Organisational Culture- theories, articles, links

Seminar presentation at Oxford by Fons Trompenaars

http://www.onepipe.info/mcult.htm People, Organizations, Theory, Models, Concepts@ Pipeline

Every organisation has its own unique culture even though they may not have consciously tried to create it. Rather it will have been probably created unconsciously, based on the values of the top management or the founders or core people who build and/or direct that organisation. Over time individuals (particularly the organisation's leaders) attempt to change the culture of their organisations to fit their own preferences or changing marketplace conditions. This culture then influences the decision-making processes, it affects styles of management and what everyone determines as success.
When an organisation is created it becomes its own world and its culture becomes the foundation on which the organisation will exist in the world. People's actions in organisations are not always 'their own' but are largely influenced by the socialisation processes of the specific culture to which they belong.

Organisational culture is often referred to in the same breath as organisational change - and you will often see the process of developing a new culture or changing the existing one linked into the transition curve.

Why is it important?

"Organizational culture is the key to organizational excellence... and the function of leadership is the creation and management of culture.." Edgar Schein Organizational Culture and Leadership

Interpreting and understanding organisational culture is an important activity for managers and consultants because it affects strategic development, productivity and learning at all levels. Cultural assumptions can both enable and constrain what organisations are able to do. The job of the consultant is often to provide a method and a structure for organisations to be able to surface the most relevant cultural assumptions. Those that will assist change and those that will hinder the process

Organisational theorists began to apply the term culture to corporate/work situations over the past 20 years. Initially the term was used to describe the leadership practices and later in the 80's management gurus defined culture in terms of symbols, slogans, heroes, rites, and rituals etc. These may be elements of culture- but they are not the heart of culture.

What is culture?

"The way we do things around here" is a common sense definition of culture. But it over simplifies the concept and misses powerful underlying concepts and processes. Its better to regard culture as referring to the shared assumptions, beliefs, values and norms, actions as well as artifacts and language patterns.

It is an acquired body of knowledge about how to behave and shared meanings and symbols which facilitate everyone's interpretation and understanding of how to act within an organisation. Culture is the unique whole, the heart and soul, that determines how a group of people will behave. Cultures are collective beliefs that in turn shape behavior.

They can include: Cognitive frameworks , Shared meanings and perceptions, Behavioral codes , Values, stories, heroes & heroines, Symbols & rituals

A key role for culture is to differentiate the organisation from others and provide sense of identity for its members. Cultures do not have to be logical or consistent, in fact they seldom are and can appear quite haphazard and chaotic to the outsider. Can also have subgroups with different cultures and with varying agendas. A strong culture is one that is internally consistent, is widely shared, and makes it clear what it expects and how it wishes people to behave.

Some approaches and alternative views

Schein argues that culture has three levels -· artifacts - espoused values ·- basic underlying assumptions. He argues that culture is the outcome of the shared experiences arising from an organisation's attempts to resolve fundamental problems of adapting to the external world and achieving internal integration and consistency. This constructs a collective pool of knowledge that determines what is appropriate behaviour, directs understanding and gives guidance on how to resolve problems.

Gareth Morgan (1986) describes culture as shared meaning, shared understanding and shared sense making. He argues that culture must be understood as "an active, living phenomenon through which people create and recreate their worlds".

Both stress that culture is a dynamic, evolving process, not at all static. Their views also imply that key individuals have a crucial role to play in shaping and refining the culture.

Other writers see an organisation's structure as determining its culture. i.e. Certain structures create certain types of culture, as reflected in Charles Handy's work. He outlines a simple framework for categorising cultures. see other pages with links

Cross cultural models

Hofstede

There have been some recent models created to attempt to study and classify cultural diversity in relational to organisational needs. One model, based on the work of Geert Hofstede(more detailed information and links on this page) classifies cultures based on where they fall on a five item continuum. Hofstede likens culture to a 'collective programming' of the minds of one group that differentiates them from other groups. He believes this programming derives from one's social culture. He puts a different slant on culture, as Hofstede talks of it as 'software of the mind'. Culture is "the collective mental programming of the people in an environment". Criticism of his views arises as he suggests less of a role for individuals in developing culture, instead they are seen as rather passive - simply the recipients of culture and his views appear to ignore diversity within national

cultures. It depends how inclined you are to individualism, remember Hofstede is European and most other writers/theorists are American. The legacy of different social contexts is important.
1. Individual vs. Collective Orientation
2. Power-Distance Orientation
3. Uncertainty-Avoidance Orientation
4. Dominant-Values Orientation
5. Short-Term vs. Long-Term Orientation

Fons Trompenaars

Undertook research to identify and model the source of national cultural differences alongside corporate culture. He also identifies a number of dimensions in which cultures can differ.

* Universalism v pluralism (rules and procedures or relationships)

* Individualism v communitarianism (me or the group)

* Specific v diffuse (superficial or deep relationships, are bits of life kept apart or brought together)

* Neutrality v affectivity (conceal or show emotions)

* Inner directed v outer directed (the environment around)
achieved status v ascribed status (from who you are or what you do)

* Sequential time v synchronic time (one after another or all at once)

His book that describes it all is Riding the Waves of Culture - Understanding Cultural Diversity in Business.