

ORGANISATIONAL CULTURE

A) WHAT ORGANISATIONAL CULTURE IS

Organisational Culture is

- a) a pattern of basic assumptions
- b) invented, discovered, or developed by a given group
- c) as it learns to cope with its problems of external adaptation and internal integration
- d) that has worked well enough to be considered valid and therefore
- e) is to be taught to new members as the
- f) correct way to perceive, think, and feel in relation to these problems.

Organisational Culture is also a set of inter-related beliefs, shared by most of the employees of a company about how one should behave at work and what activities are more important than others

Organisational Culture can be deliberately determined or simply allowed to evolve

Organisational Culture should be identified during formulation of strategy and led by leadership and top management example

B) LEVELS OF CULTURE

- 1) Artifacts – observable aspects like physical layout, dress code, way people address each other, mission statements(form), etc.
- 2) Espoused Values – documented norms, charters, ideologies
- 3) Assumptions – Culture's Essence

C) FUNCTIONS OF ORGANISATIONAL CULTURE

All organisations face and learn to cope with set of external and internal tasks that call for

- external adaptation
- internal integration
- anxiety reduction

EXTERNAL ADAPTATION & SURVIVAL (HOW TO COMPETE SYSTEMS)

COPING ELEMENTS MANAGEMENT LEADERSHIP SYSTEM

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|----------------------------------|---|
| 1. Mission & Strategy | Set Strategic Direction (& Policies) |
| 2. Goals | Establish Key/Critical Objectives |
| 3. Means | Structure, People Empowerment |
| 4. Measurement | Establish Planning & Control System |
| 5. Correction | |

INTERNAL INTEGRATION (HOW TO MANAGE ORGANISATIONAL LEADERSHIP)

COPING ELEMENTS MANAGEMENT LEADERSHIP SYSTEM

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| 1. Common Language | Facilitates U/A Communication/Bonding |
| 2. Inclusion Criteria | Accountability, Responsibility & Authority |
| 3. Stratification | |
| 4. Peer Relationships | Cross Function Team Building |
| 5. Reward Allocation | Evaluate Performance |
| 6. Ideology | Establish Procedures/Values Clarification |

D) WHAT CONSTITUTES 'STRONG' ORGANISATIONAL CULTURE

The ideal organizational culture for a given company depends on the strategy of company and kinds of competitive forces its businesses are dealing with. A strong culture emerges over time when a fit exists among the environment forces of change, the organisation's mission and strategy and the organizational structure. The result is external adaptation, internal integration and anxiety reduction.

1. What sort of culture do you want to foster?

- **high levels of attention and service when dealing with customers?**
- **moderation and cost-control when spending?**
- **a family-like co-operative?**
- **guaranteed life time employment or hire and fire?**

2. The strength of an organisation's culture is a function of

- a) **Strength and degree of internal consistency**
- b) **Stability of group (low turnover)**
- c) **Length of time group has existed (continuity)**
- d) **Intensity of group's experiences of learning**
- e) **Mechanisms by which learning has taken place (learning organisation (single-loop, deuterio, double loop learning)**
- f) **Strength/clarity of assumptions held by founders/leaders**
- g) **Success in external adaptation**
- h) **Success in anxiety-reduction (u/a ways of perceiving, thinking, feeling and behaving)**

3. Strong OC adopts an Open systems structure

- a) **tend toward dynamic equilibrium (external adaptation)**
- b) **attempt to reduce dissonance (internal integration)**
- c) **bring basic assumptions/beliefs into alignment with each other.**

- 4. Strong culture takes time to form/emerge when a group of people with common history, shared (intense) experiences, attain stability and has learnt behaviorally, cognitively and emotionally to solve external adaptation and internal integration problems.**
- 5. Total Organisational Culture exists if whole organisation had shared experiences.**
- 6. Co-existing units of larger system can have independent, conflicting sub-cultures.**

E) CONTENT OF ORGANISATIONAL CULTURE

- 1) All culture derived from 5 universal human problems, each with limited options
 - a) Human Nature Orientation: what is the character of innate human nature? Good or Evil
 - b) Relational Orientation: what is the modality of man's relationship to other men? Collateral, Individualistic or Lineal
 - c) Time Orientation: what is the temporal focus of human life? Past, Present Future
 - d) Activity Orientation: what is the modality of human activity? Doing or Being
 - e) Man-Nature Orientation: what is man's relation to nature? Mastery over Nature, Harmony with Nature or Subjugation to Nature
- 2) Organisations operationalise a strong culture with a coping mechanism/management leadership system

E) IMPACT OF CULTURE ON MANAGEMENT FUNCTIONS

1) Planning

- **Top-down or Shared Vision**
- **Degree of Plan Risk: High, Medium, Low**
- **Short Term or Long Term Perspective**
- **Tangibility of Objectives: Measurable, How, What**
- **MBO or My Bosses' Objectives**

2) Organising

- **How Much To Delegate**
- **Degree Of Freedom/Empowerment**
- **Tight or Loose Policies/Procedures**
- **Centralisation/Decentralisation**
- **Soloism or Team Work**

3) Leading

- **What Motivation Techniques**
- **Leadership Style (X/Y)**
- **Which Matters Most: People or Plans**

4) Controlling

- **Self-Control or External Control**
- **How To Evaluate Performance**
- **Consequences & Punishment**

Anthropologists suggest that culture can only be used when a community has certain language characteristics, shared customs and values, tangible and distinct artifacts and tools.

From: Handbook of Strategic Expertise by Catherine Hayden, 1986