itself as a source of education and enlightment—a scholarly institution.

In the competition for *money*, fine arts museums distinguish two sources of financial support: local donors (e.g., individuals, charitable foundations, corporations) and government funding. For support from the civic-minded local donor, art museums compete with other cultural institutions and not-for-profit organizations. However, substantial and sustaining support is relied upon from those donors believed to be passionate about art, because

> the arts are different. People care passionately about them. In my conversations with donors about [such inducements/deterrents to financial contributions as] the tax code, they don't give these reasons for supporting the museum (trustee).

Because of their more recent development, West Coast museums are not heavily endowed, as are their Eastern relatives. Heretofore, they have depended greatly on local and/or federal government funds for even their basic operating expenses. With these funds steadily declining, museum people are feeling stronger competition for government support among art museums, with other cultural institutions, and with government's other programmatic responsibilities. At the same time, paradoxically, this situation is promoting expanded *collaboration* among the competitors to urge increased government spending.

Competition for *art*, both for exhibition and for acquisition, is perceived to exist between the informant's organization and other art museums with a similar collection type *and* of greater size or reputation. Success in obtaining traveling exhibitions is determined by "who's where, the [exhibition organizers'] commitment to [exhibit the show in] the area, and the museum's reach to [the show's] audience" (curator). Increasingly, competition with private collectors (individuals and corporations) for acquisitions is being felt by the industry as it contends with the effects of rapidly escalating prices and the rise in the establishment of the "boutique" museums of private collections.

Unlike the resource-based delineation of competitors in fine arts museums, winery workers have a multi-leveled conception of their competitive environment. The first level is composed of competitors to their individual firm; the second level is that sustained by the industry at large. Firm-specific competition is narrowly defined in geographical terms, with other wineries within the same geographic region seen as primary competitors for wine quality and the consumer dollar (despite the fact that any winery's product shares retail shelf space with wines from a variety of different regions).

The wine industry at large is perceived as experiencing its primary competition from other alcoholic beverage industries (e.g., beer, distilled spirits). But this perception is not based in winery workers' beliefs about their product. In fact, winery workers take great pains to distinguish their industry from other alcoholic beverage producers because of wine's food-product basis, its natural (versus chemical-like) production process, and the fact that it is believed to be a healthful "beverage of sophistication and moderation" (president). Instead, the shared belief that other alcoholic beverage industries are the wine industry's primary competitor is based in winery worker's beliefs that consumers and the general public hold misconceptions about wine due to their lack of education about the product.

> Our industry is in competition with the liquor and beer industries. But we need to change consumers' ideas regarding alcohol. We need to help them understand that you drink good wine to complement food. We make wine to give sensory satisfaction to people. Wine is not for guzzling, rather for a celebration. We need to change people to make them not think of alcohol [in the form of wine] as a vice (winemaker).

Winery workers believe that as the public becomes more educated about wine, the market for their product will expand in an analogous fashion. Even as they admit that consumption is currently declining, regulation is tightening, and the voices of the neo-prohibitionists are rising, winery workers hold to the belief that most members of the general public are potential consumers. They see themselves in competition for a portion of an ever-expanding, increasingly educated market for quality wine.

Origins of Truth

The art museum community looks to experts for answers. These experts may be on a museums' board, on its paid or volunteer staff, within the museum community, or within an individual's personal professional network. Expertise is gained from a combination of education and experience, with the emphasis primarily on the former, and is manifested in knowledge and competence on the job. Most valued in art museums is the aesthetic education that, at its most advanced level, is illustrated by the curator with an "eye." An "eye" is not to be confused with inherent taste or talent. Although it is a set of aesthetic standards and a vision of what is or will be important in the history of art, it is believed to be a *trained* ability, the success of the training being enhanced by a passion for art.

Wineries also rely on truth being revealed or determined by experts. However, expertise is believed to be gained largely through experience. The belief that one can "learn everything by doing it" {winemaker} is evidenced in the dominant role of experimentation within the industry.

> We have a common philosophy because we have explored and learned together. We are always trying new vineyards. We will sacrifice a percent of the harvest to always try something new, to learn something new. The willingness to experiment leads to improvement in the future {grower relations officer}.

Experimentation most often takes the form of controlled variation, such as in vineyard research or studies of batches, or "lots," of wine. From this type of research it is believed that objective facts about the environment can be gleaned. When expertise is sought from outside the firm, persons with practical experience in industry processes and experimentation are usually consulted. But, while experimentation is seen as an underpinning for experience, intuition and the confidence to use it are considered valuable by-products.

Winery workers believe that the degree of expertise is revealed in the position in the chain of command, or the level of the hierarchy. Despite their penchant for experience-based information, winery employees consistently turn to higher-ups for answers and view these "authorities" as having superior knowledge and experienced-based instincts. To members of this industry, the degree of a person's legitimate authority is assumed to be indicative of (and usable as a surrogate for) their degree of wisdom.

Purpose of Work

As previously expressed in the discussion of group identification, fine arts museum workers are driven in their work by their "missionary mentality" {director}. This spirit of evangelism usually flows from a significant experience with art sometime in their life, often at an early age.

> I am from a middle class, non-visually-oriented family. We never went to a museum. But in the fourth grade, my class took a field trip to the [city] art museum. I remember a painting—it was a Renaissance painting-of a figure with red robe. I vividly remember standing there looking at it. And I remember thinking to myself, "I don't like it, but it's there for some reason!" {administrative director}.
>
> I always loved art. As a child I used to watch my mother draw and paint. I thought it was "magic." I still think it is magic {exhibition designer}.

They are attracted and attached to art museums because the context allows them to feed their personal passion for art.

> I have always been art oriented—drawing, painting. It is as much a part of me as any physical feature. It is a passion. And it gives me a sense of home, though there is nothing particularly artistic in my background. I started majoring in studio art in college, but I ran out of the creative-side drive. I thought of studying art history to recreate the passion, but the passion shifted to art history. I [am drawn to] art museums because they are an educational and archival tool and [they allow me to be] close to art and to others with a passion for it {registrar}.
>
> I can feel the pull toward art history in my bones and in my soul. I get a sense of beauty, a sense of life, a sense of the past —it encompasses so much of life. It is a field that draws people in, in a quest for information and knowledge {educator}.

Because of their intense experience and interaction with the art and the museum, museum workers want to give others the opportunity to see the same light, to experience the same revelation, to sense the same "sense of soul and self" {facilities manager}.

In direct contrast, most winery employees feel "the wine business is a job, not a passion" {winemaker}. They perform their jobs for the rewards that they receive, many of which are tangible, such as those identified by a grower relations officer:

> the lifestyle—the tasting, the salaries, the fun, the sense of family, the opportunity to interact with growers and university people.

Other tangible rewards include the variety of activities and the fact that the work intensifies only at certain times of the year. Some rewards are intangible, such as "getting respect for my knowledge and opinion" {operations officer}, "the romance of the wine industry" {partner}, and "the pride and satisfaction that you get from the idea that somewhere someone is enjoying the fruits of your labor" {owner}. Although there is an expectation that learning will take place on the job, it does not contain any strong inference of the occurrence of personal development. Rather, this expectation is framed more in terms of skill acquisition or the learning of practical matters for practical purposes.

Nature of Work Relationships

"Team," "teamwork," and "team effort" are oft-used phrases in conversations with fine arts museum workers about the conduct of their work. The structure of museum organizations is essentially flat and the staff small, yet contributions from all functional areas are

usually needed to produce the tangible work product (i.e., the exhibition with its related programs). Therefore, work is, by nature, collaborative. The collaborative quality of relationships is manifested in the communications practices among individuals within and across organizations in this industry, including large professional networks often tapped on a daily basis for information and ideas. This information and these ideas flow freely and openly.

> To generate new ideas, I contact my friends at [local museums] to interact with and to check on how programs went. Either my assistant or I go to the meetings of the Museum Educators of Southern California. It's refreshing to meet with others, to get new ideas and to contribute ideas. I have their roster and can call upon certain people in this group. I also attend the Los Angeles Chapter of the Art Table, a national organization of women professionals in the arts—museums, galleries, consultants, artists. They publish a newsletter. I also value the opinions of members of the curatorial staff. They have a good sense of what a good program is, and they sometimes like to talk about new approaches, so I get new perspectives. I also value the Docent Board members' opinions. They are very committed and knowledgeable, therefore I bounce ideas off them {educator}.

But, despite the collective, collaborative nature of communications and task-related activities, there exists a perceived hierarchical overlay upon individual museums. This stems from the formal organizational structure of museums—the common corporate functional form (Chandler 1977)—with formal reporting responsibilities flowing through the functional head up to the director, who then formally reports to the board of trustees. Because of these formal structural relationships and formal reporting relationships, the functional form is perceived as the mechanism for both *reporting* and *control*, as it usually is in business organizations. However, the assumption of collaborative interpersonal relationships belies any nonritualistic need for formal lines of reporting. Additionally, the assumption that workers are primarily motivated by a missionary zeal balanced by attributes such as competence, interpersonal skills, productivity, and resourcefulness, belies the need for a formal hierarchically-based control mechanism. The result is much chafing against the hierarchical overlay, as illustrated in remarks about "the tension between the amateurs [on the board of trustees] and the professionals [on the staff]" {trustee} and in comments such as the following:

> When [the director] came to this institution, we needed more structure. We needed a greater awareness of staff versus board responsibilities and of staff jobs. Much has been accomplished in this regard. But we are still a small institution and, given the size of the institution, there is too much compartmentalization. As a result, there is not enough communication. [The director] is a control freak. [S/he] wants all information passing through [her/him]. Control [should come from a] feeling within an institution of a unity of beliefs, a joy of work. People do better not only when they are well paid and respected, but when their hearts are in it. From this comes a sense of belonging, a sense of family. [But with our director] we have more of an autocratic rule than is needed {curator}.

Interpersonal work relationships among winery workers are structured in a hierarchical manner both formally and informally. Consistent with their belief that the position in the hierarchy is an indicator of experienced-based expertise, winery employees look to their superiors for guidance and directives and are "reactive to instructions and priorities" {marketing officer}. Communication is open, but along the chain of command. Winery workers express a strong feeling of being influenced by their conceptions of their superiors' standards in any individual decision making, especially by the standards of their firm's founder or current leader. For example, when reflecting on what most influences decisions with broad impact for which s/he is responsible, a sales officer revealed:

> When I am by myself, it's [the founder]. I think of [founder]. But when my boss is around, it's him; I request his input. I would never go over my immediate supervisor unless there is a problem. It's not polite. I go up the chain of command.

Implications and Conclusions

The descriptions of the cultural assumptions of the fine arts museum and the California wine industries presented provide evidence of the existence of industry cultures. Several explicit elements of the inductively derived cultural assumption sets of the two industries have been shown to differ substantially, thus illustrating that the mindsets are distinct. In direct contrast with the notion of monolithic organization cultures as the primary context for cognition in organizational settings, these mindsets each individually transcend suborganizational, transorganizational, and organizational boundaries to be held in common by members of discrete industries. In contrast to the same belief about the primacy of national cultures, these discrete industry mindsets exist in parallel within the same geographic region (i.e., the State of California) of a single nation.

It is also evident from the findings that the current focus in the cognitive literature on industry constructs, which is exclusively strategic in nature, can be productively broadened using this approach. Commonalities

in assumptions within industries and differences between industries certainly can be observed with regard to such *strategic* issues as competitor definition and establishment of group boundaries. However, industry cultural assumption sets also include elements related to *interpersonal work relationship* issues, such as patterns of communication and authority, and to *social* issues, such as the purpose of work. Therefore, a broader array of issues can be effectively and constructively explored at this level of analysis.

Additionally, the findings reveal that commonalities in assumptions are shared quite broadly among diverse members of the industry at large. Rather than concentrating only on those members of the industry who are responsible for positioning their individual organizations in relation to their competitors, as have most recent explorations into industry mindsets in the cognitive literature, a focus on the broader spectrum of industry participants is both possible and advised. The effect of the pervasiveness of the industry mindset might be investigated in terms of both its positive and negative potential effects. For example, strategists may wish to consider the finding of the existence of industry culture as the uncovering of a new type of mobility barrier, possibly impeding an organization's or an individual's entry into and exit from an industry. On the positive side, industrial relations specialists may consider surfacing assumptions shared across hierarchical levels and across organizations to facilitate communication in multi-firm union-management negotiations.

For management scholars, the findings reinforce the idea that a multiplicity of cultures exist in an organization's environment, and they provide a new, alternative cognitive lens. They direct the attention of researchers in the field of managerial and organizational cognition to issues of cultural context. They invite further investigation into industries as a single level of cultural analysis and in combination with other levels, and they imply the necessity of sorting out overlaid industry-based influences prior to asserting that a culture is uniquely organizational or suborganizationally-based.

The surfacing of industry-based cultural assumptions such as those found in this study, along with this delineation of methods for accomplishing this task, should lead management scholars to pursue an ensuing set of questions: (1) "what is the source of extant cultural assumptions in particular industries?"; and, (2) "what effect do particular cultural assumptions shared by members of an industry have upon the evolution of that industry?" Using awareness of currently held cultural assumptions as a starting point, researchers are challenged to explore in two directions. First, they might *move backwards* in a historical analysis of the cultural evolution of industries. In this direction, one must take care to attend to problems of reconstructed logic in the analysis of data from informants' recollections and from archival materials. A second direction, one more in keeping with the logic of inductive methodology requiring "real-time" surfacing and verifying of assumptions, is to *move forward* in longitudinal study of new and/or rapidly evolving industries. Multiple efforts in both directions might lead to sufficient comparative data to allow the development of a causal model of cultural variations between industries. Institutional theorists may use such data to verify and further specify the relative influence of the forces that DiMaggio and Powell (1983) have hypothesized promote homogeneity in organizational fields.

The findings of this study also have direct implications for management practitioners. Managers have long been attentive to national cultural differences. Of late, they have become aware of possible organizational cultural differences. More recently, managers have been advised to pay attention to cultural distinctions between, for example, suborganizational groupings and professions. For these managers, the findings of this study add complexity to an already complex world by bringing to light another cultural level that must be attended to—that of industry. This study suggests to managers dealing across industry boundaries not to assume that those with whom they interact are using the same mindset as they are. Yet, simultaneously the findings advise that presumed cultural differences attributed by managers to those with whom they interact based on, for example, the others' national or ethnic culture, might be irrelevant in the face of the industry-based commonalities in assumptions shared by both parties.

A second practical outcome of this research is that basic knowledge of the existence and content of industry mindsets should help facilitate cross-industry communications and assimilation. This information may be particularly relevant to the manager engaging in such cross-industry activity as planning and implementing mergers, acquisitions, or joint ventures, working in conglomerate organizations, starting new lines of business in substantially different industries, hiring and socializing employees from other industries, and working in sales, marketing, or other functional areas that require a high degree of cross-industry contact. Individuals with cross-industry career paths will also benefit from an awareness of industry cultures.

Perhaps the most important contribution of this study for all who work in the field of management, whether

as researcher, educator, consultant, or practicing manager, is that it underscores the need to have available a variety of cognitive lenses through which to view organizational life. We must now further broaden our perception of relevant cognitive frames and our conceptualization of culture in organizational settings to include industry-based cultures. Finally, we must consider the existence, the range of influence, and the pervasiveness of industry mindsets in any analysis of cognition in and of organizations.

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Endnotes

[1]In-depth interviews with these industry specialists assessed within-industry homogeneity using a set of questions designed around DiMaggio and Powell's (1983) key indicators of forces toward institutional isomorphism and collective rationality. These questions are specified in Appendix A of a set of appendices to this paper available upon request from the TIMS Editorial Office, 290 Westminster Street, Providence, RI 02903.

[2]Early understandings of prima facie homogeneity within the fine arts museum and the California wine industries are specified in Appendices B and C, respectively, of a set of appendices to this paper available upon request from TIMS (see endnote 1 above for address).

[3]The General Interview Guide is Appendix D of a set of appendices to this paper available upon request from TIMS (see endnote 1 above for address).

[4]Quoted passages are exemplars of how themes were expressed by informants and were drawn from informant interviews. The {bracketed} job title following each quote indicates the informant's organizational role. Organizational affiliation is not identified to avoid any breach of confidentiality.

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