

Organizational Culture and Behavior Factors

Every company has its own unique personality, just like people do. The unique personality of an organization is referred to as its culture. In groups of people who work together, organizational culture is an invisible but powerful force that influences the behavior of the members of that group. Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs. Every organization develops and maintains a unique culture, which provides guidelines and boundaries for the behavior of the members of the organization.

Organizational culture includes the shared beliefs, norms and values within an organization. It sets the foundation for strategy. For a strategy within an organization to develop and be implemented successfully, it must fully align with the organizational culture. Thus, initiatives and goals must be established within an organization to support and establish an organizational culture that embraces the organization's strategy over time. The values and behaviors that contribute to the unique social and psychological environment of an organization.

Organizational culture includes an organization's expectations, experiences, philosophy, and values that hold it together, and is expressed in its self-image, inner workings, interactions with the outside world, and future expectations. It is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid. Also called corporate culture, it's shown in

- (1) The ways the organization conducts its business, treats its employees, customers, and the wider community,
- (2) The extent to which freedom is allowed in decision making, developing new ideas, and personal expression,
- (3) How power and information flow through its hierarchy, and
- (4) How committed employees are towards collective objectives.

It affects the organization's productivity and performance, and provides guidelines on customer care and service, product quality and safety, attendance and punctuality, and concern for the environment.

Sometimes an organization determines that its culture is unfavorable to the organizational effectiveness and it has to be changed. For example, if there is a change in the external environment, the organization must adapt itself to the changing conditions or it will not survive. Though it is very difficult to change the old cultures, but it is something which the management cannot do without.

The following conditions must be present only then a cultural change can take place:

- **Dramatic Crisis:**

Any dramatic crisis in the organization like a major financial setback, loss of a major customer, or a technological breakthrough by a competitor may force the management to look into the relevance of the existing culture.

- **New Top Leadership:**

If some top executives leave the organization and new leadership takes over, they may provide an alternative set of key values or a new culture. This new leadership may be more capable of responding to the crisis.

Factors Affecting Organizational Culture

- The nature of the business also affects the culture of the organization. Stock broking industries, financial services, banking industry are all dependent on external factors like demand and supply, market cap, earning per share and so on. When the market crashes, these industries have no other option than to terminate the employees and eventually affect the culture of the place. Market fluctuations lead to unrest, tensions and severely demotivate the individuals. The management also feels helpless when circumstances can be controlled by none. Individuals are unsure about their career as well as growth in such organizations.
- The culture of the organization is also affected by its goals and objectives. The strategies and procedures designed to achieve the targets of the organization also contribute to its culture.

Individuals working with government organizations adhere to the set guidelines but do not follow a procedure of feedback thus forming its culture. Fast paced industries like advertising, event management companies expect the employees to be attentive, aggressive and hyper active.

Company Values, Policies and Work Ambiance

Employees develop the values emphasized in the policies, procedures and work environment. At True path, we asked our employees to identify and define the fundamental truths that serve as the foundation for our system of beliefs and behaviors.

Recruitment and Selection

Perhaps no factor is more important to organizational culture than recruiting and selecting the right types of employees. The type of employees hired by an organization has the largest effect on its culture – especially when a company is in high growth mode and is rapidly adding new employees.

- The clients and the external parties to some extent also affect the work culture of the place. Organizations catering to UK and US Clients have no other option but to work in shifts to match their timings, thus forming the culture.
- The management and its style of handling the employees also affect the culture of the workplace. There are certain organizations where the management allows the employees to take their own decisions and let them participate in strategy making. In such a culture, employees get attached to their management and look forward to a long term association with the organization. The management must respect the employees to avoid a culture where the employees just work for money and nothing else. They treat the organization as a mere source of earning money and look for a change in a short span of time.