

Organisational Culture



Kartik Chandra Das
Assistant Professor (PM&IR)
Utkal University Vanivihar

What is Culture?

The system of shared actions, values, and beliefs that develops within an organization and guides the behavior of its members



The set of values that helps the organization's employees understand which actions are considered acceptable and which actions are considered unacceptable

- A set of shared experiences
- That lead to the development of shared norms, beliefs and values
- That are subconsciously ‘assumed’ by the group
- Which leads to the generation of accepted practices and behavior

Importance of understanding organisational culture

- Routine behaviours
- Norms shared by teams
- Dominant values
- Guiding philosophy for policies toward stakeholders
- Rules of the game for getting along in the organisation
- Climate of the organisation

Characteristics of Organizational Culture

- Risk-taking.
- Individual autonomy.
- Structure.
- Identity.
- Management support.
- Reward system.
- Conflict tolerance.
- Communication pattern.
- Outcome orientation
- People orientation

Functions of Culture

- defines boundaries
- conveys a sense of identity
- generates commitment to higher-order goals
- enhances stability of the social system
- serves as a regulatory mechanism for attitudes and behaviours
- Social glue that binds the organization together

➤ Organizational culture addresses two important survival issues.

- **External adaptation.**
- **Internal integration.**



External adaptation

**involves
reaching goals
and dealing with outsiders.**

Internal Integration

**deals with the creation of a
collective identity and with finding
ways of matching methods of
working and living together**

Artifacts - symbols of culture in the physical and social work environment

Values

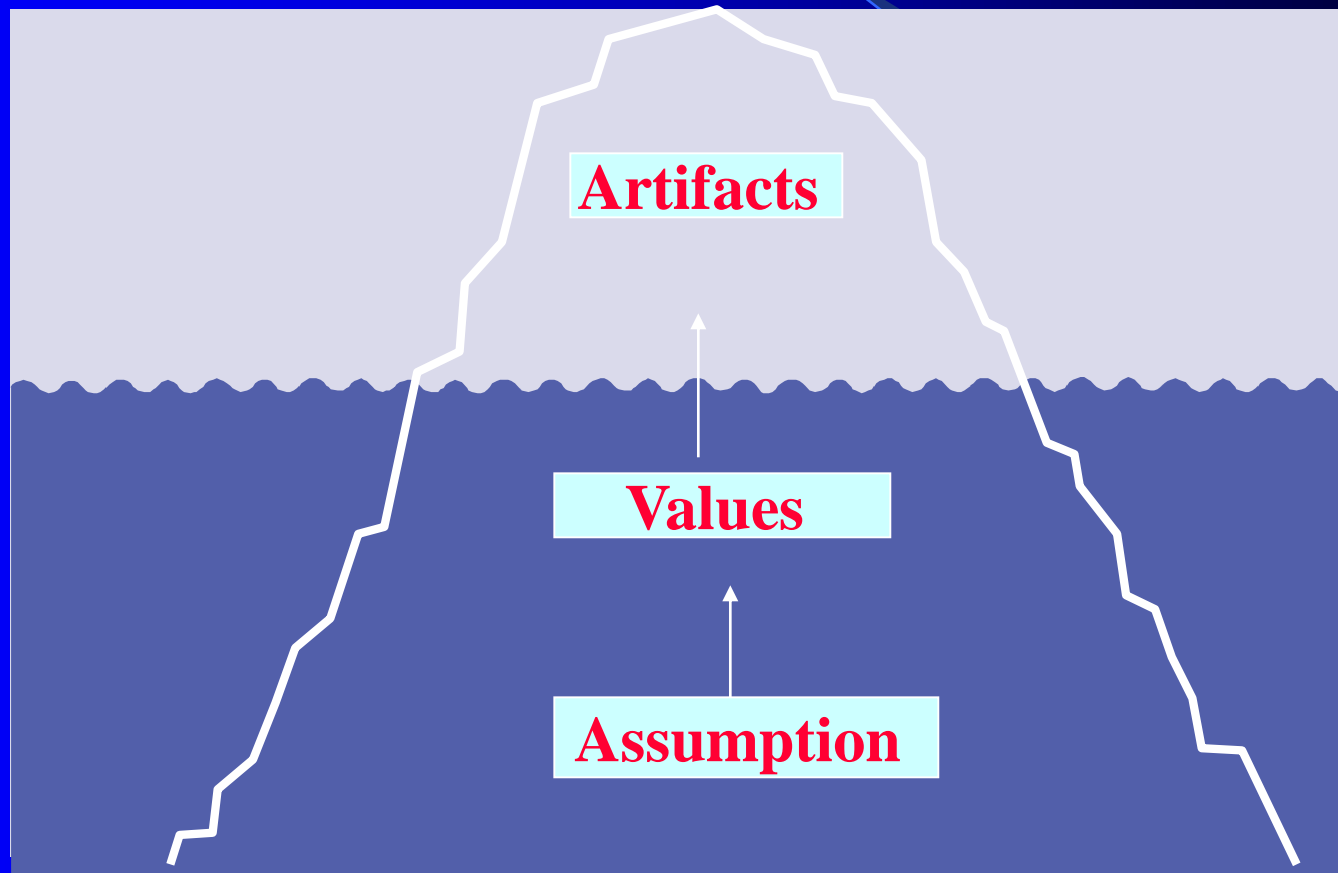
Espoused: what members of an organization say they value

Enacted: reflected in the way individuals actually behave

Assumptions - deeply held beliefs that guide behavior and tell members of an organization how to perceive and think about things

Levels of
Organizational
Culture

Layers of Culture



Artifacts

Personal enactment
Ceremonies and rites
Stories
Ritual
Symbols

Values

Testable in physical environment
Testable only by social consensus

Assumptions

Relationship to environment
Nature of reality, time, and space
Nature of human nature
Nature of human activity
Nature of human relationships

Organizational Culture Levels

Visible, often not
decipherable

Greater level
of awareness

Taken for granted
Invisible
Preconscious

Cultural Dimensions

- Mechanistic and Organic Cultures
- Authoritarian and Participative Cultures
- Dominant and Subculture
- Strong and Weak Cultures
- National Culture Vs. Organisational Cultures

Intensity of
Core Values

Commitment to
Core Values

Strong Versus Weak Cultures

Level of Behavioral
Control

Level of Employee
Turnover

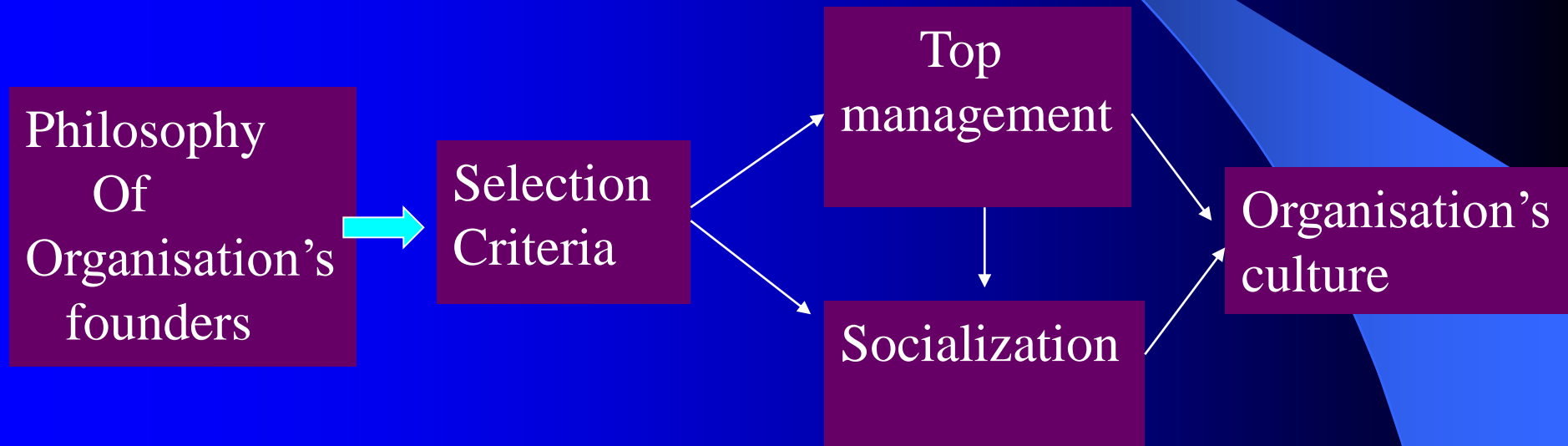
How employees learn culture

- Formal methods include induction and training
- In addition a number of informal means exist
 - Stories
 - Rituals
 - Material symbols
 - Language

Influences on Culture Development

- History
- Primary function and technology
- Goals and objectives
- Size
- Location
- Management and staffing
- The environment

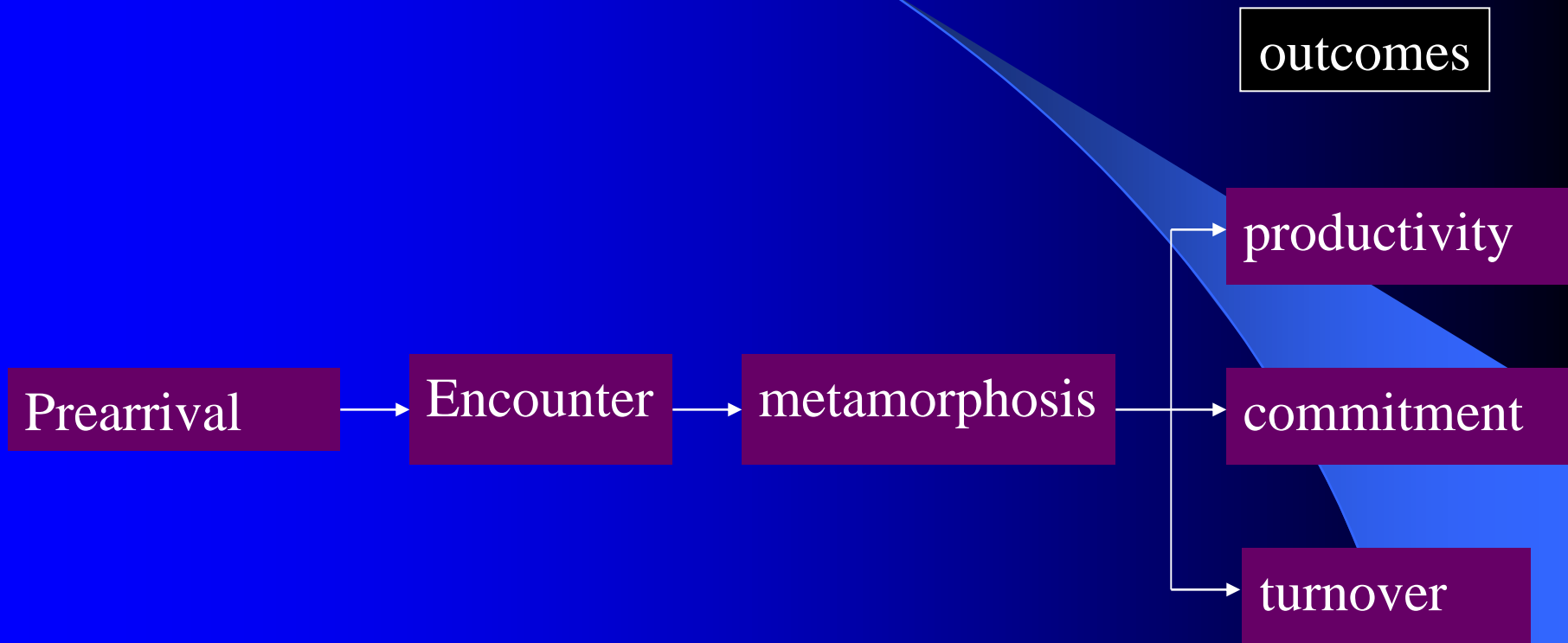
How Organizational Culture Forms



Keeping a Culture Alive

- Selection
 - Identify and hire individuals who will fit in with the culture
- Top Management
 - Senior executives establish and communicate the norms of the organization
- Socialization
 - Organizations need to teach the culture to new employees

A Socialization Model



Communicating Cultural Norms

- Organizations use several types of ceremonial rites and ceremonies to communicate cultural norms and values.
 - *Rites of passage*
 - *Rites of integration*
 - *Rites of enhancement*

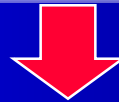
Organizational Rites and Ceremonies

TYPE	EXAMPLE	POSSIBLE CONSEQUENCES
Rites of passage	Orientation programmes	Facilitate transition into new roles; minimize differences in way roles are carried out
Rites of enhancement	Company ceremonies e.g. Awards	Enhance power & identity; emphasize value of proper behavior
Rites of integration	Office Party	Encourage common feelings that bind members together

Maintaining Organizational Culture

Methods of Maintaining Organizational Culture

- What managers and teams pay attention to
- Reactions to organizational crises
- Managerial role modeling
- Criteria for rewards
- Criteria for selection and promotion
- Organizational rites, ceremonies, stories



Recruit
employees
who fit



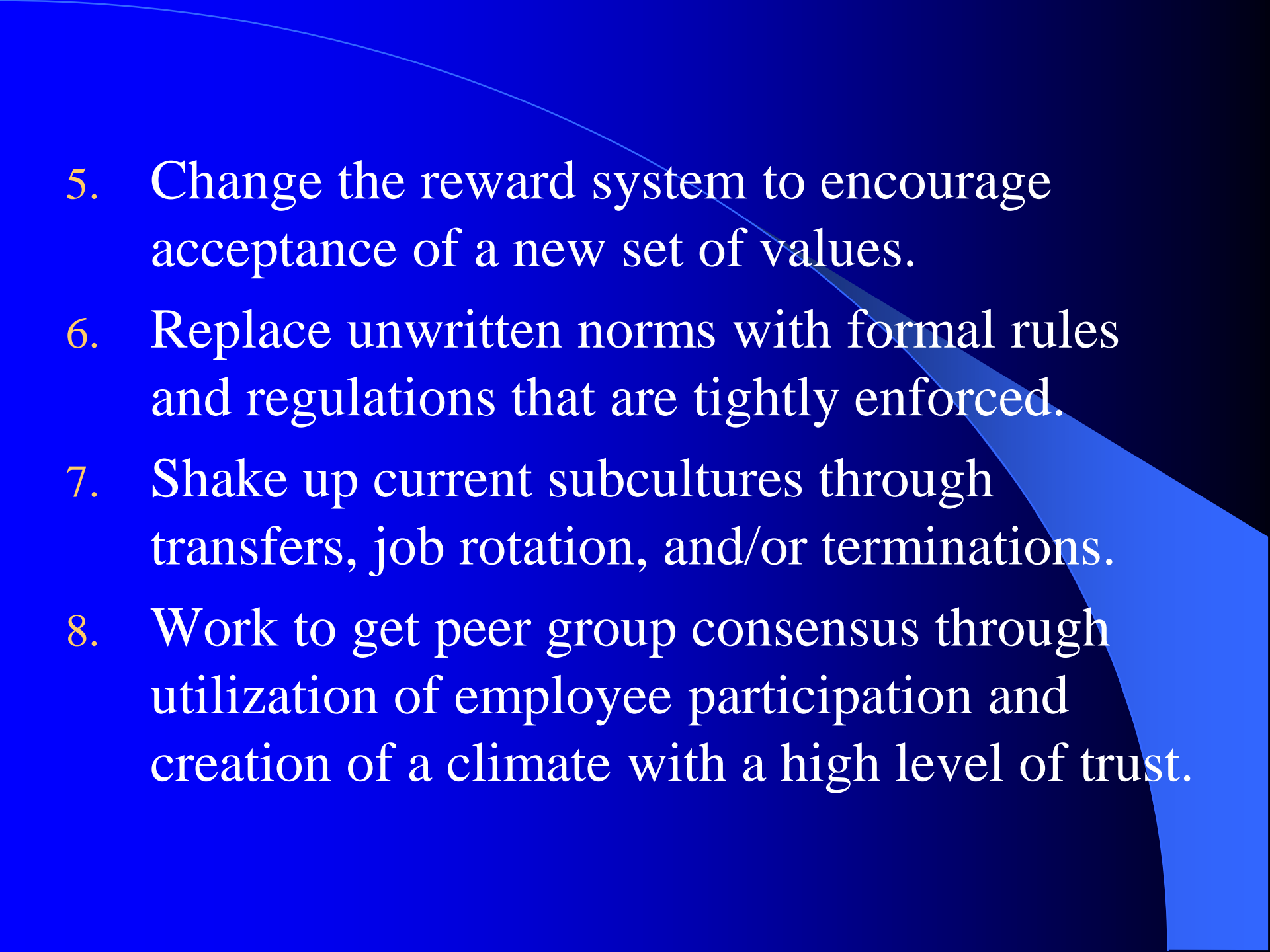
Organizational
Culture



Remove
employees
who deviate

Changing Organizational Culture

1. Have top-management people become positive role models, setting the tone through their behaviour.
2. Create new stories, symbols, and rituals to replace those currently in vogue.
3. Select, promote, and support employees who espouse the new values that are sought.
4. Redesign socialization processes to align with the new values.

- 
- A decorative graphic consisting of a light blue curved line starting from the top left and extending towards the center, and a darker blue triangle pointing upwards from the bottom right corner.
- 5. Change the reward system to encourage acceptance of a new set of values.
 - 6. Replace unwritten norms with formal rules and regulations that are tightly enforced.
 - 7. Shake up current subcultures through transfers, job rotation, and/or terminations.
 - 8. Work to get peer group consensus through utilization of employee participation and creation of a climate with a high level of trust.

Organisational climate

Climate refers to the prevailing atmosphere surrounding the organisation, to the level of morale, and to the strength of feelings or belonging, care and goodwill among members

- Climate may be thought of as the perception of the characteristics of an organisation.
- It is summary perception which people have about an organisation.

Factors Affecting Organisational climate

- Organisational context
- Organisational structure
- Process
- Physical environment
- System values and norms

prerequisites of a healthy organisational climate

- Integration of organisational and personal goals
- Appropriate organisation structure
- Democratic functioning
- Equitable HRM policies & practices
- Mutual trust & consideration
- Open discussion of conflict
- Recognition of people's needs and expectations
- Equitable systems of rewards
- Concern for quality of working life
- Opportunities for personal development

Culture Versus Climate

- Culture

- The study of organizational culture was based in anthropology and sociology.
- Typically refers to:
 - The historical context of a situation and
 - The impact of the context on the behavior of employees
- Is the means through which employees learn and communicate what is acceptable and unacceptable in the organization.

Culture Versus Climate

- Climate

- The study of climate was based in psychology.
- Usually refers to:
 - Current atmosphere in the organization and
 - The linkage among work groups, employees, and work performance
- Is more easily manipulated than culture.
- Does not deal with values and norms.