



SUPPORT

Organizational Culture ? Definitions & Models

Hofstede noted that the attribution of a culture to organization is a relatively recent phenomenon first appearing in English language in the 1960s.

Authors show a dichotomy of view :

> Some believing that :

- Culture is something the organization is
- It is an integral part of the firm that is fixed and stable
- It is not very adaptable to change

> Others believe that culture

- Is something an organization has
- It is an adaptive phenomenon that evolves and changes with the internal and external environments of the firm

I. What is Organization (or Corporate) culture ? (some definitions)

> Goffee & Jones :

Culture holds the organization together, acting as a force cohesion in the firm.

Culture is embedded in the members of the organization, enabling the successful firm to continue to do what it is doing.

> Meyerson & Martin : (applied to org.)

Culture is an integrating mechanism, a social or normative glue that holds together the potentially diverse members of a group.

> Pedersen & Sorensen :

« As in traditional anthropological social entities, organizations create systems of meanings that influence the myriad behaviors, routines, and practices recognized as a distinct way of organizational life ».

> Camerer & Vepsäläinen :

Culture is a « set of board, tacitly understood, rules which tell employees what to do under a wide variety of unimaginable circumstances ».

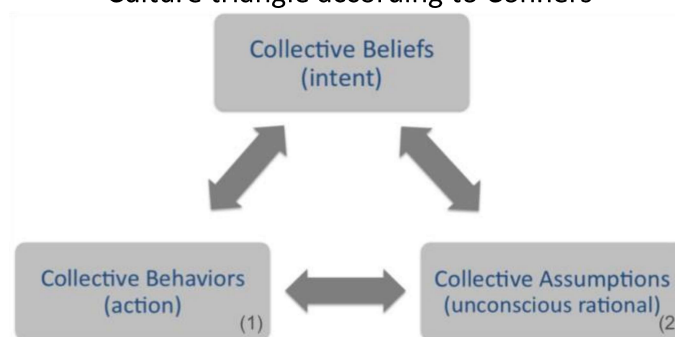
> French et al. (2011, p339) :

Culture is « a system of shared beliefs and values that guides behaviour ».

> Conners :

Culture is « the basic patterns of shared beliefs, behaviors and assumptions organizational members acquire over time »

Culture triangle according to Conners



(1) They are the way that members of the workforce behave on a day-to-day basis

(2) Set of integrated values and expectations that shape what individuals think about their environment.

Important issues to notice :

(OC : Organizational culture)

> OC is influenced by the differences of national cultures

> OC is influenced by the cultural differences within the organization

> OC is influenced by the differences between organizations

> The corporate culture can go beyond the nationles borders

> To « manage culture » means that Corporates create culture in which people will work together to achieve the organization's goals as well as reconciling dilemmas that originate from issues of corporate culture.



> OC componements :

Tab. 1: Elements of organizational structure

	Factors acting externally		Factors in organization	
	immaterial	material	immaterial	material
Artefacts	<ul style="list-style-type: none"> ▪ image ▪ presentation of vision and philosophy of organization 	<ul style="list-style-type: none"> ▪ products ▪ design ▪ logo ▪ advertisement ▪ motto ▪ organizational colours ▪ buildings architecture ▪ identification of management functions 	<ul style="list-style-type: none"> ▪ language used ▪ stories and myths ▪ customs ▪ heroes ▪ rituals ▪ ceremony ▪ valuing employees ▪ employee status 	<ul style="list-style-type: none"> ▪ working environment ▪ furnishings ▪ promotional items ▪ working conditions ▪ clothes of employees ▪ employee benefits
Norms and values	<ul style="list-style-type: none"> ▪ organization strategy ▪ negotiations on market ▪ negotiating with business partners ▪ communication with customers 	<ul style="list-style-type: none"> ▪ code of ethics ▪ sustainable development ▪ corporate social responsibility 	<ul style="list-style-type: none"> ▪ management style ▪ working atmosphere ▪ information flows ▪ codes of conduct and relationship in the workplace 	<ul style="list-style-type: none"> ▪ organizational structure ▪ regulations and documents of organization ▪ informal norms

Source : M. Vetráková & L. Smerek (2016) : "Diagnosing organizational culture in national and intercultural context", *Ekonomie a Management (Economy and Management)*, March 2016

II. Why organizational culture ?

- > Culture is an asset in all organizations...
- > OC defines behaviors and bonds
- > OC asserts solutions where there is ambiguity
- > CO governs the way a company processes information, its internal relations and values
- > OC influences numbers of organizational functions directly related to the members of the group : Conflict resolution ; Coordination and Control ; Reduction of uncertainty ; Competitive advantage ; Motivation ; Cohesion ..

Evidences... But...

Leading research of Cameron & Quinn ; also Trice & Beyer :

They asked thez question : what differentiates organizations that are successful from others that are not, given similar markets, similar business segments and similar ressources.

Two major results :

> They identified the powerful effect that corporate culture has on performance and hence the long-term viability of an organization.

> Corporate culture also has visible effects on individuals and hence their productivity : it affects employee morale, commitment, physical and emotional health.

III. Models of Corporate culture

Numerous typologies and classifications of corporate culture were developed (See Appendix)
They provide a broad overview of the factors and variations in corporate cultures.

Common points :

The different approaches included :

- Behavioral response / - Structural response / - Procedural response /- Personal approach

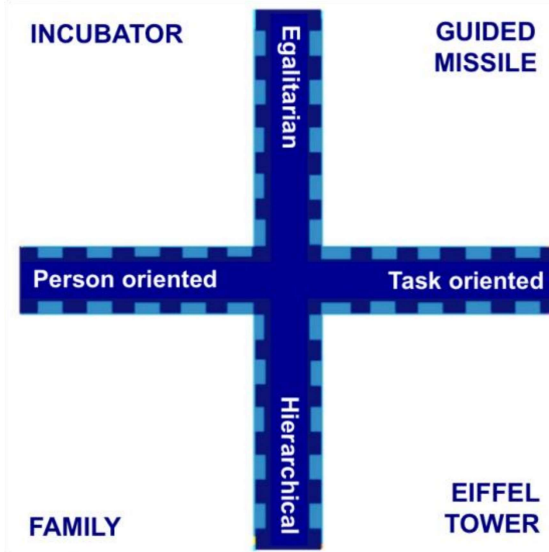


1. Trompenaars' Model

Identifying 4 competing organizational cultures that are derived from related dimensions :

- > Task or Person (high vs low formalization)
- > Hierarchical or Egalitarian (high vs low centralization)

Combining these dimensions gives 4 possible culture types :



> The Family

- > High degree of centralization
- > Low degree of formalization
- > Highly personalized organization
- > Predominantly power-oriented
- > Employees interact around the centralized power (father)
- > The power is based on an autocratic leader
- > Employees need to be as near as the center as possible
- > No many rules and little bureaucracy
- > Logic of vertical differentiation : power and status are hierarchical

> The Eiffel Tower

- > High degree of formalization
- > High degree of centralization
- > Control via systems of rules, procedures, assigned rights and responsibilities
- > Respect of authority is based on the respect for functional position and status
- > Employees are subordinated to universally applicable rules and procedures
- > Order and predictability are highly valued in the process of managing
- > This role-oriented organization is slow to adapt to change
- > Org. is inflexible (<= Bureaucracy and formalization)



> **The Guided Missile**

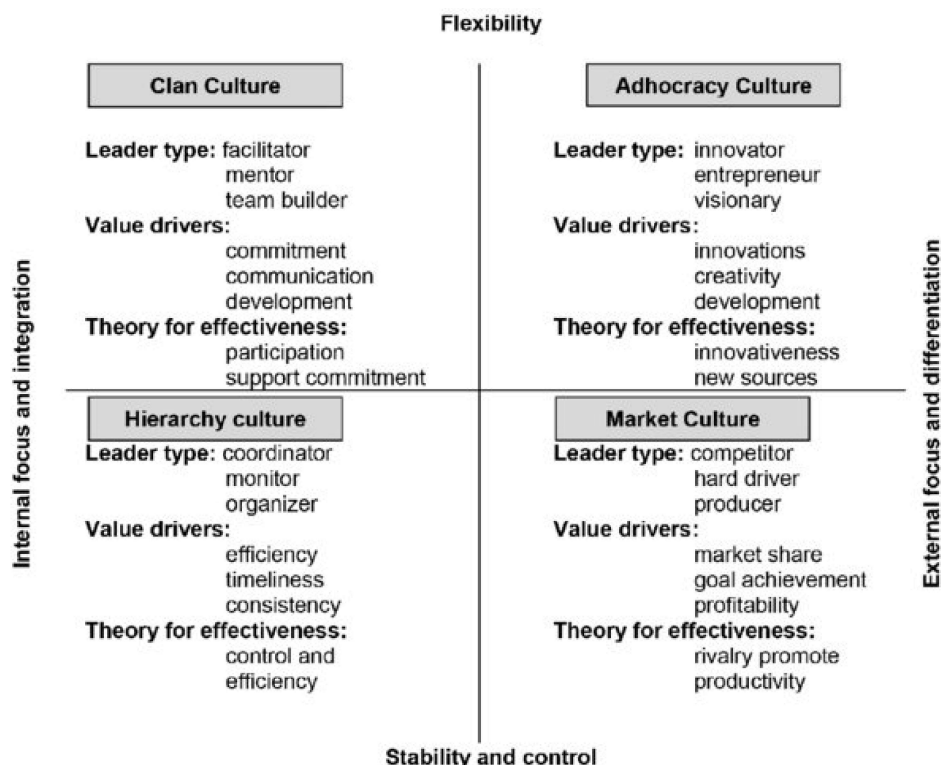
- > Low degree of centralization
- > High degree of formalization
- > Organization is task and projet oriented
- > Relationships are very results oriented
- > Relationships are based on rational/instrumental considerations
- > Relationships are limited to the specific functional aspects of the individuals
- > Achievement and effectiveness are more important than demands of authority ou procedures
- > The management is seen predominantly as a continuous process of solving problems
- > The manager is considered a team leader
- > This task-oriented organization is flexible and dynamic => highly adptative

> **The Incubator**

- > Low degree of centralization
- > Low degree of formalization
- > A person-oriented culture
- > All is related individuals : Org exists only to serve the needs of its members
- > Responsabilites and tasks are assigned according to member’s preferences
- > Control via persuasion and mutual concen of members

2. Cameron & Quinn Model

Identifying 4 competing organizational cultures based on 2 crieria : flexibility vs stability and control ; internal focus with integration vs external focus with differentiation.



Appendix : An overview of organizational culture models

Author(s)	Type of Corporate Culture	Dominant Ideologies
Mitroff & Kilmann (1975)	Sensation – thinking Intuition – thinking Intuition – feeling Sensation – feeling	Impersonal, abstract, certainty, specific, authoritarian Flexible, adaptive, goal-driven Caring, decentralized, flexible, few rules Personal, home-like, relationship-driven, non-bureaucratic
Ouchi (1982)	Type A Type J Type Z	Hierarchical, high specialization, short-term employment, individual responsibility, and decision making Clan control, low specialization, long-term employment, collective responsibility and decision making Clan control, moderate specialization, long-term employment, individual responsibility, group decision making
Deal & Kennedy (1982)	Process Tough-guy, Macho Work-hard, Play-hard Bel-your-company	Low risk, slow feedback, rules-driven, exposure avoidance High risk, quick feedback, little structure Medium risk, active, persistent, flexible structure Very high risk, slow feedback, clear structure
Kel de Vries & Milner (1984)	Paranoid Avoidant Charismatic Bureaucratic Schizoid	Fear, distrust, suspicion Powerlessness, inaction Power, success, following leader Depersonalized, detailed, rigid Politicized, isolated
Handy (1985)	Club (Zeus) Task (Athena) Role (Apollo) Existential (Dionysus)	Entrepreneurial, few rules, empathy, trust Creative, goal orientation, group decision making Structured, rule-based, stable, predictable Individualistic, self-oriented, little structure
Sethia & Von Gillow (1985)	Apathetic Caring Exacting Integrative	Demoralizing, cynical Employee concern Performance and success orientation Concern for employees, performance orientation
Trompenaars & Hampden-Turner (1997)	Family Eiffel Tower Guided Missile Incubator	Hierarchical, personal, power oriented, high-context Bureaucratic, hierarchical, rules and regulations, rational, stable, impersonal Goal-oriented, impersonal, group decision making Individualistic, self-fulfillment, personal
Cameron & Quinn (1999)	Hierarchy Market Clan Adhocracy	Bureaucratic, efficient, formal, structured Productivity orientation, competitive, aggressive Shared values, cohesion, participative Responsive, entrepreneurial, creative