Management of culture
Culture

- Organizational culture represents a common perception held by the organization’s members.

- Culture is defined as a system of shared meaning
Institutionalization

- A condition that occurs when an organization takes on a life of its own, apart from any of its members and acquires immortality.
Organizational culture

• “The collection of traditions, values, beliefs, and attitudes that constitute a pervasive context for everything we do and think in an organization.” McLean and Marshall (in Mullins 2002)

• “... the taken-for-granted assumptions, beliefs, meanings and values enacted and shared by organizational members.” (Gowler & Legge, 1986)

• “The way we do things around here” (Deal & Kennedy)
Levels of Corporate Culture

Observable Symbols
Ceremonies, Stories, Slogans, Behaviors, Dress, Physical Settings

Underlying
Values, Assumptions, Beliefs, Attitudes, Feelings
Culture

• A dominant culture expresses the core values that are shared by a majority of the organization’s members. Macro view of culture that gives an organization its distinct personality.

• Subcultures tend to develop in large organization to reflect common problems, situations, or experiences that members face. These subcultures are likely to be defined by department designations and geographical separation.
Reasons for culture

• Internal integration
  – Manage relationships
  – Acceptable behavior
• External adaptation
  – Meet goals
  – Deal with outsiders
  – Solve problems for members
Strong Cultures

• In a strong culture, the organization’s core values are both intensely held and widely shared. The more members who accept the core values and the greater their commitment to those values is, the stronger the culture is.
• Strong cultures are conducive to unanimity of purpose builds cohesiveness, loyalty, and organizational commitment
Benefits of ‘strong’ organizational culture

• ‘glues’ people together
• Sense of purpose
• Sense of individual & collective identity
• Raises self-satisfaction
• Increases commitment
• Work more rewarding
• Sense of distinctiveness
• Informal rules to guide behavior
• Reduces ambiguity
How cultures form

Philosophy of organization’s founders

Selection criteria

Top Management

Organizational culture

Socialization
Employees learn culture

Through:

• Stories
• Rituals
• Material symbols
• Language
Organizational cultures impacting Employee performance and satisfaction

Objective factors
- Innovation and risk
- Attention to details
- Outcome orientation
- People orientation
- Team orientation
- Aggressiveness
- Stability.
Culture building through socialization

• An organization’s culture is transmitted to its members through socialization processes.

• Socialization is the process by which members learn and internalize the values and norms of an organization’s culture.
Van Mannen Schein's socialization model

The V-S model of socialization explains how people are guided towards particular role orientations.

Role orientation is the characteristic way in which newcomers respond to a situation.
The V-S model

An **institutionalized** role orientation results when individuals are taught to respond to a new context in the same way that existing members respond to it.

An **individualized** role orientation results when individuals are allowed and encouraged to be creative and experimental when responding to a new situation.
## Organizational Culture building

How Socialization Tactics Shape Employees’ Role Orientation

<table>
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<tr>
<th>Tactics that lead to an institutionalized orientation</th>
<th>Tactics that lead to an individualized orientation</th>
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<td>Rite of degradation</td>
<td>Firing of top executive</td>
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Institutional building through organizational socialization

“The process through which an individual’s pattern of behavior and their values, attitudes and motives are influenced to conform with those seen as desirable in a particular organization.”

(Buchanan & Huchzynski, 2004, p371)
Stages of organizational socialization

- Pre-arrival
  - Selection
- Encounter
  - Humility inducing experiences
  - In-the-trenches training
  - Rewards & control systems
  - Adherence to values
  - Reinforcing folklore
- Role – modeling
  - Consistent role models
- Metamorphosis
  - Internalization and adjustment

Adapted from Pascale (1985) in Buchanan & Huczynski (2004)
Employee commitment to the organizational culture

Typically conceived as an individual’s psychological bond to the organization, including a sense of job involvement, loyalty, and a belief in the values of the organization.

- O’Reilly

A model of commitment

- A sense of belonging to the organization – informed, involved, sharing in success
- A sense of excitement in the job – pride, trust, accountability for results
- Confidence in management – authority, dedication, competence.

- (Martin 1985)
Why commitment is important
Committed employees display

- Diminished intent to leave
  - emotional exhaustion,
  - psychological stress,
  - depersonalization

- Less stress
  - job dissatisfaction, irritation

- Less job displeasure

- Higher job performance
  - attendance, supervisor ratings, output measures

- More ethical behavior
  - they go the extra mile

- Organizational citizenship

Types of organizational commitment

Continuance commitment
the need to stay with the organization based on the costs of leaving or a sense that available comparable alternatives are limited

Normative commitment
the desire to stay with an organization based on a sense of duty, loyalty or moral obligation

Affective commitment
the emotional attachment a person feels for the organization because they see their goals and values to be congruent with that of the organization
Creating an Organizational Culture

What can management do to create a more ethical culture?

• Be a visible role model.
• Communicate ethical expectations
• Provide ethical training.
• Visibly reward ethical acts and punish unethical ones.
• Provide protective mechanisms
Discuss

• Can culture be ‘managed’?

• Can employee commitment be assured or even monitored?