

Understanding organisations:

Approaches to managing the people who work within them.

Students involved in business/human resources/voluntary and non-profit management will enjoy this overview of organisational culture.

Social Studies Diploma students need to focus on:

- **The Hofstede framework**
- **The Trompenaars and Hampden - Turner framework.**

These theories are found in Part 2 of this lecture. (PAGE 64)



Organisational culture

Part 1

- Organisational culture
- Artefacts
- Values
- Basic Assumptions
- Culture as Symbols
- Types of organisational culture
- Deal and Kennedy model of organisational culture
- Charles Handy's four types of organisational cultures

Part 2

- National Cultures and organisational culture (Diploma in Social Studies)
- The Hofstede framework (Diploma in Social Studies)
- The Trompenaars and Hampden- Turner framework (Diploma in Social Studies)
- Distinguish corporate and organisational culture
- Managing cultural differences

Open Learning Space Open University , part of, and adapted extract of the course MBA management programme.

Part 1

- **Organisational culture**
- **Artefacts**
- **Values**
- **Basic Assumptions**
- **Culture as Symbols**
- **Types of organisational culture**
- **Deal and Kennedy model of organisational culture**
- **Charles Handy's four types of organisational cultures**

Organisational culture

An understanding of organisational culture is indispensable for managers and organisations.

Managers need to be sensitive to various cultural dispositions of members and customers, whether managing locally or abroad.

Alvesson suggests that insights into and reflections on organisational culture:

... may be useful in [relation] ... to getting people to do the 'right' things in terms of effectiveness, but also for promoting more autonomous standpoints in relationship to dominant ideologies, myths, fashions, etc. To encourage and facilitate the thinking through of various aspects of values, beliefs and assumptions in industry, occupations and organisations seem to me a worthwhile task.

(Source: Alvesson, 2002, p. 2)

Organisational culture

Understanding an organisation means understanding its culture.

- The culture or climate of an organisation is made up of traditions, habits, ways of organising and patterns of relationships at work. If you think of organisations such as a school, hotel, airport, a church or a variety of other work organisations, you will notice how the 'atmosphere' differs between them; the different ways in which things are done; differing levels of energy and individual freedom; and of course, different kinds of people (Molander, 1986, p. 14). For Clegg et al. (2005, p. 265) the concept of culture in organisations encompasses the following questions:
 - How are things done in particular organisations?
 - What is acceptable behaviour?
 - What norms are members expected to use to solve problems of external adaptation and internal integration, and which ones do they actually use?

Organisational culture

- The word 'culture', as a concept in organisation and management studies, has its main roots in social anthropology, where it was used to refer to a community's shared way of life. It embraces the symbols, myths, stories and so on, that are the manifestations and transmitters of that culture. In this view a culture is very much homogenous – reflecting the extreme patterns that shape organisational realities.
- Anthropologists have stressed how beliefs and values influence attitudes and behaviour. Classic anthropological research studied rituals, symbols, myths and stories as the most obvious manifestations of beliefs and values of other societies in other parts of the world.
- The concept of culture in organisational behaviour has become widely accepted in contributing to the understanding of and in influencing behaviour in organisations. However, like many concepts, it has been widely contested, too, as you will see in this section. The study of culture proves to be more problematic when applied to complex things such as organisations, as it is not always easy to observe and understand culture, for it tends to permeate subtly most aspects of organisational life (Bloisi et al., 2006).

Organisational culture

- Here we focus mainly on ‘organisational culture’. This is a simple term describing a very complex concept. A simple starting definition was offered by Deal and Kennedy (1982) as ‘the way we do things around here’ – which is at once appealing and straightforward. But would it, if posed as a question about your own or any other organisation, be an easy one to answer? For one thing, an organisation’s culture has, for all its members except newcomers, a taken-for-granted quality that can make it hard to recognise, except by contrasting it with a different culture.

Organisational culture

- Different cultures exist in different countries, in different organisations or even within a single organisation. Managers increasingly work across different cultures –whether in multinational organisations, or where organisations have merged or are collaborating, or in interdisciplinary or interdepartmental teams. Over the last few decades in countries such as the UK, Germany, Spain and France, for example, there has been a significant influx of immigrants from all over the world, bringing with them imported values, beliefs and norms about what is important and their perspectives about how things should be done in organisational settings. In such cases it is crucial to understand the effects that cultures can have. Managers have to recognise and build on cultural particularities, adapting organisational products and policies to local cultures and managing employees in a manner appropriate to their culture (Gabriel, 1999, p. 168).

Organisational culture

- This understanding and managing of these cultural differences has over the years become a vital ingredient of organisational success. Working with people from different ethnic and cultural backgrounds is a challenge and a source of opportunity for managers and organisational cultures (Bloisi et al., 2006, p. 684). However, 'organisational culture' usually refers to the less tangible aspects of an organisation's way of doing things and, in particular, to the shared cognitive, interpersonal and value orientations of its members. If we are using the term in this sense – referring to a shared 'mental programming' – then it is reasonable to distinguish between structure and culture. However, these two aspects of organisations are bound to be closely related: cultures are expressed in behaviour and artefacts, and different sorts of procedures and arrangements tend to generate or require different attitudes and outlooks. All of this demonstrates that, even if the terms seem simple, the ideas (not to mention the realities) are complex and subtle.

Organisational culture

- The aims of this section are to explore what is meant by organisational culture and to establish the importance of understanding your cultural context. This section will help you to develop this understanding by using some established frameworks for classifying cultures and by exploring the strengths and weaknesses of different types of cultures. These types tend to be referred to as: dominant culture, sub-culture, strong culture and weak culture. The distinctions of culture might seem subtle, but they matter to managers because, for example, managers are often charged with delivery of 'culture change' (usually to improve performance). Concepts such as dominant culture, sub-culture and strong and weak cultures can help you to 'read' situations and also help reflective managers to understand what impact they might have. These concepts also sometimes point directly to the managerial action you may have to take in certain circumstances.

Definitions of culture

- Before you proceed, it is probably worth breaking the concept down a little. Consider a list of definitions of culture found in the academic literature.

Definitions of culture

1. Culture is the set of important understandings (often unstated) that members of a community share in common' (Sathe, 1985, p. 6).
2. [Culture is] a set of understandings or meanings shared by a group of people. The meanings are largely tacit among the members, are clearly relevant to a particular group, and are distinctive to the group' (Louis, 1985, p. 74).

Definitions of culture

3. 'A standard definition of culture would include the system of values, symbols, and shared meanings of a group including the embodiment of these values, symbols, and meanings into material objects and ritualized practices. ... The "stuff" of culture includes customs and traditions, historical accounts be they mythical or actual, tacit understandings, habits, norms and expectations, common meanings associated with fixed objects and established rites, shared assumptions, and intersubjective meanings' (Sergiovanni and Corbally, 1984, p. vii).
4. '[Culture is] the pattern of shared beliefs and values that give members of an institution meaning, and provide them with the rules for behaviour in their organisation' (Davis, 1984, p. 1).

Definitions of culture

5. 'To analyze why members behave the way they do, we often look for the values that govern behaviour... But as the values are hard to observe directly, it is often necessary to infer them by interviewing key members of the organisation or to content analyze artefacts such as documents and charters. However, in identifying such values, we usually note that they represent accurately only the manifest or espoused values of a culture. That is, they focus on what people say is the reason for their behaviour, what they ideally would like those reasons to be, and what are often their rationalizations for their behaviour. Yet, the underlying reasons for their behaviour remain concealed or unconscious. To really understand a culture and to ascertain more completely the group's values and overt behaviour, it is imperative to delve into the underlying assumptions, which are typically unconscious but which actually determine how group members perceive, think, and feel' (Schein, 1985, p. 3).

Definitions of culture

6. 'In a particular situation the set of meanings that evolves gives a group its own ethos, or distinctive character, which is expressed in patterns of belief (ideology), activity (norms and rituals), language and other symbolic forms through which organisation members both create and sustain their view of the world and image of themselves in the world. The development of a worldview with its shared understanding of group identity, purpose, and direction are products of the unique history, personal interactions, and environmental circumstances of the group' (Smircich, 1983a, p. 56).

Definitions of culture

7. 'Culture does not necessarily imply a uniformity of values. Indeed quite different values may be displayed by people of the same culture. In such an instance, what is it that holds together the members of the organisation? I suggest that we look to the existence of a common frame of reference or a shared recognition. There may not be agreement about whether these issues should be relevant or about whether they are positively or negatively valued ... They may array themselves differently with respect to that issue, but whether positively or negatively, they are all oriented to it' (Feldman, 1991, p. 154).

Definitions of culture

8. 'When organisations are examined from a cultural viewpoint, attention is drawn to aspects of organisational life that historically have often been ignored or understudied, such as the stories people tell to newcomers to explain "how things are done around here", the ways in which offices are arranged and personal items are or are not displayed, jokes people tell, the working atmosphere (hushed and luxurious or dirty and noisy), the relations among people (affectionate in some areas of an office and obviously angry and perhaps competitive in another place), and so on. Cultural observers also often attend to aspects of working life that other researchers study, such as the organisation's official policies, the amounts of money different employees earn, reporting relationships, and so on. A cultural observer is interested in the surfaces of these cultural manifestations because details can be informative, but he or she also seeks an in-depth understanding of the patterns of meanings that link these manifestations together, sometimes in harmony, sometimes in bitter conflicts between groups, and sometimes in webs of ambiguity, paradox, and contradiction' (Martin, 2002, p. 3).

Definitions of culture

These quotations reflect some of the ways that 'culture' has been used by academics and practitioners. The most common feature throughout the various definitions is 'the use of the word "shared" and the reference to culture as that which is distinctive or unique to a particular context' (Martin, 2002, p. 58). Still, not all academics and practitioners agree on this representation of culture as shared and unique, and this will become more evident as the concept is explored in this section. The critical element is for these collections of fundamental assumptions to be shared and accepted by organisational members.

Daniel Orozco story called 'Orientation'.

- **Now consider the following extract from a fictional story by Daniel Orozco (1995) called 'Orientation'.**
- *Those are the offices and these are the cubicles. That's my cubicle there, and this is your cubicle. This is your phone. Never answer your phone. Let the Voicemail System answer it. This is your Voicemail System Manual. There are no personal phone calls allowed. We do, however, allow for emergencies. If you must make an emergency phone call, ask your supervisor first. If you can't find your supervisor, ask Phillip Spiers, who sits over there. He'll check with Clarissa Nicks, who sits over there. If you make an emergency phone call without asking, you may be let go.*
- *These are your IN and OUT boxes. All the forms in your IN box must be logged in by the date shown in the upper left-hand corner, initialed by you in the upper right-hand corner, and distributed to the Processing Analyst whose name is numerically coded in the lower left-hand corner. The lower right-hand corner is left blank.*

Daniel Orozco story called 'Orientation'.

- *Here's your Processing Analyst Numerical Code Index. And here's your Forms Processing Procedures Manual.*
- *You must pace your work. What do I mean? I'm glad you asked that. We pace our work according to the eight-hour workday. If you have twelve hours of work in your IN box, for example, you must compress that work into the eight-hour day. If you have one hour of work in your IN box, you must expand that work to fill the eight-hour day. That was a good question. Feel free to ask questions. Ask too many questions, however, and you may be let go.* (Source: *The best American short stories, 1995, p. 1*)

Daniel Orozco story called 'Orientation'.

- The definitions of culture above probably alerted you to some underpinnings of what culture is, even though they emphasise and focus on different things. Keeping those definitions in mind, what does Orozco's fictional story begin to reveal about the culture of this organisation?
- Through the orientation of a person entering a new job you learn about 'the way things are done round here'—the unwritten rules, beliefs, norms, rituals, myths and language. The new person learns about what is acceptable behaviour in the office. T
- The newcomer must quickly learn the rules of the game in order to become an accepted member. Orozco's 'Orientation' illustrates how organisations develop patterns of cultural assumptions that get passed onto new members.

Metaphors of organisational culture

- One of the easiest ways to grasp and ‘see’ the nature of an organization’s culture is to try to view it as if you are a visitor from a foreign land. As one tries to look at the organization with fresh eyes, one can see the intangible ‘social glue’ that holds everything together: how the language, norms, values, rituals, myths, stories and daily routines form part of a coherent ‘reality’ that lends shape to how and what people do as they go about their work. In understanding this ‘social glue’ (which like all glue sometimes does not stick as well as it might, producing a fragmented or divided ‘culture’) other ways of thinking about culture may be appropriate.

Metaphors of organisational culture

- Orozco's story conveys some of the shared and accepted assumptions in the office. A picture of how things are done in this organisation begins to emerge. But how can you recognise and characterise an organisation's culture? Cultural models can provide you with interesting insights of organisations and can be used to illuminate and organise the information and impressions about organisations, helping you to understand some of the many complexities of managing in organisations. One such model is the use of metaphors, as suggested by Morgan, which provides an alternative approach to the concept of organisational culture and is illustrated below.

- For example, try thinking about the corporate culture as an iceberg. Recognize that what you see on the surface is based on a much deeper reality. Recognize that the visible elements of the culture may be sustained by all kinds of hidden values, beliefs, ideologies and assumptions – questioned and unquestioned, conscious and unconscious. As a manager, recognize that it may not be possible to change the surface without changing what lies below. Or try thinking about the corporate culture as an onion.

- Recognize that it has different layers. Recognize that one can penetrate beneath the rituals, ceremonies and symbolic routines to discover inner layers of mythology, folklore, hopes and dreams that eventually lead to the innermost values and assumptions that lend meaning to the outward aspects of the culture. Recognize that to impact or change the culture in any significant way it is necessary to address and perhaps change the values that lie at the core. Or try thinking about the corporate culture as an umbrella. Look for the overarching values and visions that unite, or are capable of uniting, the individuals and groups working under the umbrella. Recognize that one's ability to mobilize or change any organization may depend on finding the umbrella that can unite potentially divergent individuals, groups and subcultures in pursuit of a shared vision of reality. (Source: Morgan, 1989, pp. 157–8)

- Whether working from the ideas outlined above or your preferred metaphor, you can see the difficulty here in studying culture –but the benefits of getting to grips with culture are that it can play a powerful role in supporting missions and strategies. There are several threads running through the concept. One concerns integration –‘social glue’, ‘overarching values and visions that unite’ people in an organisation to work together in coordinated ways. Another thread, exemplified by the ‘iceberg’, is more about the hidden nature of culture (see Fig). Like an iceberg, some values and assumptions are ‘invisible’ and can only be deduced from more tangible aspects or manifestations of culture.



Schein's iceberg model of culture

- Schein's iceberg model is useful in that it illustrates that there are visible cultural aspects of an organisation but that there are also elements of culture that are hidden and difficult to interpret. What is visible, for example, are things such as written documents – strategic plans, job descriptions and disciplinary procedures. But if organisational culture, as we have indicated so far, consists of values, beliefs and norms, Schein argues that these exist in people's heads, which raises the challenge of how actually to identify and interpret them. The key to Schein's idea is that these three levels of analysis can create a better understanding of the different components of culture in organisations.

Artefacts

- **Artefacts**



- These are the most tangible aspects that embody organisational culture, such as the type of people employed (personalities, levels of education, etc.), traditions and rituals, technology, architecture, logos, heroes, stories, myths and so on. In the iceberg model, this is what is visible to everybody but which does not necessarily reveal everything about an organisation's culture. We can take architecture as an example here, how the rich and powerful often build the most impressive buildings as signs of success or artefacts of power – such as in the Canary Wharf business district in the City of London where successful investment banks have set up their headquarters and the Petronas Twin Towers, KLCC, Malaysia (shown in Figure).
- Stop and Reflect
- Can you think of other examples from around the world that illustrate this point?

Values

- **Values**



- These represent the invisible facets of organisational culture and include the norms and beliefs that employees express when discussing organisational issues, such as the value placed on (and rewards offered for) honesty, trust and effort. Values can also be represented in mission statements, such as Oxfam's, as shown above. You can see how these values can become visible or be brought to light through careful and directed questioning. And in the Oxfam example above, you are left in no doubt about what the organisational commitment is.

Basic assumptions

- **Basic assumptions**
- These are almost impossible to see on the surface and are hidden beneath artefacts and expressed values – yet these are the most important. They include basic assumptions that shape members' worldviews, beliefs and norms, which guide behaviour but are not explicitly expressed, making it harder to observe them. This is also a challenge for managers because it is quite a challenge to change something that you cannot see, but what is certain is that basic assumptions profoundly influence a person's actions. Another issue to consider is that if some of these assumptions are taken for granted, how are they created? Do they change over time as personnel change? These questions might also explain why organisations try to select only people who will not challenge established beliefs when they are recruiting. In Schein's examination of these issues, he goes on to provide a list of seven dimensions that he argued provided the basic cultural assumptions that construct different societies and organisations. See Table on next slide.

Dimension

1 The organisation's relation to its environment

Questions to be answered

Does the organisation perceive itself to be dominant, submissive, harmonising, searching out a niche?

2 The nature of human activity

Is the 'correct' way for humans to behave to be dominant/pro-active, harmonising, or passive/fatalistic?

3 The nature of reality/truth

How do we define what is true and what is not true, and how is truth ultimately determined both in the physical and social world? By pragmatic test, reliance on wisdom or social consensus?

4 The nature of time

What is our basic orientation in terms of past, present and future, and what kinds of time units are most relevant for the conduct of daily affairs?

5 The nature of human nature

Are human beings basically good, neutral or evil, and is human nature perfectible or fixed?

6 The nature of human relationships

What is the 'correct' way for people to relate to each other, to distribute power and affection? Is life competitive or cooperative? Is the best way to organise society on the basis of individualism or groupism? Is the best authority system autocratic/paternalistic or collegial/participative?

7 Homogeneity versus diversity

Is the group better off if it is highly diverse or if it highly homogeneous, and should individuals in a group be encouraged to innovate or conform?

Culture as symbols

- **Culture as symbols**

- Another way to look at culture is through the symbols in which culture is manifest. Some symbols are obvious, some less so. The obvious or '*high-profile*' symbols are those designed to create an external image: the mission statement, the logo, the annual report, the corporate dress code, the head office architecture.
- The '*low-profile*' symbols are those less tangible manifestations of what actually goes on inside an organisation in order to get work done. The two do not always match up. For example, at the height of its safety problems in early 2010, Toyota, the world's largest car manufacturer, was severely criticised: 'This system of quality control that Toyota represents to be at the heart of their corporation, doesn't reflect reality'; the source of the trouble was blamed on a 'Toyota culture which teaches that these are issues that should not be aired in public' with the company being 'at times more concerned with profit than with customer safety' (The Independent, 25 February 2010). These comments point to a case where the low-profile symbols had become visible to the public and conflicted with the high-profile symbols to disastrous effect.

Culture as symbols

- Low-profile symbols were studied by Trice and Beyer (1984), who suggest that they can be divided into four categories: practices, communications, physical forms and a common language.
- Practices – These are the rites, rituals and ceremonies of the organisation, and they take many forms – rituals for making tea or coffee; department or work group outings for meals or drinks; the annual office party; the doctor's 'rounds' in a hospital ward; the award night for 'salesperson of the year'; the visit of the director to a regional office; long-service award ceremonies, etc. Does your organisation or one that you know well carry out some of these practices?
- Communications – These are the stories, myths, sagas, legends, folk tales, symbols and slogans that are circulated in organisations. These stories are told and retold by members of the organisation and come to influence behaviour. These myths and legends illustrate the preferred way of performing and become goals to aim for.

Culture as symbols

- Physical forms – Low-profile symbols of an organisation's culture manifest themselves in many physical ways. Examples include the appearance and location of the building; open plan or individual offices; posters or art work on walls; a single restaurant or an office canteen for most employees, with a separate dining room for managers; suits or casual attire; provision and distribution of flipcharts or whiteboards; the furniture (and again whether the type/luxuriousness of the furniture depends on a person's grade).
- A common language – Jargon is common to many organisations. It is a convenient shorthand form of communication, but it also affects behaviour. McDonald's refers to its restaurant staff as 'crew members' and Disney employees are 'cast members'. These terms give added meaning to working at these places. The emphasis is on being part of a team – recruits may feel 'outsiders' until they have learned the language. However, this language is intended to affect the way the people respond to their work.

Culture as symbols

Example of organisational symbols:

The famous 'golden arches' logo at a McDonald's restaurant



Types of organisational culture

Types of organisational culture

- Over the last few decades there have been numerous attempts made by researchers to identify predominant types of organisational culture. The idea of culture, as the discussion thus far shows, is extremely complex, but this has not deterred writers from offering their perspectives. Looking at these models offers another way of understanding culture by distinguishing it according to recurring types.
- You must remember that all models are simplifications, and many of the more popular models of culture are extreme simplifications designed to be neatly placed within a particular type. Some focus on one or more dimensions of the idea of culture, others identify a small number of differing cultures and label and describe these. Two ways of categorising organisational cultures, and one approach to categorising national cultures, will be examined below. Before proceeding to these models, however, it is perhaps worth considering some of the perceived benefits of classifying cultures.

Types of organisational culture

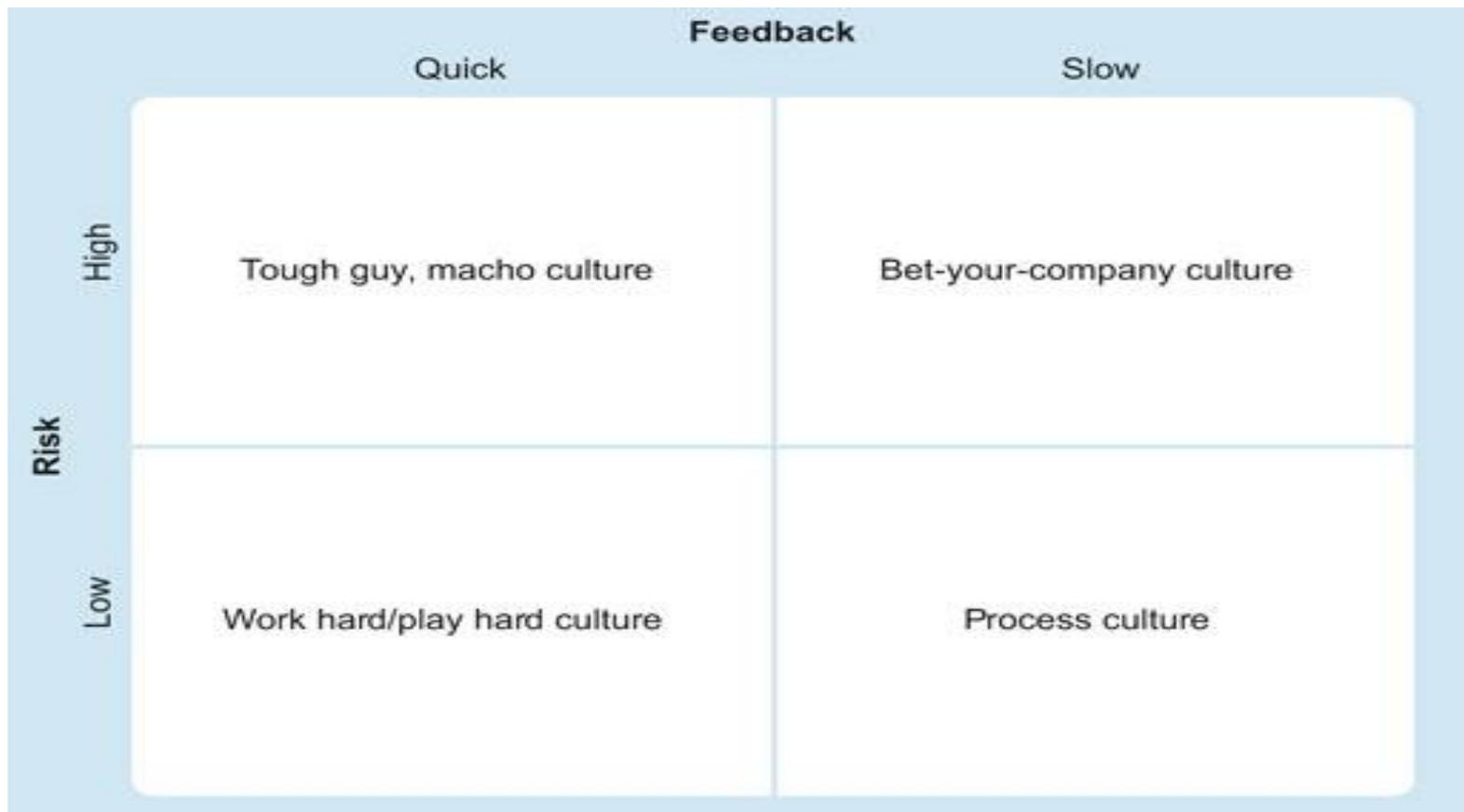
- The first of these is that by being able to classify culture, a relationship or connection to other crucial organizational variables such as leadership style, structure and performance could be found which could be beneficial to you as a manager. Secondly, this might enable you to make a number of generalizations about the work experiences of those working in each type of culture, such as job satisfaction, career prospects or prevalent emotions.
- (Source: Gabriel, 1999, p. 203)

Deal and Kennedy model of organisational culture

- Deal and Kennedy model of organisational culture
- Deal and Kennedy's (1982) model, based on two dimensions, suggested that the biggest single influence on a company's culture was the business environment in which it operated. They called this 'corporate culture', which they asserted embodied what was required to succeed in that environment. The two key dimensions were the degree of risk associated with the company's activities, and the speed at which companies – and their employees – get feedback on whether decisions or strategies are successful.
- By 'feedback' Deal and Kennedy do not mean just bonuses, promotions and pats on the back. They use the term much more broadly to refer to knowledge of results. In this sense, a goalkeeper gets instant feedback from making a great save, but a surgeon may not know for several days whether an operation is successful, and it may take months or even years to discover whether a decision about a new product is correct.
- Deal and Kennedy distinguish between quick and slow feedback. Also, by splitting each dimension into high and low they came up with four 'generic' cultures, as shown in the Figure.

Deal and Kennedy model of organisational culture

Deal and Kennedy's model of organisational culture



Deal and Kennedy model of organisational culture

- **The tough guy, macho culture**
- A world of individualists who regularly take high risks and get quick feedback on whether their actions were right or wrong.
- (Source: Deal and Kennedy, 1982, p. 107)
- This type of culture is commonly thought to be prevalent in organisations in which feedback comes in the form of financial rewards. You can think here of commodity brokers and sales-orientated organisations, such as those that sell water purifiers or financial services. Feedback, however, can come in many other ways. Police officers, sports people and entertainers all receive rapid feedback on the effectiveness of their work, and they could all be classified as belonging to a 'tough guy' culture, even though their feedback is not simply financial. Similarly, all these occupations have a degree of inherent risk, and the line between success and failure can be very fine indeed. For example, a football manager's career could rest on one refereeing decision, and a comedian's success depends on the mixture of people in the audience.

Deal and Kennedy model of organisational culture

- Managers in this type of culture need to be able to make decisions quickly and to accept risk. To survive when things go wrong, they need to be resilient. These cultures are characterised by aggressive internal competition. Employees in such organisations believe that to get on they must be as tough as the 'movers and shakers' at the top. These activities tend to produce a lot of internal politics and conflict. In addition, these cultures tend to nurture short-term views, and here you might recall some of the reasons that are believed to have led to the fall of organisations such as Enron (auditing failures in picking up billions in debt from failed deals and projects) and Lehman Brothers Bank (bad debts led to its eventual collapse). Despite the label 'tough guy', Deal and Kennedy suggest that this culture is the least discriminatory of the four because it is, in their view, a meritocracy in which success is what is acknowledged and rewarded.

Deal and Kennedy model of organisational culture

- **The work hard/play hard culture**
- Fun and action are the rule here, and employees take few risks, all with quick feedback; to succeed, the culture encourages them to maintain a high level of relatively low-risk activity
- (Source: Deal and Kennedy, 1982, p. 108)
- This type of culture is characterised by high levels of activity, and each employee has to take few risks. Instead, success is measured by persistence. Typically, the primary cultural value is to supply customers with a quality product or service. These cultures spawn meetings, conventions, teamworking, office parties, jargon, buzzwords and so on. They are typical of large organisations such as the motor industry, IT and telecoms because in smaller organisations there are often increased levels of risk as 'every decision is a big one'. The high levels of energy create two main problems for a manager: ensuring that the energy is being directed at the right tasks, and ensuring that quality accompanies the high levels of activity. For these reasons, IBM put up 'Think' signs all around the company.

Deal and Kennedy model of organisational culture

- **The bet-your-company culture**
- Cultures with big-stakes decisions, where years pass before employees know whether decisions have paid off. A high-risk, slow-feedback environment.
- (Source: Deal and Kennedy, 1982, p. 108)
- This type of culture is found in organisations involved in projects that consume large amounts of resources and take a long time to be realised. Examples include an aerospace organisation deciding to develop a new aircraft, such as Airbus, which has spent many years developing its new A380. Other examples would include a construction company building a skyscraper or an oil company that starts drilling in a new region. Each of these projects is very risky and the organisation does everything it can to ensure it makes the right decisions initially. Meetings become very important and experts are drawn in to give their opinions.

Deal and Kennedy model of organisational culture

- **The process culture**
- A world of little or no feedback where employees find it hard to measure what they do; instead they concentrate on how it's done. We have another name for this culture when the processes get out of control – bureaucracy!
- (Source: Deal and Kennedy, 1982, p. 108)
- Process cultures get a bad press from nearly all quarters. They are the bureaucracies, awash with red tape and memos. Their low-risk, slow feedback environment means that employees become more concerned with how work is done – the process – than with what the work is. There is a danger that artificial environments develop, detached from the real world. Employees in these cultures may be very defensive. They fear and assume that they will be attacked when they have done things incorrectly. To protect themselves they engage in behaviour such as circulating emails copied to everyone remotely concerned with the issue.

Deal and Kennedy model of organisational culture

- Deal and Kennedy admit that this four-culture model is simplistic, but it can be a useful starting point for looking at your own organisation. A mix of all four cultures may be found within a single organisation. Furthermore, they suggest that companies with very strong cultures will skilfully blend the best elements of all four types in a way that allows them to remain responsive to a changing environment. Although these cultures have been criticised, for example, because customers fear the high-risk attitudes of those in a tough guy culture or the thoughtless energy of those in a work hard/play hard culture, they exist because they bring order to organisations and ensure that certain procedures are followed. Yet few organisations fall neatly into one of these four types, and it is very hard to relate these types to psychological personalities.
- **Stop and reflect**
- What sort of culture would you want in your organisation or, for example, looking after your life savings?
- Think also about equity. Bureaucracy in public service undoubtedly makes services unresponsive, but it also ensures greater consistency, equity and impartiality of service – all of which rightly command high priority in public service organisations.

Handy's four types of organisational cultures

- Handy's four types of organisational cultures
- Another model of culture, popularised by Charles Handy (1999) – and following work by Harrison (1972) – also presents organisational cultures as classified into four major types: the power culture, the role culture, the task culture, and the person or support culture.
- Handy's approach may help you understand why you have been more comfortable in some organisations than others. Interestingly, although Handy chooses to talk about culture, he shows the structures associated with his culture types. This may be because of the difficulty of drawing something as diffuse as culture, but it also reinforces the fact that culture and structure are interrelated.

Handy's four types of organisational cultures

- Power Culture
- Role Culture
- Task Culture
- Person Culture

Handy's four types of organisational cultures

Power culture



Power culture

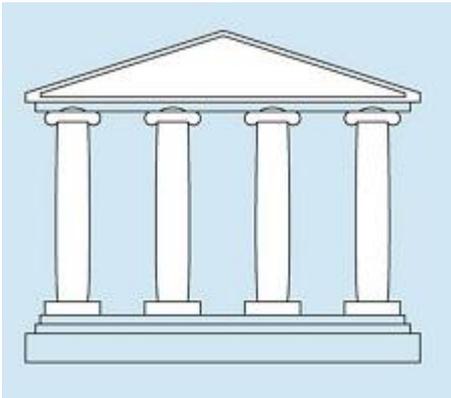
Handy illustrates the power culture as a spider's web (see Figure 18), with the all-important spider sitting in the centre '... because the key to the whole organisation sits in the centre, surrounded by ever-widening circles of intimates and influence. The closer you are to the spider, the more influence you have' (1999, p. 86). Organisations with this type of culture can respond quickly to events, but they are heavily dependent for their continued success on the abilities of the people at the centre; succession is a critical issue. They will tend to attract people who are power orientated and politically minded, who take risks and do not rate security highly. Control of resources is the main power base in this culture, with some elements of personal power at the centre.

Handy's four types of organisational cultures

- Size is a problem for power cultures. They find it difficult to link too many activities and retain control; they tend to succeed when they create new organisations with a lot of independence, although they usually retain central financial control.
- This type of culture relies heavily on individuals rather than on committees. In organisations with this culture, performance is judged on results, and such organisations tend to be tolerant of means. They can appear tough and abrasive and their successes can be accompanied by low morale and high turnover as individuals fail or opt out of the competitive atmosphere. Working in such organisations requires that employees correctly anticipate what is expected of them from the power holders and perform accordingly. If managers get this culture right, it can result in a happy, satisfied organisation that in turn can breed quite intense commitment to corporate goals. Anticipating wrongly can lead to intense dissatisfaction and sometimes lead to a high labour turnover as well as a general lack of effort and enthusiasm.
- In extreme cases, a power culture is a dictatorship, but it does not have to be.
- **Stop and reflect**
- What kind of manager do you think would be happy in a power culture?

Handy's four types of organisational cultures

Role culture



The role culture can be illustrated as a building supported by columns and beams: each column and beam has a specific role to play in keeping up the building; individuals are role occupants but the role continues even if the individual leaves. This culture shares a number of factors in common with Weber's description of the 'ideal-type' bureaucracy. This type of organisation is characterised by strong functional or specialised areas coordinated by a narrow band of senior management at the top and a high degree of formalisation and standardisation; the work of the functional areas and the interactions between them are controlled by rules and procedures defining the job, the authority that goes with it, the mode of communication and the settlement of disputes.

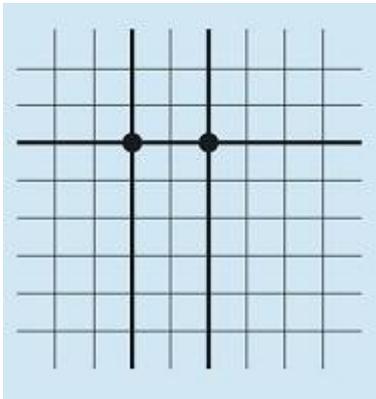
Handy's four types of organisational cultures

- Position is the main power source in the role culture. People are selected to perform roles satisfactorily; personal power is frowned upon and expert power is tolerated only in its proper place. Rules and procedures are the chief methods of influence. The efficiency of this culture depends on the rationality of the allocation of work and responsibility rather than on individual personalities. This type of organisation is likely to be successful in a stable environment, where the market is steady, predictable or controllable, or where the product's life cycle is long, as used to be the case with many UK public sector bodies. Conversely, the role culture finds it difficult to adapt to change; it is usually slow to perceive the need for it and to respond appropriately. Such an organisation will be found where economies of scale are more important than flexibility or where technical expertise and depth of specialisation are more important than product innovation or service cost – for example, in many public service organisations.

Handy's four types of organisational cultures

- For employees, the role culture offers security and the opportunity to acquire specialist expertise; performance up to a required standard is rewarded on the appropriate pay scale, and possibly by promotion within the functional area. However, this culture is frustrating for ambitious people who are power orientated, want control over their work or are more interested in results than method. Such people will be content in this culture only as senior managers. The importance of Handy's role culture is that it suggests that bureaucracy itself is not culture-free.
- **Stop and reflect**
- What kind of manager do you think would be happy in a role culture?

Handy's four types of organisational cultures



Task culture is job- or project-oriented, and its accompanying structure can be best represented as a net. Some of the strands of the net are thicker or stronger than others, and much of the power and influence is located at the interstices of the net, at the knots. Task cultures are often associated with organisations that adopt matrix or project-based structural designs.

Handy's four types of organisational cultures

- The emphasis is on getting the job done, and the culture seeks to bring together the appropriate resources and the right people at the right level in order to assemble the relevant resources for the completion of a particular project. A task culture depends on the unifying power of the group to improve efficiency and to help the individual identify with the objectives of the organisation. So it is a team culture, where the outcome of the team's work takes precedence over individual objectives and most status and style differences. Influence is based more on expert power than on position or personal power, and influence is more widely dispersed than in other cultures.
- Task culture depends on teamwork to produce results. Groups, project teams or task forces are formed for a specific purpose and can be re-formed, abandoned or continued. The organisation can respond rapidly since each group ideally contains all the decision-making powers required. One example of a task culture is NASA, the US space agency, which in the 1960s had the specific task of putting a man on the moon before the end of the decade and bringing him back safely. Individuals find that this culture offers a high degree of autonomy, judgment by results, easy working relationships within groups and mutual respect based on ability rather than on age or status.

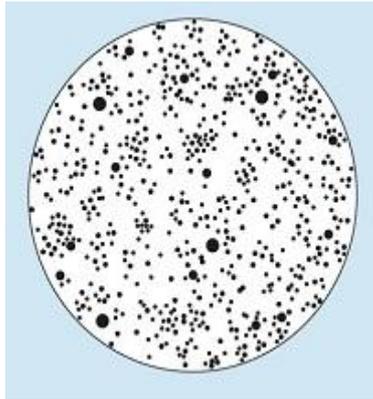
Handy's four types of organisational cultures

- The task culture is therefore appropriate when flexibility and sensitivity to the market or environment are important, where the market is competitive, where the life of a product is short and/or where the speed of reaction is critical. Against this must be set the difficulty of managing a large organisation as a flexible group, and of producing economies of scale or great depth of expertise.
- Control in these organisations can be difficult. Essential control is retained by senior managers, who concentrate on the allocation of projects, people and resources, but they exert little day-to-day control over methods of working or procedures, without violating the norms of the culture. This works well in favourable circumstances and when resources are available for those who can justify using them. However, when resources are not freely available, senior managers begin to feel the need to control methods as well as results, and team leaders may begin to compete for resources, using political influence. Morale in the work groups tends to decline and the job becomes less satisfying in itself, so that employees begin to reveal their own objectives. This necessitates the introduction of rules and procedures, the use of position or the control of resources by managers to get the work done. So the task culture has a tendency to change to a role or power culture when resources are limited or when the whole organisation is unsuccessful.

Handy's four types of organisational cultures

- Most managers, certainly at the middle and junior levels, prefer to work in the task culture, with its emphasis on groups, expert power, rewards for results and a merging of individual and group objectives. It is most in tune with the current trends of change and adaptation, individual freedom and low status differentials – but it may not be an appropriate culture for all circumstances.
- **Stop and reflect**
- What kind of manager do you think would be happy in a task culture?

Handy's four types of organisational cultures



Person culture

Person culture is an unusual culture. It is not found in many organisations, yet many people espouse some of its values. This type of culture is illustrated by a loose cluster or a constellation of stars. In this culture the individual is the focal point; if there is a structure or an organisation, it exists only to serve and assist the individuals within it, to further their own interests without any overriding objective.

Handy's four types of organisational cultures

- Clearly, not many organisations can exist with this sort of culture, or produce it, since organisations tend to have some form of corporate objective over and above the personal objectives of those who comprise them. Furthermore, control mechanisms, and even management hierarchies, are impossible in these cultures except by mutual consent. An individual can leave the organisation, but the organisation seldom has the power to evict an individual. Influence is shared and the power base, if needed, is usually expert; that is, people do what they are good at and are listened to for their expertise.
- Consultants – both within organisations and freelance workers – and architects' partnerships often have this person-orientation. So do some universities. A cooperative may strive for the person culture in organisational form, but as it develops it often becomes, at best, a task culture, or often a power or role culture.

Handy's four types of organisational cultures

- Although it would be rare to find an organisation in which the person culture predominated, you will often encounter people whose personal preferences are for this type of culture, but who find themselves operating in more orthodox organisations. Specialists in organisations, such as computer people in a business organisation, consultants in a hospital, architects in local government and university teachers benefit from the power of their professions. Such people are not easy to manage. Being specialists, alternative employment is often easy to obtain, and they may not acknowledge anyone as being in a position to exercise expert power greater than their own. Position power not backed up by resource power means nothing to such people, and coercive power is not usually available. They may not be influenced by group norms or relationships with colleagues, which might be expected to moderate their personal preferences. This leaves only personal power – and such people are often not easily impressed by personality

Handy's four types of organisational cultures

- **Stop and reflect**
- What kind of manager do you think would be suited to a person culture?
- Which of Handy's categories is closest to your own organisation or department?
- Identify a successful colleague and consider how they got ahead.
- To what extent does this colleague display the attributes Handy suggests are best suited to the culture of your organisation?
- To what extent do you display those attributes? How useful do you find Handy's model?

Handy's four types of organisational cultures

- There are limitations to Handy's approach. There is a tendency to take Handy's four cultures as fixed or 'given' styles – something an organisation has, rather than something that is created, negotiated and shared by everyone involved in the organisation and which may evolve over time. None of the four types can claim to be better or superior; they are each suited to different types of circumstances. Most real-life organisations tend to involve a mixture of cultures, and in Handy's view each is suited to different types of circumstances, including different types of personalities.
- Theories of types of culture offer caricatures and simplifications of complex phenomena; the real world is always richer and more subtle. One way of gaining an insight into these complexities has been to explore the link between national culture and organisational culture. Before you consider this approach, you may find it helpful to reflect upon the two models you have considered so far.
- **Stop and reflect**
- How does Deal and Kennedy's model compare with Handy's?
- What do their different approaches have in common?
- Within which cultures, identified by the different authors, would you prefer to be a manager – and to be managed?

National cultures and organisational culture

- In this subsection you will explore the nation as a 'source' of culture. 'You are undoubtedly aware of the cultural differences among countries, whether you have travelled outside your home country or simply read and watched TV and movies. For instance Arab cultures differ from Asian, Mediterranean, African and western European cultures' (Bloisi et al. 2006, p. 685).
- The idea that a nation has particular set of beliefs and values, a shared set of practices or a way of behaving has alerted practitioners to the need to understand other cultures in order to conduct business effectively (Holden, 2002). It has been argued that when organisations move into foreign countries or when many of their new employee recruits are from other countries, this has created many challenges for management practices, as some of the common values that might be shared begin to differ across national cultures (such as, for example, 'providing excellent services to customers') (Halsall, 2008).

PART 2

National cultures and organisational culture

The Hofstede framework

The Trompenaars & Hampden-Turner framework

National cultures and organisational culture

- Choose either Hofstede or Trompenaars and Hampden-Turner's framework and consider whether the dimensions they identify resonate with your own experiences. Note your thoughts about how helpful these frameworks are in alerting you to differences in cultures.

National cultures and organisational culture

- This section therefore highlights the ways in which national cultural differences affect and are reflected in organisations, as well as drawing your attention to some of the bases on which sub-cultures can emerge within organisations.
- In order to gain an understanding of national culture and its interaction with organisational culture, summaries of the seminal research on this subject of Hofstede (1994, 2001) and Trompenaars and Hampden-Turner (2003) are offered below.
- Others working in this field (e.g. Jacob, 2005) believe that national cultures are too complex to be explained in terms of following a consistent path of progression dimensions, as used by Hofstede and Trompenaars. As a possible solution, Rarick and Nickerson (2008, p. 9) propose 'that a better understanding of national culture can be developed through a combination of approaches in which weaknesses of one model can be supplemented by the qualities of another'.

Hofstede's cultural difference model

- Hofstede's cultural difference model, this is a model which maps national cultural differences along five dimensions; power distance, individualism/collectivism, masculinity/femininity, uncertainty avoidance and Confucian/dynamism.
- This model; has typically formed the basis for identifying differences in national cultures in university management courses. His research looking at well over 100,000 IBM employees in 53 subsidiaries covering 50 countries provides an insightful look at the similarities and differences in cultural values. The essence of national culture for Hofstede is what he terms 'national mental programming', which is that part of our collective learning 'that we share with other members of our nation, region, or group but not with members of other nations, regions, or groups' (Hofstede, 1983, p. 76). He suggests that four dimensions discriminate between national cultures in the workplace.

Hofstede's cultural difference model

- **Hofstede's four dimensions**
- **Power distance** – This is the extent to which a society expects a high degree of power difference between levels in an organisation. A high score reflects a belief in an established hierarchy, while a low score reflects a belief in equal rights.
- **Uncertainty avoidance** – This is the extent to which society willingly accepts ambiguity and risk. High score societies are risk averse.
- **Individualism (as opposed to collectivism)** – Societies high on this emphasise the role of the individual and expect people to take care of themselves and their immediate family. Low score societies are more concerned with the greater good of the group.
- **Masculinity** – A high score here reflects a society that holds values that in the West were traditionally male – competitiveness, assertiveness, ambition and concern for material possessions. A low score society would reflect a more nurturing orientation, emphasising consideration of others.

Hofstede's cultural difference model

- When Hofstede looked at how societies scored on these dimensions he found four major clusters within Europe:
- A Germanic group (Germany, Austria, Switzerland), tending towards high masculinity and low power distance.
- A mainly Scandinavian group (Sweden, Finland, Norway, Denmark but also the Netherlands) tending towards high individualism, low masculinity and low power distance.
- An Anglo-Saxon group (Britain and Ireland) with high individualism and masculinity and low power distance and uncertainty avoidance.
- A mainly Latin group (France, Spain, Italy, Portugal, Greece, but also Belgium) with high uncertainty avoidance and high power distance.

Hofstede's cultural difference model

- By comparison outside Europe, Japan scored highly on masculinity and uncertainty avoidance, while the USA scored highly on individualism but low on uncertainty avoidance.
- While this is again a highly simplified approach to a complex issue, you may find it a useful starting point for thinking about your experience of working with colleagues from different national backgrounds. Hofstede's work has, however, attracted a number of critics. For instance, McSweeney (2002) and Smith (2002) have expressed concern about the generalisability of the samples, the levels of analysis, the comparison of political boundaries (countries) to culture and the validity of the instruments of measurement.
- The links between the dimensions as measured and actual behaviour to be found in organisations are also not made explicit. Hofstede's assumptions of the homogeneity of each studied culture have also been challenged by Sivakumar and Nakata (2001). Hofstede's use of masculinity/femininity as the label for his fourth dimension was unfortunate as this is an outdated way of describing what are really just two distinct approaches to interpersonal relationships at work. However, Hofstede's model, despite the criticism, has represented the most popular approach to cultural assessment (Rarick and Nickerson, 2008).

Hofstede's cultural difference model

Stop and reflect

- From your own experience, to what extent do you agree with Hofstede's descriptions?
- <http://geert-hofstede.com/national-culture.html>

The Trompenaars and Hampden-Turner framework

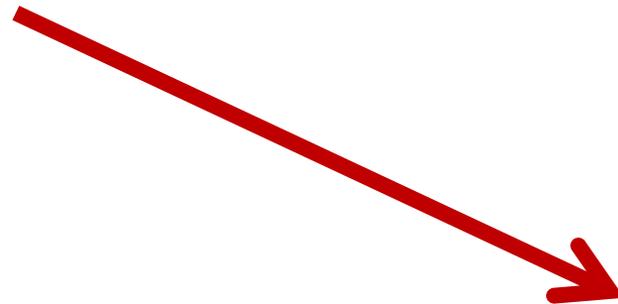
- The Trompenaars and Hampden-Turner framework
- This framework built on the work of Hofstede by broadening the definition of national cultures in recognising that wider historical, political and social factors in a country may affect 'business values'. Their model is therefore a useful tool for understanding and dealing with cultural differences.

The Trompenaars and Hampden-Turner framework

- Trompenaars and Hampden-Turner suggest that national cultures vary in how their members solve problems by identifying three major types:
- The relationships with people – five major cultural differences were identified (see Table 3 below).
- Attitudes toward time – suggests that societies view time differently, as well as how the past, present and future interrelate.
- Attitude towards the environment – relates to whether individuals are considered either a part of nature or separate from it; also how much individuals are a master of their fate.

The Trompenaars and Hampden-Turner framework

- The Trompenaars and Hampden-Turner framework further identify five major cultural differences in how relationships with other people are handled, and these are expressed as pairs of binary opposites (see Table).



1 Universalism versus the particular

A culture's application of principles. Universal: emphasis is on rules and regulations regardless of individual circumstances. Particular: emphasis on relationships and flexibility.

2 Individual versus collective

A culture's focus on either the group or the individual. An individual focus is on the needs of the individual, freedom and responsibility. A collective focus relates to group emphasis and consensus.

3 Neutral versus affective

Neutral: emphasises objectivity and detachment. Affective: emphasises displays of emotion.

4 Specific versus diffuse

A culture's blending of work and personal life. Specific: emphasises separation of the two. Diffuse: blends them.

5 Achievement versus prescription

A culture's way of assigning status. Achievement: emphasises performance. Prescription: emphasises that status comes from age, education, gender and personal characteristics.

The Trompenaars and Hampden-Turner framework

- This framework is useful in helping you link the dimensions of culture to other aspects of organisational behaviour. Two very important points that this framework brings up are, first, that increasingly, operating in a global environment where people and goods move to and fro one needs to be aware of cultural differences in order to avoid potential problems. Second, this framework also suggests that there is no single formula for reconciling cultural differences and it encourages viewing each culture on its own merit with no culture superior to another.
- Whatever your experience of different cultural contexts, even the simple models considered in this section should have made you aware of the extent of cultural variation around you. Cultures can vary at the level of the individual workgroup, the department or the organisation. Overlaying this will be the influence of national cultures, whether because an organisation is operating multi-nationally or because it draws on a multi-cultural workforce.

Distinguishing corporate and organisational culture

- The term 'culture' has been used in two different ways in reference to organisations. Smircich (1983) put the issue neatly when she asked whether culture is something an organisation is or something an organisation has. This points up the different ways in which the notion of culture can be viewed by theorists and practitioners.
- If culture is something an organisation has, it can be treated as another variable to be manipulated or another contingency that affects structures and processes. As such, it could be seen to be 'owned' management who disseminate it downwards throughout the organisation. With this perspective, culture can therefore be changed to improve efficiency or effectiveness in what has been referred to as 'cultural engineering' (Jackson and Carter, 2000, pp. 27–8) – creating the 'right' kind of organisational culture such that management imposed values rule out particular courses of action or narrow the range of options for a decision. So what might cultural engineering look like in practice? You will look at a case study shortly – Nokia Siemens Networks at the beginning of tackling this process.

Distinguishing corporate and organisational culture

- However, if culture is something an organisation is, it describes the negotiated and shared meanings that emerge from social interactions. Culture in this sense is created and re-created by its participants in a continuous process, which senior managers are part of and can influence but which they cannot determine or control. Clearly, used in this sense, those aspects of an organisation's culture that senior managers can shape and control are less than the whole of the culture. The distinction between the approaches to culture by management and practitioners was captured by Linstead and Grafton-Small (1992) who in their research contrasted 'corporate culture' and 'organisational culture'. They suggested that corporate culture was 'devised by management and transmitted, marketed, sold or imposed on the rest of the organisation ... the rites, rituals, stories and values which are offered to organisational members ... gaining their commitment' (p. 333). In contrast, 'organisational culture', they asserted 'grows or emerges within the organisation and emphasises the creativity of organisational members as culture makers', which appears to be a lot more realistic as it seems to acknowledge the presence of sub-cultures within the organisation.

Distinguishing corporate and organisational culture

- The shaping and controlling of culture has attracted management and practitioners who have believed that strong cultures could be created to produce commitment, dedication, enthusiasm and even passion in workers. These ideas were put forward by Deal and Kennedy (1988), Peters and Waterman (1982) and Kanter (1984) who argued that a strong culture was crucial in organisational success as it enabled employees to be certain about what they thought and felt, making them more dedicated to the organisation. However, this view of culture has attracted a lot of criticism too. Robbins (2001) has suggested that this emphasis on a strong culture contributed to the demise of some of the biggest corporations (for example, Barings Bank, Enron, WorldCom, Lehman Brothers). Willmott (2002) has also criticised strong cultures as privileging the views of managers of the organisation as a means of subordinating and incorporating other members, thus enforcing a uniformity of culture within the organisation.

Distinguishing corporate and organisational culture

- So how might proponents of a strong culture reply to these objections? If they are wise, they will welcome them as clarifying the nature and scope of the culture-building that is being proposed. To this end it is helpful to distinguish between broad and narrow versions of culture, between culture in an all-encompassing sense and those aspects of an organisation's culture that senior managers can more or less control.
- Having examined the arguments about strong culture, we now move on to look more closely at what is involved in promoting a corporate culture in which diverse perspectives on organisational problems and issues can be productively harnessed in organisational processes.

Managing cultural differences

- **Creating culture**
- *Nokia Siemens Networks' birth involved more than merging product lines and operations. Soft issues rather than hard ones can kill a merger in its infancy, and considering the might and history of NSN's parents, unifying two distinct corporate cultures in to one would prove to be one of the venture's biggest challenges*
- In November 2006, 250 executives from Nokia Networks and Siemens Communications got together in a room in Munich, tasked with hashing out the details of their impending merger. Nokia and Siemens already had a good idea of what the company would look like on paper: They would create a huge global company with strengths in both wireless and wireline telecommunications, leverage a massive international sales force and achieve economies of scale unavailable to either company so long as they remained network divisions of their parent companies. But NSN also would be the merger of two distinct corporate cultures. Bastions of engineering in their own countries, Germany and Finland, each had their own deeply ingrained identities and, yes, pride. The numbers aside, how would the new NSN function?

Managing cultural differences

- Attending that meeting was Bosco Novak, who would become the head of human resources for the new joint venture. The president of Nokia Networks and future CEO of NSN, Simon Beresford-Wylie, had asked Novak to take over the role in July, two days before the merger agreement was publicly announced. At the time, Novak headed Nokia's global services division and supervised a huge multinational organization – and also had an inherent cultural asset: He was a German who had worked for Nokia since 2000. But Novak had not a lick of HR experience and was puzzled by his boss' choice. But Beresford-Wylie explained that his role wouldn't be that of an ordinary HR manager. Novak would be responsible for crafting and implementing an entirely new culture at NSN. Novak accepted and five months later he and 249 other executives, managers and engineers were trying to figure out what exactly that new NSN culture would be.

Managing cultural differences

- The group managed to find several fundamentals that the two companies had in common: They both were Western European; they both had an ingrained engineering culture; and their employees also had a deep pride in being on technology's cutting edge and a feeling of making a difference in the world. But those cram sessions also revealed some profound differences, not just in their surface organizations but in how their employees related to one another and management and in their approach to problems. Most striking of those differences was a sense of formality and structure in Siemens' culture, as opposed to a looser set of relationships and emphasis on flexibility at Nokia.
- (Source: Kevin Fitchard, 2009)

Managing cultural differences

- The NSN case illustrates how senior managers begin to promote the adoption of a new corporate culture. Managing the differences that arise, whatever their origins, can present considerable challenges for a manager. You can see that managers from these two organisations coming together from different cultures may perceive requirements for meeting their commitment to customer service, for example, in different ways. These influences can and do lead to differences in preferred methods of pursuing goals, as illustrated by NSN. National cultural influences may colour perceptions of what is important as well, as informed by the works of Hofstede and Trompenaars and Hampden-Turner.
- The NSN case illustrates the distinction between organisational and corporate culture and shows how proponents of a strong culture argue for promoting a homogeneous and consistent corporate culture (which is realistic and important) rather than a homogeneous and consistent organisational culture (which they accept is unrealistic and unnecessary). So, for example, a company such as NSN can and should share a distinctive corporate culture across Europe, even though its managers will represent many different culture areas and have different functional backgrounds. Managers and staff can behave and respond similarly in some respects, yet differ (perhaps considerably) in many other respects.

Managing cultural differences

- Many organisations, whether multinational or not, try to promote strongly shared guiding values such as customer service. Multinationals seek to embed such values to ensure that managers and workforce, irrespective of their diverse cultural backgrounds, pull in the same direction as they strive to achieve the same broad corporate aims and goals. Novak's task at NSN would be to arrive at new shared values and describe how these values are going to operate in the company. At the organisational level, the intention is not to suppress diversity of opinion about how best to achieve these aims and goals. It is stated that NSN has two very distinct differences, which imply a 'culture clash' and a challenge about whose culture will be adopted – which also has the potential to alienate the other group.
- **Stop and reflect**
- An organisation's culture, once established, rarely fades away – so how would Novak at NSN create a new organisational culture? Do differences between the cultures at NSN generate problems? What might reinforce and sustain this new culture once in place? How do new employees learn their organisation's culture?

Managing cultural differences

- The models that you have looked at thus far are useful tools for cultural analysis. Cultures may involve conflict as well as agreement, and divide just as much as they integrate. The new corporate values that managers attempt to promote through such methods may or may not become embedded in the organisation's culture in time.
- However, by creating behavioural expectations that accord with these values, managers help to generate the parameters within which initiative is exercised by those at lower organisational levels.
- They can perpetuate exclusions and inequalities just as much as a sense of belonging and identity. Attempts to force one culture on a group with very different values are fairly common, but may be counter-productive.
- A better understanding of why cultures differ, and of the value of such differences, may make such initiatives less likely, and remove much of the friction associated with working across cultural boundaries.
- **Stop and reflect**
- What problems have you observed or associated with working with different national or organisational cultures in your organisation or one that you know well? How have these been handled? Were there any tensions between dominant and subordinate cultures? What is your role in this?

Looking back

- **Looking back**
- Choose either Hofstede or Trompenaars and Hampden-Turner's framework and consider whether the dimensions they identify resonate with your own experiences. Note your thoughts about how helpful these frameworks are in alerting you to differences in cultures. How might these understandings help your practice of management?
- Reflect on how the use of these frameworks helps you think about organisations in new ways.