

1

THE CONCEPT OF ORGANIZATIONAL CULTURE: WHY BOTHER?

Culture is an abstraction, yet the forces that are created in social and organizational situations that derive from culture are powerful. If we don't understand the operation of these forces, we become victim to them. To illustrate how the concept of culture helps to illuminate organizational situations, I will begin by describing several situations I have encountered in my experience as a consultant.

Four Brief Examples

In the first case, that of Digital Equipment Corporation (DEC), I was called in to help a management group improve its communication, interpersonal relationships, and decision making. After sitting in on a number of meetings, I observed, among other things, (1) high levels of interrupting, confrontation, and debate; (2) excessive emotionality about proposed courses of action; (3) great frustration over the difficulty of getting a point of view across; and (4) a sense that every member of the group wanted to win all the time.

Over a period of several months, I made many suggestions about better listening, less interrupting, more orderly processing of the agenda, the potential negative effects of high emotionality and conflict, and the need to reduce the frustration level. The group members said that the suggestions were helpful, and they modified certain aspects of their procedure; for example, they scheduled more time for some of their meetings. However, the basic pattern did not change. No matter what kind of intervention I attempted, the basic style of the group remained the same.

In the second case, that of the Ciba-Geigy Company—a large multinational chemical and pharmaceutical company located in Basel, Switzerland—I was asked, as part of a broader consultation project, to help create a climate for innovation in an organization that felt a need to become more flexible in order to respond to its increasingly dynamic business environment. The organization consisted of many different business units, geographical units, and functional groups. As I got to know more about these units and their problems, I observed that some very innovative things were going on in many places in the company. I wrote several memos that described these innovations and presented other ideas from my own experience. I gave the memos to my contact person in the company with the request that he distribute them to the various geographic and business unit managers who needed to be made aware of these ideas.

After some months, I discovered that those managers to whom I had personally given the memo thought it was helpful and on target, but rarely, if ever, did they pass it on, and none were ever distributed by my contact person. I also suggested meetings of managers from different units to stimulate lateral communication, but found no support at all for such meetings. No matter what I did, I could not seem to get information flowing, especially laterally across divisional, functional, or geographical boundaries. Yet everyone agreed in principle that innovation would be stimulated by more lateral communication and encouraged me to keep on “helping.”

In the third example, Amoco, a large oil company that was eventually merged with British Petroleum (BP), decided to centralize all of its engineering functions in a single service unit. Whereas engineers had previously been regular parts of projects, they were now supposed to sell their services to clients who would be charged for these services. The engineers resisted violently and many of them threatened to leave the organization. We were unable to reorganize this engineering organization to fit the new company requirements.

In the fourth example, Alpha Power, an electric and gas utility that services a large urban area, was faced with having to become more environmentally responsible after the company was brought up on criminal charges for allegedly failing to report the presence of asbestos in a local unit that had suffered an accident. Electrical workers, who took pride in their “heroic” self-image of keeping the lights on no matter what, also held the strong norm that one did not report spills and other environmental and safety problems if such reports would embarrass the group. I was involved in a multi-year project to change this self-image to one in which the “heroic” model would be to report all safety and environmental hazards, even if that meant reporting on peers—or bosses. All employees were supposed to adopt a new concept of personal responsibility, teamwork, and openness of communication. Yet no matter how clear the new mandate was made, safety problems continued wherever peer group relations were involved.

I did not really understand the forces operating in any of these cases until I began to examine my own assumptions about how things should work in these organizations and began to test whether my assumptions fitted those operating in my clients’ systems. This step—examining the shared assumptions in the organization or group one is dealing with and comparing them to one’s own—takes one into cultural analysis and will be the focus from here on.

It turned out that at DEC, an assumption was shared by senior managers and most of the other members of the organization: that one cannot determine whether or not something is “true” or “valid” unless one subjects the idea or proposal to intensive debate; and further, that only ideas that survive such debate are worth acting on, and only ideas that survive such scrutiny will be implemented. The group assumed that what they were doing was discovering truth, and in this context being polite to each other was relatively unimportant. I became more helpful to the group when I realized this and went to the flip chart and just started to write down the various ideas they were processing. If someone was interrupted, I could ask

them to restate their point instead of punishing the interrupter. The group began to focus on the items on the chart and found that this really did help their communication and decision process. I had finally understood and entered into an essential element of *their* culture instead of imposing my own.

At Ciba-Geigy I eventually discovered that there was a strong shared assumption that each manager's job was his or her private "turf," not to be infringed on. The strong impression was communicated that one's job is like one's home, and if someone gives one unsolicited information, it is like walking into one's home uninvited. Sending memos to people implies that they do not already know what is in the memo, and that is potentially insulting. In this organization managers prided themselves on knowing whatever they needed to know to do their job. Had I understood this, I would have asked for a list of the names of the managers and sent the memo directly to them. They would have accepted it from me because I was the paid consultant and expert.

At Amoco I began to understand the resistance of the engineers when I learned that in their occupational culture there are strong assumptions that "good work should speak for itself" and "engineers should not have to go out and sell themselves." They were used to having people come to them for services and did not have a good role model for how to sell themselves.

At Alpha Power I learned that all work units had strong norms and values of self-protection that often overrode the new requirements imposed on the company by the courts. The groups had their own experience base for what was safe and what was not, which they were willing to trust, whereas the tasks of reporting environmental spills and cleaning them up involved *new* skills that workers were eventually willing to learn and collaborate on.

In each of these cases I initially did not understand what was going on because my own basic assumptions about truth and turf and group relations differed from the shared assumptions of the members of the organization. And my assumptions reflected my occupation as a social psychologist and organization consultant,

while the group's assumptions reflected in part their occupations as electrical engineers, chemists, and electrical workers.

To make sense of such situations requires taking a cultural perspective; learning to see the world through *cultural lenses*; becoming competent in cultural analysis—by which I mean being able to perceive and decipher the cultural forces that operate in groups, organizations, and occupations. Once we learn to see the world through cultural lenses, all kinds of things begin to make sense that initially were mysterious, frustrating, or seemingly stupid.

Culture: An Empirically Based Abstraction

Culture as a concept has had a long and checkered history. It has been used by the layman as a word to indicate sophistication, as when we say that someone is very “cultured.” It has been used by anthropologists to refer to the customs and rituals that societies develop over the course of their history. In the last several decades it has been used by some organizational researchers and managers to refer to the climate and practices that organizations develop around their handling of people, or to the espoused values and credo of an organization.

In this context, managers speak of developing the “right kind of culture,” a “culture of quality” or a “culture of customer service,” suggesting that culture has to do with certain values that managers are trying to inculcate in their organizations. Also implied in this usage is the assumption that there are better or worse cultures and stronger or weaker cultures, and that the “right” kind of culture will influence how effective the organization is. In the managerial literature there is often the implication that having a culture is necessary for effective performance, and that the stronger the culture, the more effective the organization.

Researchers have supported some of these views by reporting findings that cultural “strength” or certain kinds of cultures correlate with economic performance (Denison, 1990; Kotter and Heskett, 1992; Sorensen, 2002). Consultants have touted “culture