Chapter 1

Background of the study

1.1 Introduction of the study

This chapter defines organizational culture as a set of values, beliefs and assumptions collectively shared by all members of an organization. The chapter sketches the background to the study in terms of the historical perspectives of organizational culture. Holbeche (2005:36) states that culture is formed by many factors, including the societal culture in which an organization exists, its technologies, markets and competition. Culture develops during the course of social interaction. In organizations, there are many different and competing value systems that create a range of organizational realities and subcultures, rather than one uniform corporate culture.

Hill and Jones (2001) define organizational culture, or corporate culture as comprised of the artifacts, experiences, beliefs and values of an organization. Organizational culture has been defined as ‘the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization. Hill and Jones also observe that organizational values are beliefs and ideas about what kinds of behaviour group members of an organization should pursue and about the appropriate kinds or standards of behaviour members should use to achieve the organization’s goals. Organizational values develop organizational norms, guidelines or expectations that prescribe appropriate kinds of behaviour by employees in particular situations and control the behaviour or organizational members towards each other. (www.en.wikipedia.org)

Frost, Moore, Louis, Lundberg and Martin (1985:27) note that an informal organization is essential to the successful functioning of formal organizations. Codes of conduct arise and ensure commitment, identity, coherence, and a sense of community. Recognition of the prevalence and potency of workplace culture is not
restricted to business scholars and social scientists. Most anyone entering an unfamiliar work setting knows the feeling of being an outsider; one sometimes feels as though one has just arrived in a foreign country. Real wisdom in such situations means recognizing that the unspoken is more powerful than what can be conveyed through speaking. One gradually gains a sense of the feel, the smell, the personality of a workplace, a way of working, or a kind of work - though it may be difficult to put it into words so that an outsider will understand. Organizational scientists under a variety of labels have studied this indigenous feel of a place and its caste in the past. Thus the notion of organizational culture has a rich a heritage. The phenomenon has been considered as the character of an organization its climate, ideology, and image. It encompasses notions of informal organizations, norms and emergent systems. Schon (1979) as cited by Frost *et al* (1985:31) states that the notion of cultural organization is rooted in both anthropology and sociology. The notion that organizations have cultures is an attractive heuristic proposition, especially when explanations derived from individual-based psychology, or structural sociology prove limiting. Culture implies that human behaviour is partially prescribed by collectively created and sustained ways of life that are more than individual since they are shared by diverse individuals.

**1.2 Statement of a problem**

From the literature alluded to above, it is evident that organizational culture constitutes the employees’ values, beliefs and norms of an organization, and that it is significant for management to create a culture that comprehends the organization as a whole.

The purpose of this study is to determine the effectiveness of organizational culture, (the organizational policies- rules and regulations, and operating procedures within formal structures) in regulating employees’ behavioural activities; the influence of organizational culture on employees’ behaviour, and to investigate the outcomes of implementing such a culture in the organization.
1.3 Objectives of the study

The overall research objective of this study is to determine the effectiveness of organizational culture on employees’ behaviour. Specifically, the objectives of the study are to:

1) Determine the extent of influence of organizational culture on employees’ behaviour.
2) Identify how management enforces such a culture onto the workplace.
3) Determine the significance of creating organizational culture and its implementation.

1.4 Hypothesis

Given the above stated problem and objectives, it is negatively hypothesized that organizational culture has no influence on employees’ behaviour; and has no significance to the organization and to its employees.

1.5 Significance of the study

Morgan (1990) states that culture shapes the character of an organization, is an active process of reality construction and develops during the course of social interaction (i.e. history influences organizational structure) (www.-users.york.ac.uk) Shaw (1997:26) quotes Kilmann’s essay entitled “Corporate Culture”, which states that organizational culture provides “meaning, direction and mobilization, a social energy that moves the corporation into either production or destruction”.

This study is about the effectiveness of organizational culture on employees’ behaviour, where it seeks to identify why it is necessary for the organization to create its own unique culture. South African organizations are experiencing challenges such as diversity, international competition or globalization, mergers, take-overs, etc. Thus, there is a need to develop their own unique organizational cultures.
1.6 Theoretical framework

This research into the effectiveness of organizational culture on employees’ behaviour is closely related to McClelland’s theory of needs, because as mentioned above by Hill and Jones (2001) organizational culture is basically the personality of the organization. McClelland’s theory of needs is relevant to this study in that it gives the organization a sense of identity which is distinct from that of its competitors and that of its employees. According to Nel, van Dyk, Haasbroek, Schultz, Sono and Werner (2004:313), McClelland’s motivational theory, developed in 1962, considers three needs, namely a need for affiliation, a need for power and a need for achievement. People with a strong need for affiliation will aim their behaviour at fostering interpersonal relations, while people with a strong need for power try to influence the behaviour of others. McClelland distinguished between two types of power, namely social power and personalized power. Social power is aimed at inspiring and influencing employees to achieve goals, while personalized power is exercised to control and exploit people. However, it is McClelland’s achievement - motivation - theory that attracts the most attention and research. People with a high need for achievement are often top performers in an organization, and frequently demonstrate the following characteristics: -

They set challenging, yet attainable goals; they require regular and immediate feedback, they take calculated risks; they seek autonomy and freedom and they perceive money as an indication of their success rather than for its material value only.

A second theory relevant to this study is Locke’s goal-setting theory, since organizational culture conduces towards the achievement of specific goals in accommodating the needs of those who work inside the organization and of stakeholders outside the organization. According to Robbins, Ondendaal and Roodt (2003:137), Locke proposed that intentions to work towards specific goals are a major source of work motivation. That is, goals tell an employee what needs to be expended. Specific goals increase performance; difficult goals, when accepted, result in higher performance than do easy goals, and feedback as to the
successfulness in meeting goals leads to higher performance than does the absence of feedback.
Specific hard goals produce a higher level of output than does the generalized goal of “do your best”. If factors like ability and acceptance of the goals are held constant, it is also true that the more difficult the goal, the higher the level of performance. However, it is logical to assume that easier goals are more tidily accepted. Once an employee accepts a hard task, however, he/she will exert a high level of effort until it is achieved, lowered, or abandoned. People will do better when they get feedback as to how well they are progressing towards their goals because feedback helps them to identify discrepancies between what they have done and what they want to do; feedback serves to guide behaviour.

1.7 Preliminary review of literature

The literature review for this study comprises three sections. The first section concerns the knowledge of organizational culture; the second section concerns organizational performance; and the third concerns employees’ behaviour.

1.7.1 Organizational culture:

Organizational culture has been defined above as the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with other people in the workplace.
Goldhaber and Barnett (1988:107) identify and describe the following components as important to the study of an organizational culture:-

a) Language: it is the most central aspect of organizational culture. This includes the symbols, jargon, or specialized vocabulary which is used by an organization’s members. Meaning may only be attributed to a word or sign in the context of the organization and its history. It is through its shared symbol system that an organization communicates its values, behavioural expectations, common experiences, and self-image among its members.

b) Values: values are enduring beliefs that specify a mode of conduct or end-state of existence that is personally or socially preferable to it’s others. Values provide people with general standards of competence and morality
which guide or determine attitudes, behaviours, judgments and comparisons of self with others. Within the organizational context, they are the basic conceptualizations and beliefs on which an organization’s activities are based. They define its goals, and the standard for evaluation of the measure of success in goal achievement. Values mobilize the collective consciousness and its members’ action by connecting social obligations with general ethical principles.

c) Behaviours: Another component of culture is the behaviour of the organization’s members. These are the programmatic and reutilized activities of everyday life that enable the organization to accomplish its goals, both tasks and socio-emotional. It is the “how things are done around here”. As with the organizational values, knowledge of such behaviour of the norms and rules for appropriate behaviour is shared. It is directed by the cultural meaning system, and is therefore part of the collective consciousness. Included in the behaviour category are organizational ritual and ceremony. These constitute examples of the organization’s culture, which, observe, help to structure the social reality. Participation in these activities reinforces the individual’s membership in the organization by providing him/her with shared experiences through which to internalize the culture’s value system.

d) Stories and Legends: Another component included in culture is the organization’s stories, legends, folk-tales and myths. Every organization has stories which are exchanged among its members and told to new members as part of the socialization process. It is through hearing these stories that new members learn the cultural meanings of symbols used in the stories. They describe the organizational experience and provide one method of communicating an organization’s culture to its members. Through the telling of these stories, organizational myths and legends develop.

1.7.2 Organizational performance

Schein (2001) states that organizational performance comprises the actual output or result of an organization as measured against its intended outputs (or goals and objectives). www.en.wikipedia.org
According to Harung and Dahl (1995) as cited by Holbeche (2005:36), there are four stages of organizational development that lead to the breakthrough improvements in individual and organizational performance:

a) Task-oriented: Workers perform a single or a few tasks which, when seen in isolation, may often seem insignificant. Coordination is achieved through an extensive vertical command and control hierarchy. Initiative and decision-making are concentrated at the top. This type of organization is often characterized by internal competition, where the priority may be on pleasing superiors rather than, for instance, the customers.

b) Process-oriented: Work is performed by teams and centered on holistic processes that encompass a number of tasks. Jobs are multi-skilled. Teams are, to a large extent, autonomous, and reveal a flatter organizational structure. The emphasis is on performance and contribution rather than on seniority.

c) Value-or-culture-driven: The main focus is on making sure that all employees have sound and healthy values- i.e. that the organization’s culture is advanced. There is a higher degree of empowerment and self-management than in process-oriented organizations. Emphasis tends to be on mutual support and coaching.

d) Development-oriented: In later stages of human development, the individual automatically exhibits sound values, high creativity and effectiveness. Therefore, the focus in this type of organization is on realizing that which is most important- i.e. development of consciousness.

1.7.3 Employee Behaviour

Daulatram (2003:219) states that the perverseness of an organization’s culture requires that management recognize the underlying dimensions of their corporate culture and its impact on employee behavioral variables such as job satisfaction, commitment, group-work cohesion, performance, and personal development.
1.8 Research methodology

Polit and Hungler define research design as a non-experimental research that focuses on obtaining information regarding the activities, beliefs, preferences and attitudes of people via direct questioning of a sample of respondents. Survey research is a popular approach to measuring peoples’ beliefs opinions, attitudes, personal attributes or characteristics (such as age, gender, marital status, occupation), past experiences and potential behaviours. They help to answer questions such as “what do you think/ feel/ believe about…” or “how many times have you/ do you…” (www.hcc.uce.uk)

The research design for this study is non-experimental as it benefits a descriptive quantitative research survey. The target population group of this study consist approximately 300 respondents, and information will be acquired from the academic and administrative staff at the Nelson Mandela Metropolitan University, Rhodes University and Walter Sisulu University. The sampling for this study will be from the lower, middle and upper academic and administrative staff of the above mentioned institutions. The sampling procedure suited for this study is probability sampling, which is based on randomization sampling.

Data collection is the act or process of capturing raw primary data from a single source or from multiple sources. (www.hospitalguide.mhcc).

It is to collect specific information, in this case about employee’s academic and behavioural performance. Data collection helps an instructor to determine a program’s effectiveness. By collecting and analyzing data on a systematic basis, an instructor knows when to make changes in both academic and behavioural programs. Data collection has two critical components: information gathering and decision making. (www.usu.edu).

The method of data collection suitable for this study is quantitative in kind and as both closed and open-ended questions.

These questions consist of three sections. The first section will concern the demographic factors of the respondents, the second section will consist of the structured questions on organizational culture, and the third section will consist of structured questions about employees’ behaviour.
The questionnaires will be both self administered and interviewer- administered.

Data analysis is the process of organizing and examining the collected data using narratives, charts, or tables. Data analysis processes the information or data collected in order to draw conclusions. [http://www.education.jlab.org/beamsactivity/6grade/vocabulary](http://www.education.jlab.org/beamsactivity/6grade/vocabulary). Data acquired form the above mentioned institutions will be analyzed by the Statistics Department at the University of Fort Hare.

1.9 Limitations to the study

A predictable limitation of the study concerns a limited budget. Traveling from one institution to the next is costly and the reluctance of peoples’ in filling in the questionnaire.

1.10 Conclusion

Organizational culture directly affects the development of an organization as well as of its members. Organizational culture is basically defined as the way an organization does things, the manner of communication, interaction, rules, regulations and etiquette. Organizational culture consists of many factors, including the societal culture in which the organization resides, its technologies, markets and competitors. Related terms and concepts are defined, e.g. organizational performance and employees’ behaviour. The research methodology suitable for this study is discussed as in the method of data collection and analysis.
Chapter 2

The Knowledge of Organizational Culture

2.1 Introduction

Organizational culture, or corporate culture, comprises the attitudes, experiences, beliefs and values of an organization. It has been defined as ‘the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization. Organizational values are beliefs and ideas about what kinds of goals members of an organization should pursue and ideas about the appropriate kinds or standards of behavior organizational members should use to achieve these goals. From organizational values develop organizational norms, guidelines or expectations that prescribe appropriate kinds of behavior by employees in particular situations and control the behavior of organizational members towards one another. Most people have a basic notion of what culture is. The suggestion would probably be that culture studied by anthropologists and sociologists represents the belief systems, values and specific human behaviours that distinguish one society from another. The same can be said of organizations, because they are one significant subsystem within any society. Thus, it is important to have a firm understanding of the elements and the uses of organizational culture. A sound organizational culture is the key to competitive advantage for some leading corporations. Evidence is growing that some successful firms are able to emphasize customer, employees and performance simultaneously to sustain continued growth and development by implanting a strong culture that is shared and acted upon by all members of the organization. Organizational culture as already explained in this chapter is the system of shared beliefs and values that develop within an organization and guides the behavior of its members. Just as two individual personalities are necessarily the same, no two organizational cultures are identical. Most significantly, management scholars and consultants increasingly believe that cultural differences can have a major impact on the performance of organizations and the quality of work life experiences by their members.
2.2 Background of organizational culture

According to Coopey (1990) culture can be carried, for example, in the form of artifacts, language, myths and ideologies and provides the basis for “shared meanings” which can be used to guide behaviors and interpret experience. Cultural knowledge can exist as beliefs and values that provide framework for simplifying events i.e. Surface Knowledge. An organization can develop a strong culture that will represent identity and power and is deeper than the explicit aims and needs of a job. Development of a culture can arise from the interaction of the founder’s and individual member’s beliefs and values, and the internal and external environment. The founder may have the greatest influence on the culture when the organization is in its earliest stages. This influence may be weakening as the organization grows and develops. A general culture may merge but subcultures may also be apparent. These may arise due to the heterogeneous nature of the aims and goals of the different departments and the individual working within them. In times of “environmental turbulence” these subcultures should pull together by recognizing the general culture of the organization and preventing a breakdown between subcultures. Changes in the organization that have arisen due to changes in the environment have to be met by considering the culture of the fundamental role it plays in the life of the organization. Coopey (1990) considers three main viewpoints for approaching culture:

- Comparatively, focusing on organizations of different cultures
- Looking at corporate culture to enable understanding of the performance of the organization.
- Viewing the organization as a culture in its own right.

According to Pettigrew (1990) quoted by Morrison, Brown and Smit (2006:40), associates culture with the forces of ‘coherence and consistency’ in the organization. Culture is seen as a system of informal guidelines and as a form of social agreement that helps people understand how life in the organization, including reward and punishment. Organizational culture will, for example, be evident in the symbols and rituals of the organization, as well as in the beliefs and ideologies of management. The impact of culture is reflected in several key aspects of organizational functioning, key problem solving styles, as well as organizational structure preferences, control systems, reward systems, and human resources practices. Organizational culture is potentially also a dysfunctional factor. In attempting to
establish project management as a new management discipline, especially in an organization with a functional hierarchy past, unexpected resistance may come from the culture of the organization. Organizational culture is known for nurturing self-sustaining forces that tend to preserve past successful behaviours and sources of power, not recognizing the need to adapt to change in the environment or strategy.

2.3 A framework for understanding organizational culture

According to Schein (1985) as cited by Kaarst-Brown, Nicholson, von Dran and Stanton (2004:34), culture is a pattern of basic assumptions- invented, discovered, or developed by a given group as it learns to cope with its problem of external adaptation and internal integration that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. Schein goes on to express his view that culture is a learned product of group experience. Culture is found, therefore, where there is a definable group with significant history, regardless of the structural level of analysis. An organization’s culture is initially formed as a result of early experiences and the influence of early leaders. Overtime, assumptions about how to operate become so implicit imbedded in the underlying assumptions of action that they are difficult, if not impossible, to articulate. Diagnosing cultural characteristics is challenging. Schein (1985) argues that there are three levels to culture that interact: artifacts and creations, values, and basic assumptions:

Level one focuses on **artifacts and creations** which is the most visible level of culture because it is the constructed physical and social environment, including the language. Schein’s interpretation of artifacts is “the physical output of the group” rather than any reference to information technology itself. To develop an understanding at this level, one can “attempt to analyze the central values that provide the day-to-day operating principles by which the members of the culture guide their behavior”.

Level two focuses on **values**. Although this cultural level can provide insights into what insiders view as the “should’s” of the organization or unit, there can be conflicting interpretation of what the organizational values are. Leaders communicate their values, and these values lead to success, then a process of cognitive transformation takes place. This process results in beliefs and then assumptions that are unconscious and automatic. Schein
further suggests that many values remain conscious, explicit articulated, and form the normative guiding principles for groups.

Schein’s level three, *basic assumptions*, is equated to Argyris and Schon’s (1978) “theories-in-use”. Basic assumptions may be so implicit taken for granted, and unconscious that surfacing them can require intensive interviewing and observation. Yet, when we do surface them, the cultural pattern suddenly clarifies and we begin to feel that we really understand what is going on and why.

The view of organizational culture as fragmented reflects the challenges of achieving cultural consensus and exhibits a high level of acknowledgement and acceptance of cultural ambiguity. In the fragmented organizational culture, the cultural artifacts are neither clearly consistent nor inconsistent, and newcomers or outsiders may have difficulty discerning a dominant culture other than the fact that greater cultural diversity coexists. Occupational culture is in part determined by specialized training and knowledge sets. In addition to defining occupational boundaries, cultural knowledge can also define boundaries of affiliation, create barriers, or facilitate interaction and cooperation. For example, occupational language and rituals associated with special fields such as medicine, library science, accounting, and others create bonds between those who share them and may exclude those who do not have knowledge of them. Lack of common cultural knowledge may negatively impact organizations because communication requires a common language about the business, as well as cultural community that underscores shared meaning.
Levels of culture and their interaction

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Adapted from Organizational Culture and Leadership by Schein (1985:14).

2.4 The functions of organizational culture

2.4.1 The basic functions of organizational culture

According to Wager and Hollenbeck (1998:337), an organization’s culture is thus an informal, shared way of perceiving life and members in the organization that binds members together and influence what they think about themselves and their work. In the process of helping to create a mutual understanding of the organizational life, organizational culture fulfills four basic functions.

1. It gives *members an organizational identity*. Sharing norms, values, and perceptions give people a sense of togetherness that helps promote a feeling of common purpose.
2. It *facilitates collective commitment*. The common purpose that grows out of a shared culture tends to elicit strong commitment from all those who accept the culture as their own.

3. It *promotes organizational stability*. By nurturing a shared sense of their identity and commitment, culture encourages lasting integration and cooperation among the members of an organization.

4. It *shapes behaviour by helping members make sense of their surroundings*. An organization’s culture serves as a source of shared meanings to explain why things occur the way they do. By performing these four functions, the culture of an organization serves as a sort of social glue that helps reinforce persistent, coordinated behaviours at work.

### 2.4.2 The four core functional definition of organizational culture

According to Ott (1985:68), there is a general agreement across the literature about the four functions of organizational culture, and they can be viewed as the core of a functional definition of organizational culture:

1. It provides shared patterns of cognitive interpretations or perceptions, so organization members know how they are expected to act and think.
2. It provides shared patterns of affect, an emotional sense of involvement and commitment to organizational values and morale codes- of things worth working for and believing in- so organizational members know what they are expected to value and how they are expected to feel.
3. It defines and maintains boundaries, allowing identification of members and nonmembers.
4. It functions as an organizational control system, prescribing and prohibiting certain behaviour.

The functional definition of organizational culture is quite straightforward. Organizational culture can be defined functionally or pragmatically as a social force that controls patterns of organizational behaviour by shaping members’ cognitions and perceptions of meanings.
and realities, providing affective energy for mobilization and identifying who belongs and who does not.

### 2.5 The three useful purposes and sources of organizational culture

According to Ott (1985:74), organizational culture serves three purposes:

1. They hold the answer to how one goes about changing or strengthening aspects of an organizational culture, and why organizational cultures are very difficult to change.
2. They explain why all organizational cultures are relatively unique, and why most subcultures are either enhancing or orthogonal rather than countercultures.
3. They lay the groundwork for understanding how to identify or decipher an organizational culture.

Organizational culture according to Ott (1985:74) also has three other general sources or determinants:

1. The broader societal culture in which an organization resides.
2. The nature of an organization’s business or business environment.
3. The beliefs, values, and basic assumptions held by the founder(s) or other dominant leader(s).

### 2.6 The benefits of organizational culture

According to Faulkner and Johnson (1992) as cited by Holbeche (2005:77), a cultural audit can be used to discover the nature of an organization in cultural terms, the way it impacts on the strategy, and the difficulties of changing it. Yet, ironically, as long as the method used to audit the culture is appropriate and the process is well managed, the information gathered can provide managers with useful ‘evidence’ about specific cultural barriers to high performance and about what might need to change. Some commercially available cultural audits enable organizations to benchmark aspects of their culture against those of other organizations. Whilst each organization’s culture is (and should be) unique, gaining this external perspective can often persuade senior managers of the value of understanding a culture analysis since they are generally interested in finding out how their organizations’
result and approaches compare with those of other well-reputed organizations. Culture audits also allow managers to gain insights into how employees view the organization currently, versus how they would like it to be. This information provides managers with choice: while they can choose to ignore it, the positive effect on employee morale of acting on even the smallest aspects of culture where there is a broad consensus that change would be desirable can make the effort worthwhile. In addition, managers can gain a greater understanding of the commonly perceived strength of the culture and compare these with what they believe will make for the basis of a high performance culture of their organization. Culture audits can also be used for a range of more specific purposes; for an example, they can be used to sample how robustly the culture is supportive of innovation, or of employee well-being. They can be used to identify how much the ‘shadow side’ or political aspects of culture are predominating. Climate surveys enable managers to explore more transitory aspects of organizations, such as morale and motivation levels.

Moreover, analyzing a culture can prove an effective change intervention in its own right, leading to a greater awareness amongst organizational members of what they can do for themselves to change aspects of the culture that re damaging performance and to strengthen aspects of culture that offers opportunities for business success.

2.7 The alignment of culture

According to Holbeche (2005:78), one key objective of auditing an organization’s culture is to test degrees of alignment. Alignment occurs when the changing environment and an organization’s strategy, systems and culture all flow in the same direction. Weick (1977) cited by Holbeche (2005:78), notes that the circular of the relationship between an organization’s culture and its external environment, rather than reacting to their environments, organizations create or act upon their environment, which later acts on the organization. People in organizations invest their settings with meaning and then come to understand them. Weick calls this the “creation of reality”. Analysts suggest that for organizations to be able to achieve high performance, gaps between intent, delivery mechanism and infrastructure should be minimal or non-existent. If an organization’s goals are about achieving high performance and the organization’s culture is not conducive to high performance practice, change is likely to be necessary to produce close alignment. Classical Organizational Development (OD) theories tend to assume that organizations
exist in one state that can then be subject to an “unfreeze-change-refreeze” process. However, complexity theorists’ suggest that culture is not a static thing that readily lends itself to remodeling.

### 2.8 The elements of organizational culture

Chatman and Jehn (1994) state that, an organization’s culture can provide a sense of identity to its members. The more clearly an organization’s shared perception and values are defined, the more strongly people can associate themselves with their organization’s mission and feel a vital part of it. One way to understand the culture of a workplace is to examine the employees’ perception of the organizational policy and practices. There could be several dimensions of organizational culture; for instance, the following are the elements of organizational culture:

- **Innovation**: the extent to which people are expected to be creative and generate new ideas.
- **Stability**: valuing a stable, predictable, rule oriented environment.
- **Orientation toward people**: being fair, supportive, and showing respect for individuals rights.
- **Result-orientation**: the strength of its concern achieving desired results.
- **Easy-going-ness**: the extent to which the work atmosphere is relaxed and laid back.
- **Attention to details**: concern for being analytical and precise.
- **Collaborative orientation**: emphasis on working in teams, as opposed to individuality.

(Goldhaber and Barnett (1988:107) examine the elements of organizational culture: language, values, and behaviours, including organizational rites and rituals, stories, or organizational myths, and legends which often describe an organization’s heroes and villains and extrinsic aspects of culture- the organization’s artifacts. Wager and Hollenbeck (1998:337) agree with Goldhaber and Barnett (1988) that deep within the culture of every organization is a collection of fundamental norms and values that shape members’ behaviours and helps them to understand the surrounding organization. Fundamental norms and values like these are the ultimate source of the shared perceptions, thoughts, and feelings constituting the culture of an organization.)
a) Language

Language is the most central aspect of organizational culture. This includes the symbols, jargon, or specialized vocabulary which is used by an organization’s members. Meaning may only be attributed to a world or sign in the context of the organization and its history. It is through its shared symbol system that an organization communicates its values, behavioural expectations, common experiences, and self-image among its members. Included in this category would be organizational metaphors. Theses are indicative of how an organization structures its members’ experiences. Examples would be the idioms team (team Xerox), (family, or military), (the chain-of-command), with code names for certain operations or product developments (General Motors’ X or J cars).

b) Values

Values are enduring beliefs that specify a mode of conduct or end-state of existence that is personally or socially preferable to its opposite. They provide people with general standards of competence and morality which guide or determine attitudes, behaviours, judgments and comparisons of self and others. Within the organizational context, they are the basic conceptualizations and beliefs of an organization. As such, they are indicators of the intrinsic or subjective aspects of its culture. Values provide the assumptions upon which organizational activities are based. They define its goals, and the criterion by which it is determined whether the goals have been successfully achieved. They are often thought of as the organizational or corporate ideology. Values mobilize the collective consciousness and its members’ actions by connecting social obligations with general ethical principles. The result is a commitment by organizational members to perform everyday activities according to some grand scheme. Values are shared by all the group’s members, and deviance from these shared standards is not tolerated.

c) Behaviours

Another component of culture is the behaviour of the organization’s members. These are the programmatic and routinized activities of everyday life that enable the organization to accomplish its goals, both task and socio-emotional. This is how things are done around here. As with organizational values, knowledge of these behaviours and the norms and rules for appropriate behaviour is shared. These activities are directed by the cultural meaning system, and are therefore part of the collective consciousness. While the activities are normative, the directive force, the symbolic meaning system usually, is consensual.
There are expectations regarding their performance. These expectations, and the task interdependencies that develop out of vision of labour, necessitate sanctions for the violation of these behavioural norms. It is important to point out that the behaviours, per se, are not cultural, rather, the understanding of these activities is what makes up an organization’s culture. Included in the behaviour category are the organizational rituals, rites, and ceremonies. These practices provide examples of the organization’s culture, the perception of which helps to structure the social reality. Participation in these activities reinforces the individual’s membership in the organization by providing him or her with shared experiences, and therefore, incorporating the culture’s value system. Goldhaber and Barnett describe four types of organizational rituals. They are: (i) Personal rituals-the behaviour of specific organizational members. (ii) Task rituals- the practices for getting the job done. These may be specified in manuals or learned during the socialization process. (iii) Social ritual- such as Friday-after-work parties. (iv) Organizational rituals- such as shareholders’ meetings.

d) Stories and legends
One component of culture includes an organization’s legends, folk-tales, and myths. Every organization has stories which are exchanged among its members and taught to all new members as part of the socialization process. It is through hearing these stories that new members learn the cultural meanings of symbols used in the stories. They describe the organizational experiences and provide one method of communicating an organization’s culture to its members. From the telling of these stories, organizational myths and legends develop. A shared social reality or ‘group fantasy’ develops which serve as organizational ‘facts’ or history. This is what group members come to view as ‘social knowledge’. It is through stories that individuals lean the organization’s heroes and villains. Bormann (1983) quoted by Goldhaber and Barnett (1988:109) labels this aspect of culture “organizational sagas”. These are detailed narratives about the achievements and events in the life of a person (hero or villain), group, or community (an organization) which includes shared fantasies, rhetorical vision, and the narrative of achievements, events, goals, and ideal states of the entire organization. The narratives provide answers to such questions as, What kind of organization is this? What kind of people are members of the organization? What are our goals and purpose? What past events are we proud of? And, what will we do in the future? Theses stories about organizational heroes and villains, individuals that personify the culture’s values and provide role models for group members to follow. By studying
these individuals, one can learn a culture’s values, desired behaviours, and the symbols of success and failure for an organization. Within a few months of joining an organization, the new recruits learn the stories and legends of the heroes and villains. Pacanowsky and O’Donnell-Trujillo (1983) quoted by Goldhaber and Barnett (1988:110) identify four types of organizational stories. They are: (i) Personal stories about individuals. (ii) Collegial stories which are shared about other members of the organization. (iii) Corporate stories which are representative of organizational ideology. And (iv) stories about organizational “facts” or history. This is what organizational members come to view as “social knowledge”.

Wager and Hollenbeck (1998:338) surface the elements of organizational culture:

- **Ceremonies**: Special events in which organizations members celebrate the myths, heroes, and symbols of their organization.
- **Rites**: Ceremonial activities meant to communicate specific ideas or accomplish particular purposes.
- **Rituals**: Actions that are repeated regularly to reinforce cultural norms and values.
- **Stories**: Accounts of past events that illustrate and transmit deeper cultural norms and values.
- **Myths**: Fictional stories that help explain activities or events that might otherwise be puzzling.
- **Heroes**: Successful people embody the values and character of the organization and its climate.
- **Symbols**: Objects, actions, or events that have special meanings and that enable organization members to exchange complex ideas and emotional messages.
- **Language**: A collection of verbal symbols that often reflect the organization’s particular culture.

Out of the elements mentioned by Wager and Hollenbech (1998); and Goldhaber and Barnett (1988); Johnson (1988:75) identifies a number of elements that can be used to describe or influence organizational culture:

- **The paradigm**: what the organization is about, what it does, its mission and its values.
• Control systems: the processes in place to monitor what is going on. Role cultures would have vast rulebooks. There would be more reliance on individualism in a power culture.

• Organizational structures: reporting lines, hierarchies, and the way that work flows through the business.

• Power structures: who makes the decisions, how widely spread is power and on what is power based?

• Symbols: these include organizational logos and designs, but extend to symbols of power such as parking spaces and executive washrooms.

• Rituals and Routines: management meetings, board reports and so on may become more habitual than necessary.

• Stories and Myths: build up about people and events, and convey a message about what is valued within the organization.

2.9 Communicating organizational culture

Goldhaber and Barnett (1988:104) state that, an organization’s culture is communicated in many ways. The most important of these is through the organization’s informal interpersonal networks. A specific culture of an organization may be considered as emergent property of interpersonal interactions. It is through interactions with long-time members that new recruits are acculturated. This is how they learn the language and appropriate behaviours of the group, hear stories and legends, and observe rites and rituals in which its members engage. These interactions make possible nonverbal communication. Members must determine what is appropriate dress, how to arrange one’s office, and how much leeway they have in being on time for appointments and in meetings deadlines.

An organization’s culture is also communicated through a variety of other channels. Internally, cultural information reaches members through formal or informal written communication, in the form of memos, house-organs, annual reports, statements of corporate philosophy, and official policy messages. The culture of an organization may be communicated by sources external to the organization. Advertisements in the mass media, both print and electronic, provide cultural information. As an organization communicates to the environment, it reveals it values and style to those outside the organization, as well as,
to its members. How it conducts its public relations, announcements of new products, or services and speeches by its officers tell the public what it would be like to be part of the organization. Interpersonal interactions of the organization’s members with individuals in the environment communicate its culture. The way in which sales people and buyers interact with customers and suppliers reinforces the cultural image of the organization to its members. In other words, the external communication feeds back to impact upon its internal culture.

The more frequently these channels communicate these messages, the more the organization acts to reinforce its culture. One result of organizational communication will be less variance in members’ perceptions of the organization. There will be greater integration of members’ meaning systems, particularly concerning the domain of symbols related to the organization. Overtime, the culture will become more consistent with similar messages about the organization coming from a variety of different sources.

2.10 The types of organizational culture

Stokes and Harrison (1992) as cited by Holbeche (2005:84), develop an organizational culture diagnosis. This is based on their definition of the four types of organizational culture:

1. Achievement- based on competence whose dominant values are growth, success and distinction.
2. Support- based on relationships whose values are mutuality, service and integration.
3. Power- based on strength whose values are direction, decisiveness and determination.
4. Role- based on strength, structure and systems whose values are order, stability and control.

Each of the four cultures has its ideal state, strength, limitations and so-called “dark-sides”, which may not be obvious but can be damaging to individuals and organizations. So, for instance, in an ideal power culture, the leader is strong and charismatic, bringing courage to the faint-hearted and clarity to the confused. The strength of power culture is that, individual effort is unified behind the vision of the leader, enabling the organization to move quickly as the market changes. However, a limitation may be that constructive
change are limited by the vision and flexibility of a leader, and what is not openly acknowledged, is that people give the boss’s wishes of the highest priority, even when it interferes with important work.

An organizational culture may be made up of many different elements of such cultural types, though there may be one recognizable cultural type that predominates. Subcultures may have their own cultural types reflecting the particular nature of the group, but overall these are likely to coexist happily with the broader corporate culture, recognizably part of the culture but different form it. Stokes and Harrison, looks at how these cultural types empower and dis-empower people. The achievement culture powers through identification with the values and ideas of a vision, through burn-out and stress, through treating the individual as an instrument of the task, and through inhibiting dissent through goals and values. The support power empowers though the power of cooperation and trust, through providing understanding, acceptance and assistance. It disempowers through suppressing conflict, through preoccupation with process, and through conformity to group norms. The power culture empowers through identification with a strong leader. It disempowers through fear, and through inability to act without permission. The role culture empowers through systems that serves the people and the task, reducing conflict and confusion. It disempowers through restricting autonomy and creativity; and through erecting barriers to cooperation.

The ideal is where excellence can be achieved through dynamic tension between the four types of culture. In such a scenario, the stereotypical committed, idealistic and energetic employees of an achievement culture receive the decisive, strong, focused leadership of the power culture. At the same time they are supported by cooperative, caring, responsive characteristics of the support culture, and the role culture’s reliable, rational, systematic processes, which help them to achieve more without reaching burnout.

Handy (1995) as cited by Holbeche (2005:85) states the similar four-box cultural classifications as: ‘club”; “role”; “task” or “existential”. According to Handy, cultures can be divided along a vertical dimension according to values such as flexibility and discretion versus control and stability. On the horizontal axis, values are around internal maintenance and integration versus external positioning and differentiation. The four cultural types that emerge are the clan, adhocracy, hierarchy and the market cultures. In the clan culture, the leader acts as mentor and facilitator; effectiveness criteria are cohesion, morale and
development of human resources and the management theory is that participation fosters commitment. In the adhocracy culture, the leader is an innovator, entrepreneur and visionary; effectiveness criteria are cutting-edge output, creativity and growth, and the management theory is innovativeness fosters new resources. In hierarchy, the leader is a coordinator, mentor and organizer; effectiveness criteria are timeliness and smooth functioning, and the management theory is that control fosters efficiency. And in the market culture, the leader is a hard-driver, competitor and producer; effectiveness criteria are market share, goal achievement and beating competitors while the management theory is that competition fosters productivity.

2.11 The three cognitive levels of organizational culture

Schein (2001), a MIT Sloan School of Management Professor, defines organizational culture as “the residue of success” within an organization. According to Schein, culture is the most difficult organizational attribute to change, outlasting organizational products, services, founders and leadership and all other physical attributes of the organization. Schein’s organizational model illuminates culture from the standpoint of the observer and describes the three cognitive levels of organizational culture:

At the first and most cursory level of Schein’s model is organizational attributes that can be seen, felt and heard by the uninitiated observer. Included are the facilities, offices, furnishings, visible awards and recognition, the way that its members dress, and how each persona visible interacts with each other and with organizational outsiders. The next level deals with the professed culture of an organization’s members. At this level, company slogans, mission statements and other operational creeds are often expressed, and local and personal values are widely expressed within the organization. Organizational behaviour at this level usually can be studied by interviewing the organization’s membership and using questionnaires to gather attributes about organizational membership. At the third and deepest level, the organization’s tacit assumptions are found. These are the elements of culture that are unseen and not cognitively identified in everyday interactions between organizational members. Additionally, these are the elements of culture which are often taboo to discuss inside the organization. Many of these ‘unspoken rules’ exist without the conscious knowledge of the membership. Those with sufficient experience to understand this deepest level of organizational culture usually become acclimatized to its attributes.
overtime, thus reinforcing the invisibility of their existence. Survey and casual interviews with organizational members cannot draw out these attributes—rather much more in-depth means is required to first identify then understand organizational culture at this level. Notably, culture at this level is the underlying and driving element often missed by organizational behaviourists.

Using Schein’s model, understanding paradoxical organizational behaviours becomes more apparent. For instance, an organization can profess highly aesthetic and moral standards at the second level of Schein’s model while simultaneously curiously opposing behaviour at the third and deepest level of culture. Superficially, organizational rewards can imply one organizational norm but at the deepest level imply something completely different. This insight offers an understanding of the difficulty that organizational newcomers have in assimilating organizational culture and why it takes time to become acclimatized. It also explains why organizational change agents usually fail to achieve their goals: underlying tacit cultural norms are generally not understood before would-be change agents begin their actions. Merely understanding culture at the deepest level may be insufficient to institute cultural change because the dynamics of interpersonal relationships (often under threatening conditions) are added to the dynamics of organizational culture while attempts are made to institute desired change.

(www.en.wikipedia.org/wiki/Organizational-culture)

2.12 The competing value framework

According to Igo and Skitmore (2005:123), whilst the visible audible manifestations of culture, ‘artifacts’ and ‘espoused values’ are readily apparent, not all attributes are directly observable and instead must be inferred from what can be seen and heard in organizations. From observation, survey and investigation, researchers have shown that a form that a specific culture exhibits can be expressed by developing a summary profile to show the relative balance between validated indicators. Hofstede (1983) as cited by Igo and Skitmore (2005:124) posits that a culture could be classified by comparing the degree of individualism versus collectivism, the apparent power-distance metric, tendency towards uncertainty avoidance and the bias between masculinity and femininity. Kets De Vries (1986), on the other hand, opts to base his classification on the prevailing mentality; paranoid culture—persecutory theme, avoidance culture—pervasive sense of futility,
charismatic culture—everything resolves around the leader, bureaucratic culture—depersonalized and rigid, politicized culture—leadership responsibility abdicated. More recently, Cameron and Quinn (1999) as cited by Igo and Skitmore (2005:124) propose a classification comprising of four forms now widely used for culture audits and comparison purposes:

- A clan culture, which is typical for an organization that concentrates on internal maintenance with flexibility, concern for people, and sensitivity for customers. It places emphasis on human relations and adopts flexible operation procedures focusing on internal relationships. Core values include co-operation, consideration, agreement, fairness and social equity. Such an organization is generally a very friendly place to work where people share a lot of themselves. It is like an extended family where leaders are thought of as mentors and loyalty and tradition hold the organization together.

- A hierarchical culture, when it focuses on internal maintenance and strives for stability and control clear task setting and enforcement of strict rules. Accordingly it tends to adapt a formal approach to relationships where leaders need to be good coordinators and organizers and toe the party line. It places a high value on economy, formality, rationality, order and obedience.

- An adhocracy culture, where the organization concentrates on external positioning with a high degree of flexibility and individuality that is supported by an open system that promotes the willingness to act. It is generally a dynamic, entrepreneurial and creative place to work where people stick their necks out and take risks. Leaders are visionary and innovative and success means producing unique and original products and services. The organization values creativity, experimentation, risk, autonomy and responsiveness.

- A market culture, working towards clear and rational goals that are achieved through high productivity and economical operation. Tends to be results oriented and concentrate on getting the job done and its members value competitiveness, diligence, perfectionism aggressiveness and personal initiative. Its leaders are inclined to be hard-driving producer’s intent on outperforming competitors and being at the forefront of their field of endeavour by maintaining stability and control. The term market is not to be confused with the marketing function or with
customers in the market place. It represents a focus on transaction with external bodies such as suppliers and customers.

2.13 Understanding the connections between organizational and national cultures

According to Wood, Wallace, Zeffane, Schermerhorn, Hunt and Osborn (2001:391), it is important to clarify the distinction between organizational culture and national culture. Only then is it possible to understand the connections between the two. The major reason that there is a strong connection is that organizational culture frequently derives from national culture. In other words, many of the shared beliefs and values that develop in organizations can be traced to commonly held assumptions in society.

However, despite being embedded in a national or host culture, organizations will still develop their own individual cultures. Organizational culture is influenced by the national culture and will frequently mirror many aspects of it, but it will also derive from the particular characteristics and experience unique to the organization. It is important that people do not stereotype organizations in other national cultures as all sharing the same organizational culture, in the same way that not all organizations will share an organizational culture; neither will all organizations share similar values and beliefs. Indeed, globalization makes the distinction and connections between national culture and organizational culture even more interesting, as large multinational corporations with an individual organizational culture, bearing some remarks of the national culture that spawned them, will have to absorb and consider different national cultures that host their many branches across the world.

It is often important to recognize distinct groups within a culture. Subcultures represent groups of individuals with a unique pattern of values and philosophy which are not inconsistent with the organization’s dominant values and philosophy. Interestingly, strong subcultures are often found in high-performance task forces, teams and special project groups in organizations. The culture emerges to bind individuals working intensely together to accomplish a specific task. In contrast, countercultures have a pattern of values and a philosophy that reject the surrounding culture. The anti-apartheid counterculture in South Africa is one vivid example of counterculture on a national scale. Within an organization, mergers and acquisitions may produce countercultures. Employers and
managers of an acquired organization may hold values and assumptions that are quite inconsistent with those of the acquiring organizations. This is often referred to as the ‘clash of corporate cultures’.

At the other extreme, managers can work to eradicate all naturally occurring subcultures and countercultures. In the twenty-first century, organizations are grouping to develop what other researchers call the ‘multicultural organization’. The multicultural organization is an organization that values diversity but systematically works to block the transfer of societal-based subcultures into the fabric of the organization. Wood et al. (2001:395) suggest a five-step program for developing the multicultural organization:

1. Promote ‘pluralism’ within the organization by encouraging staff members from a particular national group to find out about others in the organization.

2. Integrate the structure of the organization to ensure that there is no direct link between a naturally occurring group and any particular job (for an example, no exclusive male or female jobs).

3. Breakdown societal informal groups by maximizing participation and integration.

4. Break the link between naturally occurring group identity and that of the organization as a whole- for example; the organization should not be just for the young or for men.

5. Actively work to eliminate interpersonal conflict based on group identity and the natural backlash of the largest societal-based group in the organization.

Recent research suggests that organizations look at the process of becoming a multicultural organization as a developmental progression, with several organizational styles identifiable along path. Each organization needs to identify its current organizational style and develop strategies to allow it to progress to the next level of development:

- The exclusionary organization is not interested in change. This type of organization maintains the status quo, which sees one group dominating the culture.
• The club organization does not encourage change. It does not engage in such active resistance as the exclusionary organization, but it prefers like-minded individuals who ‘fit in’.

• The compliance organization, as the name suggests, complies with anti-discrimination legal requirements. However, the compliance organization does not seek to change its culture or practices beyond this appearance of ‘doing the right thing’.

• The affirmative action organization encourages change and implements anti-discriminatory policies and practices. It understands the concepts of ‘exclusion’ and ‘inclusion’ and actively pursues and understanding of diversity. However, despite this, it still expects that organizational members will conform to a dominant culture, as it sees change as the responsibility of the individual rather than the organization.

• The redefining organization encourages organizational change and is prepared to question its culture, its structure and its strategies. It understands that encouraging diversity is more than attending to legal requirements, even if that is done with enthusiasm. It understands that alternative models of organization will reap the benefits of diversity.

• The multicultural organization has already understood that alternative modes of organization will reap the benefits of diversity and has few diversity-related problems. It can negotiate the conflicts or disruptions that accommodating difference can bring. As a result, it sees very low levels of intergroup conflict.

2.14 The dimensions of organizational culture

2.14.1 The dimensions of national and organizational culture

Hofstede (1989) as cited by Shaw (1997:18) differentiates national and organizational culture by stating that national culture is more concerned with values and less with practices whereas organizational culture concerns itself primarily with practices and less with values. At an organizational level, Hofstede identifies six dimensions of organizational culture:
• Process-orientated vs. Results-orientated: this opposes a concern with means (process) to a concern with goals (results). Process people perceive themselves as avoiding risks and making a limited effort in their jobs, each day is similar.

• Employee-orientated vs. Job orientated: the organization’s concern for people as opposed to a concern for completing the job. Concern for people includes important decisions being made by groups or committees and concern for the employee beyond the job, i.e. his/her personal and family welfare.

• Parochial vs. Professional: employees identify with the organization as opposed to their type of job. A parochial employee sees the organization as an extension of his/her home life.

• Open system vs. Closed system: in an open system members consider both the organization and its people open to newcomers and outsiders, i.e. almost everybody would fit into the organization. This dimension describes the communication climate.

• Loose control vs. Tight control: in a loose environment, no one thinks of cost, meeting times are only kept approximately, and jokes about the organization and jobs are frequent.

• Normative vs. Pragmatic: this deals with the notion of customer orientation. Pragmatic units are market driven whereas the emphasis on normative units is on following organizational procedures which are more important than results.

The first, third, fifth and sixth dimension tend to reflect the industry culture, i.e. they relate to the type of work the organization does and the market in which it operates. Hofstede emphasizes that organizational culture is mainly composed of practices with a smaller values component than national or community cultures. An important element of Hofstede’s organizational culture theory is that there is no good or bad culture- good or bad depends on where one wants the organization to go. A cultural feature that is an asset for one purpose can be a liability for another.

From Shaw’s (1997) dimension of organizational culture; Cameron and Quinn (1999) as cited by Igo and Skitmore (2005:125) further develop an assessment tool employing the Competing Values Framework as a means for determining the relative importance of cultural traits within an organization and establish the organization’s dominant culture type.
characteristics and overall culture profile in terms of the four cultural forms mentioned above and six dimensions of organizational culture:

- **Dominant characteristics**: the degree of teamwork and sense of belonging, level of creativity and dynamism, focus on goals and competition, reliance upon system and emphasis on efficiency.

- **Organizational leadership**: leadership style and approach that permeates the organization. In earlier research by Quinn and Rohrbaugh (1981) describe eight nominal categories of leadership and later incorporate these into the *Organizational Culture Assessment Inventory* review process. The roles identified were mentor, facilitator, innovator, broker, producer, director, coordinator, and monitor.

- **Management of employees**: how employees are treated, degree of consultation, participation and consensus, working environment.

- **Organizational glue**: bonding mechanisms that hold the organization together such as cohesion and teamwork, loyalty and commitment, entrepreneurship and flexibility, rules and policies, goal orientation and competitiveness.

- **Strategic emphasis**: organizational strategy drives; long term development of human capital, innovation, stability and competitive advantage, growth and acquisition, achievement of goals.

- **Criteria for success**: how is success defined and how it gets rewarded in terms of profits, market share and penetration, sensitivity to customers and concern for people, development of new products and services, dependability and optimum costs?

### 2.14.2 The generic dimensions of organizational culture

According to Morrison, Brown and Smit (2006:41), the following literature is interested in the relationship between organizational culture and project management. The term project management is often used to imply a dedicated culture that becomes manifest within the project management capability in the organization. In this sense, the word culture refers to the typical project management environment, including its methodologies, software, terminology, documentation templates, and behavioural styles. Project management culture, in this context, should be seen as rather a sub-culture of the organization’s culture.
Morrison, Brown and Smit identify that there are twelve generic dimensions that show adequate correspondence with the project management variables to propose them as the framework for a project management supportive culture:

- **Dimension 1: A flexible and innovative organization**
  An important concern that frequently receives attention in the project management literature is the issue of organizations that are too functionally rigid and bureaucratic to allow proper cross-functional conduct. This dimension also emphasizes other aspects of flexibility, such as flexibility in how authority is exercised and accepted, and tolerance of risk, change and innovative behaviour. The need for flexibility and innovativeness showed the following criteria: the organization should be comfortable with change; a project management organization should avoid an emphasis on bureaucracy and vertical reporting; there must be an environment of creativity, innovation and stimulating work; there should be flexibility in accepting leadership based on expertise as opposed to only position; there should be flexibility within project execution; and a fair level of risk tolerance and a capacity to manage risks in projects.

- **Dimension 2: The organization needs to be integrated across departments**
  The consistent call for different departments in organizations to work in an integrated and cooperative way towards organizational goals is not surprising given the cross-functional nature of project management. Several authors draw attention to aspects that confirm the need for the organization to have a collaborative culture, to promote teamwork, and to focus on the collective capabilities to its disposal. The following criteria summarize this dimension: the importance of culture that encourages cooperation between functional units or department; the negative effect of interdepartmental conflict and power struggles; a cooperative spirit in the organization in general; a general comfort with teamwork across functional borders in the organization; reward systems reflecting seriousness with teamwork and cooperation; proper integration and sharing of responsibilities between functional and project management; and emphasis on the collective capabilities of the organization.

- **Dimension 3: An organization that is performance driven**
  The project management literature gives strong support to a project management environment that is energetic, performance driven, and dedicated to pro-active planning and control. Also, the need to be clear on responsibilities and objectives is frequently
emphasized. The following are the criteria for a performance-driven organization: there must be clarity of goals and performance criteria; clarity on responsibility and authority; the organization must be competitive; there must be a strong will to accomplish; an emphasis on planning and control; an emphasis on pro-activeness and a quick response to solving problems; and rewards are strongly influenced by performance.

- Dimension 4: An organization that supports its functioning through standardized processes and systems

Project management is, in contrast to the need to encourage flexibility and freedom to be creative, also associated with a structured and systematic approach built around standardized routines, processes and control systems. The need to have accurate and reliable information form the standard organizational systems is another important factor. The following criteria reveals evidence that calls for the organization to be adequately equipped to support its functioning by providing standardized processes and systems, specifically possessing the ability to tailor its standard system to the requirements of the task, instead of relying mainly on generic applications: the organization must have a general inclination to emphasize processes (means) and not only the ends; there must be a sound information infrastructure in the organization; information systems must be purposeful to serve the requirements of users; the accounting systems must be capable of serving the needs of project accounting; and the organization should establish firm, standardized project management systems.

- Dimension 5: A supportive leadership orientation on the organization

Several sources confirm the need for a supportive, involved style of management or leadership at senior level in the organizations. Calls are also made for similar leadership styles within project management. Frequent successful literature requires top management and organizational support. The following criteria supported this aspect: senior management demonstrate visible support for projects; senior management shows involvement in the management of projects; senior management displays an understanding of what project management entails; the supportive orientation is evident in the use of project sponsors to facilitate senior management support; distance by senior management is seen as a negative factor; supportive and involved leadership styles are practiced within project management; and participation by members in project teams are encouraged.
• Dimension 6: An organization that is comfortable with decentralizing its decision-making

The need for relatively high levels of autonomy and authority for project managers and other key project team leaders is also frequently advocated in the literature. The need for delegating decisions and autonomy showed the following criteria: the organization is highly decentralized in respect of decision-making; high levels of autonomy and decision-making are delegated to project managers and the project management function; and within project management, decisions are delegated down to the specialists.

• Dimension 7: An organization that has an external or market focus

Project management is frequently used for developing a customer or end-user solution. For this reason, the process demands ongoing interaction between the project team and the customer. Many authors give recognition to this fact and also suggest that organizations that have a basic customer focus would better accommodate project management. The need also to be externally focused in a wider sense is implied by the emphasis on managing projects as a business and on paying attention to the interests of external stakeholders. The following are the criteria for the external focus organizations: the organization displays sensitivity towards its environment and external stakeholders; there is closeness to the customer at project management level; and project management is practiced with a business or entrepreneurial mindset.

• Dimension 8: An organization that has a clear strategic direction

Several authors assert that project management should take place in an environment characterized by a clear focus and direction. Statements in this regard include explicit calls for an organization that has a clear focus, or strategic direction, the need for projects to clearly align with the organization’s strategy and direction, and other conditions that can be associated with an environment where there is organization-wide alignment. The need for a clear direction and vision for the organization showed that: there is an aligned company value system; project goals are visible aligned with the strategic direction of the organization; and there is a need for direction and a common outlook in team functioning.

• Dimension 9: An organization that emphasizes personal competency development

Establishing a project management capability necessitates the adoption of a collection of new procedures and routines that differ substantially from the ordinary routines of an
organization. In addition, the nature of project work normally involves tasks that are uncertain and often technologically advanced. Therefore, competency plays an important role in the project management organization. The need for training and competency in an organization showed that: there is a general culture of learning, personal development and professionalism; there is a culture of learning by the organization; a general level of competency and managerial competency in the organization; the organization should be trained for project management skills; extensive training for project managers; and proper training for project staff.

- **Dimension 10: A people-oriented organization**

The project management literature has increasingly placed emphasis on the human side of management. Therefore it is anticipated that project management should function more easily in organizations that hold a Theory Y view (as opposed to a Theory X view) of their employees and do not value people only for the work they deliver. The following criteria shows evidence that suggests a people-oriented organization by emphasizing, for example, a non-coercive environment, behavioural skills for managers, cohesion amongst employees and conditions that encourage longer term relationships between employees and the organization: the organization fosters a non-threatening, non-coercive climate; the organization places an emphasis on the need for skills in managing people; members easily identify with the organization; the organization provides people with career paths and prospects.

- **Dimension 11: An organization that fosters openness of communication and information**

The dynamic nature of project management demands the fast and free flow of information and communication. Several statements in the literature can be associated with an organization that has a general ambience of openness, communication and sharing of knowledge and information. The need for openness and communication shows the following criteria: the organization must have a general culture of open communication; there must be openness to air views and to challenge opinions; there should be visibility and transparency of goals and operational information; lessons learnt are disseminated; and there is an emphasis on the upward flow of communication.
• **Dimension 12: An organization that makes decisions on a rational basis**

The need for this dimension is inferred from sources that directly call for a rational type organization, but also from statements calling for project decision-making to serve the interest of the organization instead of personal or political concerns, for projects to be selected on merit, for realism in setting project targets, and for backing project decisions by the necessary resource availability. The importance of rational goals setting is also acknowledged as one of the leading indicators of project management success. In a rational decision-making orientation, there should be a rational basis for selecting projects, e.g. to support strategies; project selection must be based on measurable benefits; projects must be free from political, self-interest decision-making; there must be stability in project priorities; project goals must be set realistically; and goals must be set with due consideration to the resources available.

### 2.15 The characteristics of organizational culture

According to Shaw (1997:21), every organization has a culture which, depending on its strength, can have a significant influence in shaping the attitudes and behaviours of its members. Shaw defines this culture in terms of ten key characteristics, or more specifically, as a set of practices which can be measured and observed. The ten characteristics are:

1. **Director**: the degree to which an organization creates clear objectives and performance expectations.

2. **Control**: the number of rules and regulations and the amount of direct supervision that is used to oversee and control employees’ behavior.

3. **Conflict tolerance**: the degree to which employees are encouraged to air conflicts and criticisms openly.

4. **Communication patterns**: the degree to which organizational communications are restricted to the formal hierarchy of authority.

5. **Management support**: the degree to which managers provide clear communication, assistance and support to their subordinates.

6. **Integration**: the degree to which units within the organization are encouraged to operate in a co-coordinated manner.
7. Identity: the degree to which members identify with the organization as a whole rather than with their particular workgroup or field or professional expertise.

8. Reward systems: the degree to which reward allocations (i.e. salary increases, promotions, etc.) are based on employee performance criteria - in contrast to seniority and favouritism.

9. Individual Initiative: the degree of responsibility, freedom and independence that individuals have.

10. Risk tolerance: the degree to which employees are encouraged to be aggressive, innovative and risk-seeking.

Shaw suggests that most organizations have a dominant culture and numerous sets of sub-cultures. The dominant culture expresses the core values that are shared by the majority of the organization’s members. The sub-cultures typically reflect the type of task being performed, common problems or situations. Shaw also argues that strong cultures have a greater impact on employee’s behavior and are more directly related to turnover. The more members who accept the core values and the greater their commitment to those values, the stronger the culture is.

2.16 Organizational culture and its effectiveness

According to Fey and Denison (2003:688), a number of scholars have developed integrative frameworks of organizational culture, but little consensus exists with regard to a generational theory. Because culture is a complex phenomenon, ranging from underlying beliefs and assumptions to visible structures can actually be ‘measured’ in a comparative sense. Research on the link between organizational culture and effectiveness is also limited by lack of agreement about the appropriate measures of effectiveness. The current literature has its roots in the early 1980’s focused attention on the strategic importance of organizational culture and stimulated interest in the topic. Kotter and Heskett (1992) as cited by Fey and Denis (2003:688) expand on this by exploring the importance of adaptability and the fit between an organization and its environment. This stream of research develops an explicit model of organizational cultural and effectiveness and a validated method of measurement. This model is based on four cultural traits of effective organizations:
• Involvement- effective organizations empower people, organize around teams, and develop human capability. Executives, managers, and employees are committed and feel a strong sense of ownership. People at all levels feel that they have input into decisions that will affect their work and see a direct connection to the goals of the organization.

• Consistency- effective organizations tend to have ‘strong’ cultures that are highly consistent, well coordinated, and well integrated. Behavioural norms are rooted in core values, and leaders and followers are able to reach agreement even with diverse points of view. Consistency is a source of stability and internal integration resulting from a common mindset.

• Adaptability- ironically, organizations that are well integrated are often the least responsive. Internal integration and external adaptation can often be at odds. Adaptable organizations are driven by their customers, take risks and learn from their mistakes, and have capability and experience at creating change.

• Mission- effective organizations have a clear sense of purpose and direction, defining goals and strategic objectives, and expressing the vision of the future. When an organization underlying mission changes, changes also occur in other aspects of the organization’s culture.

Fey and Denis (2003) state that applying this framework to top executives in 764 organizations, shows that four different cultural traits are related to several criteria of effectiveness. This research finds that profitability is most highly correlated with the traits of mission and consistency. In contrast, innovation is most highly associated with the traits of involvement and adaptability, and sales growth is most highly associated with the traits of adaptability and mission. Like many contemporary models of organizational effectiveness, this model focuses on the contradictions involved in simultaneously achieving internal integration and external adaptation. For example, organizations that are market focused and opportunistic often have problems with internal integration. On the other hand, organizations that are well integrated and over controlled usually have a hard time adapting to their environment. Organizations with a top-down vision often find it difficult to focus on the empowerment and the ‘bottom-up’ dynamics needed for alignment. At the same time, organizations fostering on broad participation, often have difficulty establishing direction. Effective organizations are those that are able to resolve these
contradictions without relying on simple trade-offs. At the core of this model are underlying beliefs and assumptions. These ‘deeper’ levels of organizational culture are typically difficult to measure and harder to generalize about. However, these underlying beliefs and assumptions result in organizational practices that are observable and that are represented by the four key traits of involvement, consistency, adaptability, and mission.

2.17 The management of organizational culture

According to Wager and Hollenbeck (1998:337), organizational culture grows out of informal, in official ways of doing things. It influences the formal organization by shaping the way employees perceive and react to formally defined jobs and structuring arrangements. In turn, culture influences the attitudes employees hold and behaviours they encourage at work. All this happens because cultural norms and values provide *social information*, and such information helps employees determine the meaning of their work and the organization around them. For an example, in a company that promotes the Protestant work ethic, the idea that working hard is the way to get ahead in life, employees are led to view their jobs as critical to personal success and therefore as important, interesting, challenging, and in other ways, worthwhile. By encouraging employees to perceive success as something to be valued and pursued, these norms also encourage the development of a need for achievement and motivate hard work and high productivity. Wager and Hollenbeck ask the question on whether can organizational cultures be managed? It might seem that the answer to the question should be no, for any of the following reasons:

1. Cultures are so spontaneous, elusive, and hidden that they cannot be accurately diagnosed or intentionally changed.

2. Considerable experiences and deep personal insight are required to truly understand an organization’s culture, making management infeasible in most instances.

3. There may be several subcultures in a single organizational culture, complicating the tasks of managing organizational culture to the point where it becomes impossible.

4. Cultures provide organization members with continuity and stability. Therefore, members are likely to resist even modest efforts at cultural management or change because they fear discontinuity and instability.
Many organizational behaviour experts disagree with these arguments, however, suggest that organizational cultures can be managed through the use of the two approaches discussed next:

In one approach, *symbolic management*, managers attempt to influence deep cultural norms and values by shaping the surface cultural elements, such as symbols, stories, and ceremonies, which people use to express and transmit cultural understandings. Managers can accomplish shaping this sort in a number of ways. They can issue public statements about vision for the future of the company. They can recount stories about themselves and the company. They can use and enrich the shared company language. In this way, managers not only communicate the company’s central norms and key values but devise new ways of expressing them. Managers who practice symbolic management realize that every managerial behaviour, broadcasts a message to employees about the norms and values of the organization. They consciously choose to do specific things that will symbolize and strengthen a desirable culture. For example, deciding to promote from within avoid hiring people from outside the organization sends employees the message that strong performance is rewarded by career advancement. This message reinforces cultural norms and values that favour hard work. Filling positions by hiring from other organizations gives precisely the opposite message—those hard values may not be rewarded by promotion—and undermines cultural norms and values that suggest otherwise. The fact that symbolic management involves the manipulation of symbols is apt to lead some managers to underestimate its importance. Telling stories, performing ceremonies, and anointing heroes might seem softheaded or waste of time to managers who do not understand the importance of managing culture.

Another way of managing the culture of an organization is to use *organizational development interventions*. Organizational development interventions can contribute to cultural management by helping the members of an organization progress through the following steps:

1. Identifying current norms and values. Organizational development interventions typically require people to list the norms and values that influence their attitudes and behaviours at work. This kind of list gives members insight into the organization culture.
2. Plotting new directions. Organizational development interventions often make it possible for the members of an organization to evaluate present personal, group, and organization goal and consider whether these goals represent the objects they really want to achieve. Evaluation of tithes sort often points out the need to plot new directions.

3. Identifying new norms and values. Those Organizational development interventions that stimulate thinking about new directions also provide organizations members with the opportunity to develop new norms and values that will promote a move toward new goals.

4. Identifying culture gaps. To the extent that current (step 1) and desired (step 3) norms and values are articulated, the organization development process enables organization members to identify as culture gaps the differences between the current and desired situations.

5. Closing culture gaps. Organization development gives people the opportunity to forge agreements that norms and values will replace old ones and that every employees will take responsibility for managing and reinforcing these changes.

When people engage in behaviour that is consistent with the new norms and values developed in an organization development intervention, they reduce culture gaps and, in effect change the organization’s culture.

2.18 The reproduction of organizational culture

Konecki (2006:26) states that the term ‘reproduction of organizational culture’ applies whenever managers want to reproduce the characteristics of an existing organizational culture because it is coherent with their vision and strategy of business. Usually at the background of this vision and strategy is the basic business assumption, i.e.: efficiency in achieving goals usually operationalized as profit. The reproduction of culture will therefore be a reconstruction of values and norms as well as of basic assumptions and symbols that legitimate the elements of organizational culture. Such reconstruction takes place in the process of inculcation of values, norms and basic assumptions in secondary socialization, though it’s initial stages may already be present in primary socialization. However, the organizational culture may also undergo transformation or be created, so to speak, from scratch. Such cases also involve inculcation of values, norms and basic assumptions.
Konecki asks the question on whether we are justified, in such a case, to speak of reproduction of organizational culture? This is the subject of our analysis. Is the organizational culture a feature of one particular company or should we attempt to explain the general properties of reproduction of behaviour and personality patterns in the organizational cultures of contemporary companies of the late era?

The organizational culture of contemporary companies in the late modern period legitimates a social order which particular concepts of professionalism, efficiency and modernity are translated into values, behavioural norms and personality patterns. Business consulting as well as scientific studies (especially in the broadly understood field of organization and management) provide enormous support for the legitimating practices by providing a language and ways of understanding of the so called ‘modern-management’. On the other hand, the function of training in human resources management is a basic practice of reproduction of a legitimate organizational culture.

The notion of ‘novelty’ contained in various fixed phrases such as ‘modern management of human resources’, ‘modern methods of employees motivation’, ‘new corporate culture’, ‘organizational culture in demand on the global market’, as the scientific research shows …‘is a tool of symbolic violence, because reasonable people, professionals in particular, will never agree to apply outdated (pre-modern methods of human resources management, outdated ways of motivating, nor will they support an old corporate culture, which, on top of all, is ineffective. The social imperative becomes a personal imperative of the individual. The very concept of pro-effective culture is a strong social value implying the existence of an antinomy- anti-effective culture, which is illegitimate and, moreover, should be changed or overthrown by a cultural revolution. Antinomies generated by these concepts underlie a paradigm of discourse which differentiates organizational cultures. Reproduction of organizational culture applies to the reconstruction of concepts by the rule of differentiation into dichotomies constructing axiological fields of specific actions. It is difficult to recognize the arbitrary cultural nature of the concept of the so called ‘organizational culture’ which is pro-effective, and ‘effectively uses the employees’ potential’. It will be hard to recognize the arbitrary social nature of these notions, and the arbitrary nature of organizational culture bounds to them if there is a use of concepts related to humanization of work, such as, ‘employee participation’, group forms of labour management’, ‘intelligent companies’, intelligent entrepreneurship”; these concepts as well as the category of ‘effectiveness’ also have the legitimizing power for various types of action. The
conceptual antinomies of these terms have a pejorative sense, since they breed associations with lack of humanistic approach to management, and lack of respect of knowledge and the effectiveness derived from it.

Adoption of values of a culture, i.e. ‘modern and pro-effective organization culture’, may start early, at the level of primary socialization, since patterns of professional success and the meaning of ‘customer satisfaction’ can be acquired by a child relatively early (e.g. when s/he adopts them through observation of work in various institutions and listening to comments of his/her parents on the quality of service). Schools can reinforce these values and there are exclusion schools, which imprint a particular habit of modern and pro-effective culture through pedagogic work, as well as through exemplification of values in the ways of functioning, structure and artifacts of the school; and through verbal emphasis on what is effective, modern and valuable mosaic of attitudes and behaviour or axiological disposition becomes a basis for differentiating the ability to acquire secondary habits in a future job, form a ‘modern and pro-effective culture’. The process of acquiring the habits is accompanied by ‘subjectivization of objectivity’. The habit determines all purposeful action; however the purpose does not always have to be realized by the agent. The objectivity pertains to socio-organizational relations, i.e. to our basic entanglement in social relations. Organizational participation and organizational careers may thus be determined already at the level of primary habit acquisition.

The secondary habits, related to work institutions is mainly acquires in the course of post-elementary education, self-tuition, occupational self-training, and worker training. At this level, strong motivation to acquire the notional matrix of the ‘modern and pro-effective culture’ often allows ‘self-application’ of symbolic violence by the omnipresent and omnipotent organizational system of the late-modern society. The popularity of supplementary education and the concept of life long education along with the aspiration to obtain a diploma, preceded by an examination as a rite of passage are strong arguments in support of the theory of ‘self-subjection’ to symbolic violence by thousands of would-be graduates of a variety of schools. Organizational culture and in particular what we call ‘professional behaviour’ comprises a defined and specific way of behaviour subject to aesthetic and moral judgment and hardly separable from mere technical skills. The system of manners is more than a stylization of the organizational culture discussed here, it is not only what distinguishes it from other common culture, i.e. outdated and ineffective. It is a part of what we call professionalism, and applies not only to so-called ‘professional
cultures’. Modern cultures are professional, if not anything else, because they want to manage knowledge, which is at the basis of all professionalism. Ritual is a variety of performance, with a more formalized dimension of etiquette, and a well organized aesthetic and verbal sphere. In a ritual the order of events is clearly defined and the roles and actions of all participants are precisely assigned. In every culture we have to keep certain ‘manners’ (etiquette or rituals). Maintaining the manners is a prerequisite for participation in the maintenance of harmony and consensus. Pro-effective cultures are characterized by a sense of community and loyalty. Such concepts are extremely important for this kind of discourse. By means of dramatization of organizational interaction (ceremonial/code of manner) serves many functions:

1. It eliminates unexpected reactions which may surprise the partner in interaction;
2. It is a token of group membership;
3. It helps to anticipate the partner’s behaviour in interaction.

A rejection of the ritual shows a lack of respect for the partner of interaction and usually causes embarrassment. Embarrassment can undermine trust in the interactional order, may be a sign of lack of professionalism and can disturb the order of organizational culture. There is a form of interaction which resembles ritual, whose aim is to show and preserve certain social values. A “face” can be such a value; it concerns all partners of interaction. The face can be defined as a positive social value claimed by an individual for him/herself by means of a definition of the situation, assuming that others perceive it identically. The face therefore is an image of self, defined in terms of socially approved attributes. The face can be a set of attributes characterizing a professional. In contemporary term the concept might be called “personal image”. A participant in organizational culture keeps his/her face (image) when the line of behaviour he/she adopts presents an image of his/her personal integrity supported by judgments and evidence by other participants of the interaction.

Konecki continues to conclude that organizational culture in the normative sense (modern and pro-effective) is reproduced through symbolic violence. The mechanics of this violence pertain the authority of science, including the academia, used for training and advisory purposes, as well as the authority of the modern culture and the culture of effectiveness—measured and processed statistically for persuasive purposes. Reproduction of concepts in the discourse of binary antinomies is an additional factor. The antinomies, which generate
specific concepts, constitute a basic rule of the discourse which differentiates organizational cultures, and, in particular, their basic type, i.e. the modern, pro-effective culture. Pedagogic communication shows which parts of the antinomies are normatively accepted in an organizational culture.

On the other hand, the organizational culture itself reproduces basic relations. These are, among others, the relations between beneficiaries of ‘the modern and pro-effective organizational culture’ and those who have not been able to enter organizations with such cultures, as well as between those who possess power in such organizations and those who are doomed to perform menial tasks and subordinated to others. The class of managers and workers who possess the required cultural code including the rules of etiquette, the linguistic code and means of presentation relations reproduced by organizations culture.

The values of modern organizational culture can, however, be learned and acquired in the course of secondary socialization. What follows then is a sort of ‘colonization’ or imitation of behavioural pattern dominant in the ‘modern and pro-effective organizational culture’. This means that modern and pro-effective organizational cultures are characterized, in the normative sense, by a certain openness. To what extent it is applied in the organizational practice, is a matter for future empirical research. It seems that the constant generation of new ‘expert terms’ and schemes or reality perception is a tool of ‘repelling’ this part of society, which aspires to entering the organizational culture. The accelerated emergence of ‘new term’ is a consequence of the modern market mechanism. The faster the aspiring class acquire the new behaviour patterns, the more visible becomes the mechanism of repelling them through generation of new terms, pattern of understanding the reality, and procedures which again require time and effort to be acquired.

Creation and reproduction of organizational culture is a process of totalization of organization and management. The term ‘totalization’ is not used in a pejorative or axiological sense. The concept is purely analytical, and reflects the essence of the contemporary organizational culture, reproduced through traditional organizational authority (expressed by hierarchy), and conceptual system and management procedures, in particular HRM. These elements constitute a field of discourse in which binary conceptual antinomies, HRM procedures, which are technologies of revealing knowledge identified with values, and power hidden behind these procedures and concepts, reproduce the organizational culture. Power comes down to the level of the agent and forms there, emerges to the surface of knowledge and, in this paradoxical manner, gets concealed. If
everyone knows about it, then nobody does. It is taken for granted and, does not constitute a problem, because it is everywhere and nowhere, visible and invisible at the same time. In consequence it becomes indisputable. The field of discourse conceals the power and the totality of ‘execution’ through the pro-effective organizational culture, which, at the same time, confers agency to individuals, and which allows ‘effective use of workforce possibilities’. Symbolic violence appears, in a way, on demand form the workers, because the adoption of proper discourse and observance of its rules (behaviour in the course of HRM procedures, participation in ritual, adoption of language, body and dress codes) includes some individuals and allows them competent participation in contemporary late-modern organizations, but, simultaneously, excludes other individuals from the field of discourse and places them outside of the contemporary, legitimate organizational culture. The micro-technology of various HRM procedures which create and reproduce the common cultural model is effective on the ‘implicit social level’; it serves the development of the individuals and their power advancement, and obscures (or conceals) the full picture of reproduction of organizational culture. Power reproduces itself through our bodies and minds on our own demand, because of the needs we discover in ourselves, in accordance with which we should ‘develop’ and act. Openness and knowledge of self and of others are the first steps towards self-realization or cultural therapy of the individual. The power or knowledge reveals some things only to conceal what is essential.

2.19 Moderating the role of organizational culture

According to Guerra, Martinez, Munduate and Medina (2005:160), several authors have argued that organizational culture may render members of a group to be more or less tolerant towards discussions and different opinions that may arise within the group. Guerra et al (2005:160) define organizational culture in terms of “core values, behavioural norms, artifacts, and behavioural patterns which govern the ways people in an organization interact with each other and invest energy in their jobs and the organization at large. This definition has been adopted by its authors following the competing values model of organizational culture. The model consists of two dimensions with contrasting poles. The first dimension represents the organization’s point of view. The focus can either be direct internally-making the organization itself, its processes, or its people, the central issue- or externally-making the relation of the organization with its environment the central issue. The second
dimension refers to the contrasting pole of flexibility and control. Combining these two dimensions, four organizational culture orientations are obtained: support, innovation, rules, and goal orientation. Organizations can score high on none, one or any combination of the orientations, thereby showing the level of strength of their culture. Van Muijen (1999) as cited by Guerra et al (2005:160) describes the four different orientations in terms of their related concepts:

1. The support orientation combines the internal and flexibility poles; deals with concepts such as participation, cooperation, people-based orientation, mutual trust, team spirit, and individual growth.
2. The innovation orientation (external and flexibility poles) is characterized by concepts such as searching for new information in the environment, creativity, openness to change, anticipation, and experimentation.
3. The rules orientation (internal and control poles) emphasizes respect for authority, rationality for procedures, and division of work.
4. The goal orientation (external and control poles) emphasizes concepts such as rationality, performance indicators, accomplishment, accountability, and contingent reward.

Van Muijen (1999) points out that the orientations are circumflex and as a result there is tension between the values of the diametrical orientations. Stability and control (rules orientation) are opposed to creativity and change (innovation orientation). Team spirit and cooperation (support orientation) contrast with contingent reward and accountability (goal orientation). Private Service organizations have a simple structure with two hierarchical levels: management and workers. In these organizations work is performed on the basis of criteria of rationality, accomplishment, and accountability with the objective of satisfying client’s needs and obtaining a profit. This type of management assumes the existence of certain clear objectives that guide the organization and working procedures, and a reward system that depends on the performance of its employees. When a high orientation culture exist in private organizations, disagreements between employees on how to perform a task-task conflict- may be considered as a essential part of the process and a way of improving work and obtaining profits. Therefore, it is possible that task conflict is not negative for group objectives or for the affective well-being of its members. In other words, high job
satisfaction and high effective well-being could be achieved when task conflict occurs within a culture that values rationality, accomplishment, and accountability.

Public service organizations, on the other hand, have a different finality, which consist of providing a service to the general public. These organizations do not have to compete for clients as it is with the case of private organizations, they are not driven by the goal of profit making, as their basic remit is to provide a public service to specific groups. These organizations are, to use certain terminology, professional bureaucracies in which the yardstick with which work is assessed is not determined so much by results, organizational criteria or management decisions, as by rules and legally established indicators. They combine hierarchical administration with a peer philosophy that views employees as self-governing colleagues, a tenure system for job security, and decentralized departments that often operate independently rather than as part of an organization. In terms of cultural orientations they are a long way form performance indicators, accountability, and contingent rewards. There are differences in human resources practices in private and public organization. For an example, in a public organization, managers have less discretion in exercising leadership than in private organizations, because responsibilities are clearly specified, authority and accountability are documented in policies, procedures, and job descriptions, and remuneration does not depend on leader recommendations. Moreover, public organizations have less flexibility in their reward systems, more specialized and invariant job designs, higher levels of accountability, more rules and regulations, weaker linkages between political leaders and career-level leaders, and an absence of market incentives. As a consequence, the effects of task conflict in this context might be distinct to private organizations. Public sector workers have to deal with frequently changing agendas and unstable coalitions. Moreover, public employees should have different skills from private organizations: to encourage collective effort, to build cohesion and teamwork, to develop people through a caring and empathetic orientation. In these organizations, managers and colleagues have to be helpful, considerate, sensitive, open, approachable, and fair. The culture orientation that describes largely these skills is the support orientation. Suppose that when a high support orientation exists in public organizations, disagreements between employees on how to perform a task-task conflict-may be considered as differences in interpretation of rules and procedures or as a way of improving the work. In this sense, some authors have pointed out that in groups where there is mutual collaboration and trust, arguments about working procedures are less likely
to lead to conflict on personal matters. As a result, it is possible that when a high support orientation prevails within a group of a public organization, task conflict will not harm the satisfaction and affective well-being of group members. However, task conflict will have negative consequences on the satisfaction and affective well-being of workers when they perceive a low support culture in their work groups.

2.20 The typology of organizational culture

According to Ott (1989:58), the level of organizational culture that one uses as the frame of reference almost dictates how one studies, manages in, and goes about trying to change an organizational culture. These implications are sufficiently important to warrant the creation of a typology. Ott suggests that there should be a clear understanding when the phrase organizational culture is used. Schein’s (1985) conceptualization of organizational culture, as cited by Ott (1989:59), adds content to the three levels organizational culture:

- **Level one: Artifacts**

  Artifacts are the behavioural pattern and the visible, tangible, and or audible results of behaviours. Level one of organizational culture includes an organization’s written and unspoken language and jargon, office layouts and arrangements, organizational structure, dress codes, technology, and behavioural norms. Artifacts are tangible, and it is possible to ‘get your arms around them’. This is why it is tempting to collect information about specific programs and to shy away from the harder task of interpreting the values and beliefs that lie behind. A living culture exists in beliefs and values more than in artifacts and documents. This makes managing the culture a very intangible undertaking and it renders the job of analyzing culture equally frustrating at times.

- **Level two: Values and beliefs.**

  Values and beliefs are the sense of ‘what ought to be, as distinct from what it is’. Schein describes this level as revealing ‘how people communicate, explain, rationalize, and justify what they say and do as community. In addition to beliefs and values, the level two constructs of organizational culture include ethos, philosophies, ideologies, ethical and moral codes, and attitudes. At first glance, level two elements of organizational culture
appear to represent an ideal, workable blending of the ideationalist and adaptationist concepts of culture. Indeed, it is tempting to label level two the true organizational culture, and several organization theorists have done so. Nevertheless, level two elements can not be trusted to provide accurate information about a true organizational culture because of the prevalent incongruence between ‘espoused values’ and ‘values-in-use’ in organizations. Espoused values often serve important symbolic functions and may remain in an organization for extended periods of time even though they are incongruent with values-in-use. Despite the dangers inherent in using level two elements, if in fact organizational culture (a) influences behaviour in and of organizations; (b) increases the understanding of organizational members; and (c) can be used to predict behaviour (at least in some circumstances), then (d) level two elements of organizational culture (values and beliefs) should be better predictors of organizational behaviour than level one elements (artifacts and patterns of behaviour), because they are conceptually closer to Schein’s true organizational culture that resides in level three (basic underlying assumptions).

- Level three: Basic underlying assumptions

Schein defines basic assumptions as fundamental beliefs, values, and perceptions that have become so taken for granted that one finds little variation within a cultural unit. The basic assumptions of an organizational culture are as ‘theory-in-use’, the implicit assumptions that actually guide behaviour, that tell group members how to perceive, think about, and feel about things. Basic assumptions, like theories-in-use, tend to be non-confrontable and non-debatable. Basic underlying assumptions are distinct from preferred solutions- ‘what should be’- in the sense of dominant values. Level three elements of organizational culture include spirit, truths (in the social constructionist sense), and possibly the transactional analysis concept of organizational scripts- but only if they are so completely accepted and deeply ingrained that they have moved into organization members’ preconscious or unconscious.

2.21 The phenomenon of organizational culture

According to Ankrah & Langford (2005:596) the phenomenon of organizational culture is real and has a tangible impact, so an understanding of this phenomenon is fundamental to
understanding what goes on in organizations, how to run them and how to improve them. Its evaluation, with particular reference to construction firms, requires insight into the concepts, key principles and frameworks that underpin its evaluation. Although Hampden-Turner (1994) as cited by Ankrah & Langford (2005:596), argues that it is describable, measurable if necessary and, within limits, alterable, organizational culture, much like the generic concept of culture, is one of those terms that are difficult to express distinctly, but everyone knows it when they sense it, similar to a feeling knows it when they sense it, similar to a feeling about someone’s personality. Organizational culture has been loosely defined by many as the shared assumptions, beliefs and “normal behaviours” (norms) of a group. More formally, organizational culture is defined as “a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way you perceive, think, and feel in relation to those problems. According to McNamara (1999) as cited by Ankrah & Langford (2005:596) organizational culture is comprised of the assumptions, values, norms and tangible signs (artifacts) of organization members, their behaviours. New members of an organization consciously or unconsciously soon come to sense the particular culture of an organization just as they would another person. McNamara further suggests that organizational culture may further be looked at as a system. Inputs included feedback form society, professions, laws, stories, values on competition or services, etc. The process was based on assumptions, values and norms, e.g. values on money, time, facilities and people, and outputs were organizational behaviours, technologies, strategies, image, products, services and appearance inter alia.

Culture often explains the incomprehensible and the irrational. It defines appropriate behaviour, motivates individuals and asserts solutions where there is ambiguity. It governs the way a company processes information, its internal relations its values. Organizational culture influences the success or otherwise of strategy, mergers, acquisitions and diversifications, integrations of new technologies, meetings and communications in face to face relationships and socialization. It also accounts for the existence of inter-group comparison, competition and conflict, and the productivity of the organization, and it helps explain why some companies are more successful than others.

An investigation of corporate cultures therefore involves looking at how people in an organization behave, what assumptions govern their behaviour and what bonds or glue holds the organization together. Within the construction context, the concept of
organizational culture is only now beginning to attract interest. There is limited construction management research in this genre, although it has been a popular part of general management thinking since the early 1980s particularly with the contributions of Deal and Kennedy (1982). With the growing awareness that the nature of the industry, with its project-based arrangements, contractual arrangements, joint-venturing, internationalization of procurement and requirements of the cooperation of a myriad of participants makes it even more susceptible to the influence of organizational culture and culture in general, there is currently increasing research within this domain. Occupational and organizational differences, how they affect receptivity to new practices and technologies and inter-firm collaboration is one of the two main focuses of culture research.

2.22 Transmittal and perpetuations of organizational culture

Ott (1989:87) states that, as is the case with the formation and development of organizational culture, the processes by which it is transmitted and perpetuated vary somewhat according to how the concept is defined but they overlap. Artifacts are perpetuated through the functional or symbolic meanings attributed to them by members of the culture. Symbolic attribution occurs primarily through stories, myths, metaphors, heroes, rituals, rites and ceremonies. Basic assumptions are transmitted and perpetuated through a network of interesting processes:

- Step one: Pre-selection and hiring of members

Ott states that the first step in perpetuating an organizational culture should start before employees are hired. For an example, Buchanan (1975) as cited by Ott (1989:87) describes a public service ethic that includes an expectation that public servants will have a unique sense of loyalty and a special sensitivity to the public interest. If a public agency wants to perpetuate that ethic, one of its first steps should include seeking out and selecting new members who already possess it or who is strongly predisposed to accepting it. This predisposition is called an Anticipatory Socialization, the process by which people adopt the values of a group to which they aspire to belong but have not yet joined. The anticipatory socialization helps a person to be accepted by a group and eases the adjustment after he/she becomes a part of it. Popovich and Wanous (1982) as cited by Ott (1989:89)
advocate the use of the Realistic Job Preview to reduce the probability of selecting new members who will experience dissonance from unmet personal expectation. In effect, the Realistic Job preview screens out applicants who are not compatible with the organizational culture and may resist socialization, and it activates the pre-socialization process for candidates who remain in contention.

- Step two: Socialization of members

Organizational socialization refers to the processes by which members learn the cultural values, norms, beliefs, assumptions, and required behaviours that permit them to participate as effective members of an organization. Organizational socialization also implies that people may need to relinquish certain of their personal attitudes, beliefs, values, and behaviours as a price of membership. Organizational socialization or ‘people processing’ is not necessarily a dangerous or coercive process of mind altering- even though coercive socialization is used in some types of total institutions. All societal groups socialize or enculturate their members. The organizational socialization process that people encounter in most employer-employee settings is a learning process. Adults continually grow, learn, and adapt; and socialization provides organization members the particular knowledge and motivation needed to learn and fill organizational roles- to become effective and productive members. The socialization process is the way by which an individual learns the behavior appropriate to his or her position in a group ‘through interaction with others who hold normative beliefs about what his/her role should be and who reward or punish him for correct or incorrect actions’. The use of organizational socialization processes is not limited to new employees. People are most open to socialization when their anxiety level is high, particularly when they are in a state of transaction- crossing or preparing to cross organizational boundaries in order to enter new working groups and/or roles. Therefore, the socialization process usually is most active when a person is entering an organization or is being promoted or moved laterally across an organizational boundary. In summary, organizational socialization is a most important way through which organizational culture is perpetuated and transmitted. People in a state of transition tend to be anxious and ready to be socialized- to learn the assumptions, values, beliefs, and behaviors necessary to reduce that anxiety. The culture of the person’s reference group(s) determines what the person must learn to be effective in his/her new role. In organizations that socialize their members well (i.e. have a strong pervasive culture), the reference groups will require
learning that is consistent with the organizational culture. Some organizations consciously plan, design, and implement socialization programs. Others seem to drift into their people-processing strategies unconsciously or implicitly. If other things are nearly equal, organizations that socialize consciously should have stronger cultures than organizations that leave their socialization processes to chance.

- Step Three: Removal of members who deviate from the culture

Members who do not match well with their organizational culture tend to exit either voluntarily. For an example, as in the Community Centre, all cultures have subtle and not-so-subtle ways to rid themselves of deviants. Such departures usually cause for celebrations, and the circumstances leading to them become cherished organizational stories. In these ways, the departures of people who do not buy into the organizational culture transmit important symbolic messages about cultural expectation and the price of ‘deviance’ to all who remain. Thus, the first steps in perpetuating and transmitting organizational culture are: firstly, to hire people who have been pre-socialized; secondly, activate organizational socialization processes whenever members are preparing to or actually cross organizational boundaries. Do not permit cultural deviates to get into or remain in positions of influence; and thirdly, cause cultural deviates to leave the organization. Consciously celebrate their departure very visibly.

- Step Four: Behaviour

Under some circumstances, organizational culture can be perpetuated by affecting the behaviours of members. By altering or perpetuating people’s pattern of behavior (including the decisions they make), organizations can change or reinforce their corresponding cultural beliefs, values, and assumptions. The behavior-maintaining strategies available to organizations involve rewarding and punishing conformant and deviant behaviours. Monetary and nonmonetary reward systems (including promotion policies and practices); information and control systems; and the procedures required to clear decisions provide the most obvious levers for rewarding and punishing. The importance of reward systems should be evident. Information and control systems can be used to alter behavior in two ways. Firstly, they dictate what and when information is available for use by decision makers and thereby communicate what information should be considered when one is making decisions. In this way, information systems– much like classroom computers –
teach and reinforce desired behaviours (ways of reaching decisions). According to Skinner (1953) and Festinger (1957) as cited by Ott (1989:94), repeated behavior eventually leads to internalized thought patterns. Thus, information and control systems can control patterns of cognition in the same way that language does for members of any culture. Secondly, information and control systems provide information to executives about the nature, extensiveness, and result of members’ behaviours, which can be (and often is) incorporated into decisions to reward and punish. In summary, organizations can perpetuate and transmit organizational culture through their systems of rewards and punishments, information and control, and decisions clearance. Cultural perpetuation or change happens through reinforcement or planned alteration of members’ behavior, which eventually changes or stabilizes patterns of cultural cognitions, values, and assumption. Interestingly, many organizations actually reward behaviours that are inconsistencies broadcast symbolic signals that create confusion about what the cultural values and beliefs really are and undermine efforts to perpetuate or infuse them. In fact, rewarded behaviours usually reflect the true culture, which signals discrepancies between an organization’s espoused values and its values-in-fact to an astute observer.

- Step Five: Justification of behavior: Beliefs and Values

The fifth step approaches cultural perpetuation from a different slant. Instead of reinforcing or altering behavior in order to stabilize or modify cultural assumptions, beliefs and values are reinforced or modified directly. The difference between the two approaches is very important for selecting cultural change or maintenance strategies. The behavior approach (step 4) assumes that behavioural changes will result in cognitive and effective changes. It relies on extrinsic rewards and punishments to affect those changes- an approach that works some of the time. Nevertheless, changing behavior does not necessarily change the justifications of behavior- those beliefs and values that justify why things are done as they are. When behaviour changes but justifications do not, people may behave (act) compliantly while they are rationalizing the discrepancies between their behavior and their beliefs and values as being temporarily necessary for personal survival. They take their beliefs and values ‘underground’, waiting for the extrinsic reward/punishment system to change. This is one important reason why organizational cultures are so resistant to quick-fix change efforts. Intelligently planned strategies and plenty of time and patients are needed to change beliefs and values. Sathe (1985) as cited by Ott (1989:96) proposes two
basic strategies for changing organizational beliefs and values. They are equally applicable for perpetuating organizational culture:

1. Minimize reliance on extrinsic motivations to change, concentrating instead on intrinsic motivations
2. Nullify inappropriate justifications of behavior.

Step Six: Cultural Communication

The sixth and final step in this model for perpetuating and transmitting organizational culture takes us back to the discussions of artifacts, symbols, and symbolism. The most effective mediums for communicating important cultural assumptions, beliefs, values, and behaviours include an organization’s language, jargon, metaphors, myths, stories, heroes, scripts, sagas, legends, ceremonies, celebration, rite, and rituals. Information transmitted through these implicit forms of communication is heard more clearly and remembered longer than through more explicit mediums. When implicit transmitted information is at odds with explicit transmitted information, the former usually is believed.

2.23 An overview of an organization’s culture

According to Holbeche (2005:81), mapping an organization’s culture(s) typically involves:

- Data gathering and diagnosis, which is usually (but not always) carried out by internal consultants (such as HR) or external specialists.
- Agreeing a future culture profile, showing what the culture should be in the future to achieve high performance. This is usually prepared by participants from a range of different subgroups.
- Determining what needs to be modified (the leadership team determines which aspects of organizational culture may need to be modified).
- Participants in the process discussing and achieving consensus on what the discrepancies between current and future profiles mean. It is important that people are clear about the cultural trade-offs that may be needed, and about which aspects of the culture should be retained and strengthened. Typically, people use the formula of the aspect of culture that they wish to have more of, less of, or in the
same amount as currently. Ideally, participants should illustrate through two or three stories the key values they want to percolate through the future culture.

- Generating options. Having identified the areas to be strengthened or changed in order to achieve the desired future culture profile, the next stage involves generating options about how to achieve these. This involves using techniques such as brainstorming and attribute analysis.
- Evaluating options, which can involve techniques such as cost-benefit analysis, weighting and ranking.
- Making decisions and planning.
- Designing interventions, which involve being creative and purposeful, not relying on packaged favourite interventions; being willing to redesign on the spot; and designing at the level of content and process simultaneously.
- Finally, implementing change.

2.24 Conclusion

The most basic premise of understanding organizational culture is that, it comprises of the artifacts, experiences, beliefs and values of an organization. Organizational culture is then defined as the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization. And in simpler terms, organizational culture is the manner in which things are done in an organization, which is also known as the personality of the organization. The background of organizational culture can be carried in the form of artifacts, language, myths and ideologies and provides the basis for shared meanings which can be used to guide behaviours and interprets experience. Culture is seen as a system of informal guidelines and a s a form of social agreement that helps people understand how life in the organization, including reward and punishment.

Diagnosing cultural culture is challenging, and that there are three levels of culture that interacts: artifacts and creations, values, and basic assumptions. The basic functions of organizational culture are that, it gives members an organizational identity, it facilitates agreement, it promotes organizational stability, and it shapes behaviour by helping members make sense of their surroundings. The benefits of understanding organizational culture is that, when analyzing it, culture can prove an effective change intervention in its
own right, leading to a greater awareness amongst organizational members of what they can do for themselves to change aspects of the culture that are damaging performance and to strengthen aspects of culture that offers opportunities for business success.
Chapter 3

The Impact of Organizational Culture on Employee Behavior

3.1 Introduction

Organizational cultural issues are fast becoming increasingly imperative to consider the ever-changing, competitive global environment. Due to different cultural backgrounds that people possess, every organization is composed of different people/employees with different mindsets, values and beliefs. It is enormously important to consider those different values and beliefs into encouraging employees to better performance. Every organization has its own unique culture as mentioned in the previous chapter, which functions differently from others. The basic notion of organizational culture is to try to control the behaviour of employees within the organization. In order to work comprehensively, hence, the definition of organizational culture is to basically share values, beliefs and underlying assumptions so as to fully understand one another. Effective employee behaviour is said to be congruent with the employees’ commitment in the organization, which is believed to result in the acceptance of organizational goals and values; because commitment has been found to be positively related to employee performance in a number of studies. This chapter considers the information on how culture controls the behaviour of employees is clearly described. Detailed factors that promote creativity and innovation of employees in an organization are revealed. The relationship between organizational culture and performance, strong cultures and economic performance is imperative in today’s business nature. Strong cultures have greater impact on employee behavior and more directly related to reduce turnover. In a strong culture, the organization’s core values are held strongly and shared widely. The more the members accept the core values and the higher their commitment to those values, the stronger the culture

3.2 The seven factors that promote creativity and innovation

Martins and Martins (2002:61) state that organizational cultural issues are becoming increasingly important and a source of a strategic competitive advantage. Organizational
changes usually promote and intensify competitiveness, as they require dramatic changes in strategy, technology, working systems and management style, among others. These changes require an in-depth analysis of values, beliefs and behaviour patterns that guide day-to-day organizational performance. The topic of organizational culture often presents two contradictory images. The first is of culture as “the glue that holds the organization together”, and the second regards it as a central part of the change process. Post-industrial organizations of today are knowledge-based organizations and their success depends on creativity and innovation, discovery and inventiveness. In the midst of change, organizations and leaders are trying to create an institutional framework in which creativity and innovation are accepted as basic cultural norms. It has become clear that “the unwritten rules of the game” (the norms of behaviour) and shared values influence morale, performance and the application of creativity and innovation in many different ways. Martins and Martins state that a new model (table 1) can be developed to explain the influence of organizational culture on creativity and innovation in services-orientated organizations:

- Strategy

The factor strategy postulated in the empirical research supports the preliminary model to a large extent that a strategy leads to creativity and innovation in an organization is described in the vision and mission as a customer focused marketing orientation. This orientation also includes active research into the needs of existing and potential customers with a view to promoting creativity and innovation. The core values should be integrated with activities and result and employees should be informed about the core values through the vision and mission of an organization. An example of a vision that focuses on creativity and innovation would be the following: “our company will innovate endlessly to create new and valuable products and services and to improve our methods of producing them”. Reaction to change and management’s knowledge in leading the organization into the future did not from part of the determinant “strategy”, but can be interpreted as offering support to the strategy followed in a service organization. This is supported by various researchers who claim that the type of top management who are most inclined to make innovation happen are those who have a clear vision and future direction and of the operation of organizational change and creativity.
• Purposefulness

Although purposefulness formed part of the determinant “strategy”, it is postulates as a separate determinant for an organizational culture that supports creativity and innovation. The employees’ understanding of the vision and mission should have an influence on the implementation thereof. The extent to which creativity and innovation occur in an organization can only be determined if the vision and mission statements mention creativity and innovation. In other words the question about employees’ understanding of the vision and mission does not make it possible to determine the extent to which creativity and innovation occur in the organization; only that an understanding of the vision and mission will influence their implementation. Employees’ involvement in identifying outputs and participating in reaching goals and objectives will also influence the extent to which creativity and innovation take place. The availability of measuring standards of the results that need to be achieved by individuals also seems to play a role in purposefulness and the promotion of creativity and innovation.

• Trust Relationship

The trust relationship between management and employees should be discussed under open communication, with the focus on ‘openness’. In the empirical research the focus seems to move to trust, this new focus is supported by various researchers who claim that an organizational culture which is based on trust that manifest in openness and sincerity, is organizational culture that supports creativity and innovation. Many researchers argue that trust is crucial to an organization’s success in an increasingly complex and rapidly changing environment. The trust relationship in an organization will be strengthened when management and employees act openly toward each other. People will feel emotionally safe and this should lead to an atmosphere in which creativity and innovation can flourish. Management should also trust the process of innovation from lower to higher levels by taking note of the potential of innovative projects. In contrast, employees should also trust managers when they intervene. In other words a high degree of innovation can be achieved if the organizational culture created by management, promotes a high degree of trust. Support for change formed part of behaviour that encourages innovation. The willingness of employees to adapt to change (new ways of doing things) formed part of the value ‘flexibility’ as part of the structure. The factor postulation in the empirical research included these aspects in the trust relationship factor. It creates the impression that it will be easier for people to adapt to change and new ways of doing things if there is a good trust
relationship amongst employees (including management). It is evident that support for change and trust relate to each other and both will influence the degree to which creativity and innovation and stimulated in an organization.

- Behaviour that encourages innovation

The idea generating and risk taking factors also form part of the determinant “behaviour that encourages innovation”, which corresponds to the empirical postulated factor of behaviour that encourages innovation. Idea generating involves aspects such as encouragement to generating ideas, selling good ideas, management’s giving credit for ideas, encouragement to take initiative and to find new ways of solving problems. Management should create values that support risk taking and should demonstrate through their actions that risk taking and experimenting are acceptable behaviours. At the same time it is important that risk taking should be calculated and balanced to allow employees freedom in taking risks, but also to increase the possibility of success by creating a culture that allows for moderate risk taking. Management should realize that innovative employees are largely motivated by the possibility of success rather than the results of success.

Decision-making forms part of the determinant “structure” under the value “freedom”. Participation in decision making could lead to (among other things) more ideas being generated, quicker decisions being taken and ideas being converted into outputs, possibly explains why this item forms part of this newly postulated factor, namely behaviour that encourages innovation.

- Working environment

The determinant “working environment” seems to focus on employees in the organization and the way in which work takes place in the working environment as a part of the organizational culture. When compared with the other factors, it becomes clear that items were extracted from three different determinants, namely strategy, innovation behaviour and organizational structure (freedom of decision-making and empowerment, team cooperation and group interaction). The actualization of personal goals and objectives seems to relate to creativity and innovation. Conflict handling in the working environment should be handled constructively to promote creativity and innovation; and that some conflict is absolutely necessary for a group to perform effectively. Another factor that has an influence on the degree to which creativity and innovation take place in an organization is cooperative teams. If the environment is participative, employees will probably have the freedom to generate new ideas and participate in decision-making, which forms part of
empowerment. A feeling of having to control over one’s own work is necessary to promote creativity. Developing better work methods forms part of support for change, such as development would indirectly imply changes taking place. In the new postulation developing better work methods seems to fit in well with the working environment in which employees find themselves. The action of developing better work methods would promote creativity and innovation.

- Customer orientation.

This factor focuses on understanding the needs of internal and external customers, improving customer services and flexibility in customer service. For many organizations, fostering creativity and innovation is essential to their ability to offer high quality products and services. It is interesting to note that the factor postulation clearly distinguishes between a market-orientated strategy and this factor which focuses on a customer orientation on the operational level.

- Management support

The role of management is emphasized in each determinant. However, in the new postulation of the empirical study, it appears that management has a specific supporting role in promoting creativity and innovation. Open communication between employees, management and different departments as a determinant of organizational culture that would support creativity and innovation is supported by various authors. The role of management should be to point out ‘open-doors’ to foster innovation, and face-to-face communication promotes innovation. Availability of equipment and resources is dependent on management’s support. The degree to which equipment and resources are available improves or detracts from the likelihood of there being creativity and innovation. The degree to which employees are blamed for mistakes is an indication of managers’ tolerance of mistakes made. The supporting role of managers in adapting rules and regulations is related to their role in supporting change, which will have an influence on creativity and innovation. In other words, the degree to which managers support the adaptation of rules and regulations to keep up with change will have an influence on creativity and innovation.
**Table 1**

Dimensions measures to describe organizational culture

1. Strategic vision and mission
2. Customer focus (external environment)
3. Means to achieve objectives
4. Management process
5. Employee needs and objectives
6. Interpersonal relationships
7. Leadership

Determinants of organizational culture that influence creativity and innovation

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Purposefulness</th>
<th>Trust relationship</th>
<th>Behaviour that encourages innovation</th>
<th>Working environment</th>
<th>Customer orientation</th>
<th>Management support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer focused marketing orientation. Integration of core values. Reaction to change. Knowledge of management with a future perspective</td>
<td>Understanding of vision, mission, goals &amp; objectives. Involvement. Availability of standards</td>
<td>Trust</td>
<td>Support for change</td>
<td>Idea generating Risk taking Decision-making</td>
<td>Integration of goals &amp; objectives Conflict handling Cooperative teams Participation Control of own work</td>
<td>Flexibility in customer service Improvement of service Understanding of customer needs</td>
</tr>
</tbody>
</table>

**CREATIVITY AND INNOVATION**

3.3 The types of behaviour that culture controls

According to Scholl (2003), a single definition of organizational culture has proven to be elusive. No one definition of organizational culture has emerged in the same literature. One of the issues involving culture is that it is defined both in terms of its causes and effect. For an example, the following are the two ways in which culture is often defined:

1. Outcomes: Defining culture as a manifest pattern of behaviour. Many people use the term culture to describe patterns of cross individual behavioural consistency (CIBC). For an example, when people say that culture is “the way we do things around here” they are defining consistent ways in which people perform tasks, solve problems, resolve conflict, treat customers, and treat employees.

2. Process: Defining culture as a set of mechanisms creating cross individual behavioural consistency. In this case culture is defined as the informal values, norms, and beliefs that control how individuals and groups in an organization interact with each other and with people outside the organization.

Both of these approaches are relevant to the understanding of culture. It is important to know about what types of behaviour culture greatest impact (outcomes) has and how culture works to control the behaviour of organizational members; and the following are the types of behaviour that culture control:

- Innovation versus Stability: the degree to which organizational members are encouraged to be innovative, creative and to take risks.

- Strategy versus Operational Focus: the degree to which members of the management team focus on the long term big picture versus attention to detail.

- Outcome versus Process Orientation: the degree to which management focuses on outcomes, goals and results rather than on techniques, processes, or methods used to achieve these results.

- Task versus Social Focus: the relative emphasis on effect of decisions on organizational members and relationships over task accomplishment at all costs.

- Team versus Individual Orientation: the degree to which work activities are organized around teams rather than individuals.
• Customer Focus versus Cost Control: the degree to which managers and employees are concerned about customer satisfaction and service rather than minimizing costs.

• Internal versus External Orientation: the degree to which the organization focuses on and is adaptive to changes in its environment.

• Basis for commitment of organizational members: what is the dominant source of motivation that characterize organizational members and on which managers’ focus? Is there a strong: (i) Instrument Orientation- focus is on pay and equity; (ii) Status Orientation-focus is on titles, status symbols, allocation of credit and recognition; (iii) Internal Standard Orientation- focus is on achievement, challenge and individual growth; and (iv) Goal Orientation- focus is on service to customers, clients, and quality.

• Power Distance: the psychological distance between organizational members at various levels. The degree of deference to authority, the rigidity of chain of command, and the formality of interaction.

• Conformity versus Individuality: the degree to which individuality is encouraged and tolerated.

• Ad hockery versus Planning: focus on emergent versus deliberate development of mission and strategy.

• Centralized versus Decentralized decision-making: the degree to lower level employees encouraged to make and implement decisions without approval form top management.

• Cooperation versus Competition: degree to which cooperativeness and team spirit is encouraged versus individual competition and political posturing.

(www.uri.edu/research/lrc/scholl/notes/culture.html)

3.4 Cultural Control Mechanisms

Scholl (2003) asks the question; “How does culture control the behaviour of organizational members?” If consistent behavioural patterns (CIBC) are the outcomes or products of a
culture, “what is it that causes many people to act in a similar manner?” Scholl suggests that there are four basic ways in which a culture or more accurately members of a reference group representing a culture, creates high levels of cross individual behavioural consistency. They are; Social norms; Shared values; Shared mental models and consensual schema; and Social identities:

1) Social Norms

Social norms are the most basic and most obvious of cultural control mechanisms. In its basic form, a social norm is simply a behavioural expectation that people will act in a certain way in certain situations. Norms (as opposed to rules) are enforced by other members of a reference group by the use of social sanctions. Norms have been categorized by level: (i) Peripheral norms- are general expectations that make interaction easier and more pleasant. Because adherence of these norms is not essential to the functioning of the group, violation of these norms general results mild social sanctions; (ii) Relevant norms- encompass behaviour that are important to group functioning. Violation of these norms often results in non-inclusion in important group function and activities; (iii) Pivotal norms- represent behaviours that are essential to effective group functioning. Individuals violating these norms are often subject to expulsion from the group.

Scholl states that individuals comply with norms because they (norms) explain the variance among individuals with a group in the degree of compliance, (i.e.), those who comply and those who ignore norms. (a) Self-concept: Individuals that are more dominant in self-concept external source of motivation would be most likely to comply with social norms. Since social sanctions involve the withholding of acceptance, these individuals are most likely to comply. Likewise, those characterized by high/weak self-concepts would be more likely to comply with social norms than those with strong self-concepts. Those with strong self-concepts or less are likely to need the acceptance and other forms of affirmation contingent upon compliance with norms. Identification- individuals who identify with the group, that is to define their social identity in terms of the group, are more likely to comply with the group’s norms. (b) Internalization of norms: one of the most powerful bases of compliance or conformity is internalization, (i.e.) believing that the behaviour dictated by the norm is truly the right and proper way to behave. Overtime, many group members begin to internalize pivotal and relevant norms. (c) High status members of a group are often exempt from peripheral norms, as are those with high amounts of what is called idiosyncratic credit. Idiosyncratic credit is generally awarded to group members who have
contribute a lot to the group and have earned the freedom to violate the norms free from sanctions.

2) Shared Values

As a cultural control mechanism, the key word in shared values is shared. The issue is not whether or not a particular individual’s behaviour can best be explained and/or predicted by his/her values, but rather how widely that value is shared amongst organizational members, and more importantly, how responsible was the organization’s culture in developing that value within the individual. A value is a phenomenon that is some degree of worth to the members of giving groups. Values are the conscious, affective desires or wants of people that guide their behaviour. Values influence individual behaviour in two ways: Firstly, private or internal values- are when individuals have internalized values, compliance with these values are based on eliminating guilt feelings associated with noncompliance with values. Secondly, public or espoused values- are when we believe that everyone around us holds a certain value (social value); we often act in ways consistent with that value even though we don’t personally hold that value. This is done to gain acceptance and support of the group.

3) Shared Mental Models and Consensual Schema

A mental model or theory in use is a causal relationship between two variables. The belief structure of managers can be represented as a complex set of mental models, which they use for diagnosing problems and making decisions. In organizations with strong cultures, members of the organization may begin to share common mental models about employees, competition, customers, unions and other important aspects of managerial decision-making. Mental models are often called basic underlying assumptions. A mental model impacts on the behaviour of the individual every time a decision made is based on more of the mental models. For an example, if a manager believes that increasing satisfaction will increase employees’ performance, he/she is likely to do things that eliminate dissatisfaction amongst employees and work hard to increase their levels of satisfaction. When all managers often organization share the same mental models or theories, they are likely to make very similar decisions when solving problems. This leads to a consistent way of doing things and solving problems in an organization. Cognitive schema is mental representation of knowledge. Cognitive scripts are types of schema involving action or the way to do something. Schema is generally enacted subconsciously, (i.e.) we enact a script without
much thought or deliberation. In other words, cognitive scripts are like programs we store and call upon when certain stimuli are present.

4) Social Identities

The establishment of one’s identity is a matter of individual choice and acceptance of that choice by the reference group. This implies that individuals select amongst their variety of social identities. Likewise, members of these established reference groups act either to affirm or disaffirm these social identities of individuals. Existing members can accept or reject individuals from these groups based on the degree to which they comply with norms and behave in ways consistent with the shared values of the group. Once an individual establishes his/her social identity, he/she often would work hard to affirm and reinforce this identity in the minds of others. This requires behaving in a way consistent with the expectations of others with respect to this identity or role. Scholl raises a question; “what is the relationship between organizational culture and social identities?” Members of the reference group perform three things to establish social identities: a culture that establishes a set of roles (social identities); a culture that establishes a set of role expectations (trait, competencies, and values) associated with each identity; and a culture that establishes the status or value/worth to the reference group of each social identity. This tends to establish the attractiveness of an identity or role to members.

(www.uri.edu/research/lrc/scholl/notes/culture.html)

3.5 The relationship between organizational culture and performance

According to Ogaard, Larsen and Marburg (2005:24), organizational culture may be defined as an interdependent set of shared values and ways of behaving that are common to the organization and tend to perpetuate themselves. Kotter and Heskett (1992) as cited by Ogaard et al (2005:24) states that organizational culture has been assumed to have affective reactions to organizational life, but also for the organizational performance. Schein (1981) also cited by Ogaard et al (2005:24) suggest a taxonomy of culture aspects that have gained wide acceptance. Schein proposes that there are three levels of organizational culture: the basic underlying assumptions of organizational culture; values; and artifacts and behaviours. Although basic assumptions do not lead themselves readily to comparative studies, artifacts and behaviours are the overt aspects of the culture. There are therefore easily observable but difficult to interpret, and such, are relatively seldom investigated in
comparative organization culture studies. Cultural values probably are the most frequent investigated cultural aspects. Values typically act as the defining element of a culture and norms, symbols, artifacts and behaviour revolve around them. While organizational culture values are crucial to a full understanding of employees’ behaviour and self-regulation, they are several steps removed from individual behaviour itself. In addition to shared values, individual cognitive and social processes may also influence behaviour and thus influence the culture-performance relationship. Important self-regulation variables suggested in the literature include commitment and self-efficacy. On one hand, self-efficacy and commitment are results of the fit between the individual manager and the organizational culture values; on the other hand, efficacy and commitment are related to performance and job satisfaction. Organizational commitment is the relative strength of an individual identification with and involvement in a particular organization. It is characterized by at least three factors: willingness to exert considerable effort on behalf of the organization; a strong belief in and acceptance of an organization; goals and values; and a strong desire to maintain membership in the organization. Commitment thus represents something beyond mere passive loyalty to an organization. It involves an active relationship with the organizations such that individuals are willing to give something of themselves in orders to contribute to the organization’s well-being. Self-efficacy on the other hand, is a person’s belief in his/her capability to mobilize the motivation, cognitive resources and course of action needed to exercise control over events in life, and on the other hand, a person’s judgment of how well she/he can execute courses of action requires to deal with prospective situations. It is also suggested that there is a difference between possessing skills and being able to use them well and consistently under difficult circumstances. People with the same skills may therefore perform poorly, adequately, or extraordinary, depending on whether their self-beliefs of efficacy enhance or impair their motivation and problem-solving efforts. Self-efficacy has also been suggested to grow stronger over time as the employee successfully performs tasks and builds the confidence necessary to fulfill his/her role in the organization. Organizational commitment is generally believed to result in the acceptance of organizational goals and values. As managers become more committed to an organization, resulting in greater acceptance of organizational goals and values, their behaviour will be more in accordance with organizational values, and they will be willing to put forth greater effort for the organization. Commitment has been found to be positively related to employee performance in a number of studies. Furthermore, the striving and extra effort
associated with commitment has been shown to be positively related to customer satisfaction. Self-efficacy has also been found to be strongly related to future performance, and it has been shown to have at least two distinct influences on performance. Firstly self-efficacy explains much of the effort put into performance tasks. In addition, self-efficacy enhances people’s motivation and problem solving efforts. Effort has been shown to have a direct effect on service satisfaction. The second mechanism through which self-efficacy works is goal choice. Self-efficacy is strongly related to the goal level chosen in such a way that the more efficacious a person is, the higher the goal level chosen.

### 3.6 How to observe organizational culture

According to Heathfield (2001) it is difficult for people to assess and understand their own culture. When people are at work on a daily basis, many of the manifestations of culture become almost invisible. Assessing an organizational culture is a lot (for an example, like trying to tell someone how to tie their shoes; once you’ve been tying your own shoes everyday for years, it is hard to describe the process to another person). An assessor can obtain a picture of an organization’s culture in several ways. To participate in the assessment of an organizational culture, an assessor must:

- Try to be impartial observer of the current culture in action. Look at the employees and their interaction in the organization with the eye of an outsider. The assessor should pretend to be an anthropologist observing a group that he/she has never seen before.

- Watch emotions. Emotions are indications of values. People do not get excited or upset about things that are unimportant to them. Examine conflicts closely, for the same reason.

- Look at the objects and artifacts that sit on desks and hang on walls. Observe common areas and furniture arrangements.

- When an assessor observes and interacts with people, he/she should watch for things that are not there. If nobody mentions something that you think is important (like the customers), that is interesting information. It normally helps to a better understanding of the organization’s culture.

(www.humanresources.about.com/od/organizationalculture.htm)
3.7 Foundations of culture evolution

According to Carmazzi (2001), at each level of organizational evolution, people will be working, acting, thinking and feeling at different levels of personal commitment. Carmazzi’s directive communication psychology classifies these levels of commitment as:

1. The level of an individual: people rely on personal skill and the direction from leaders. When working on the plane of a “skill” people work at the level of “individual”. They work because it is required; and they use and develop their skill because it maintains the security related to their job.

2. The level of a group: people have an emotional connection to their work. This has further developed their attitude for success. They thrive on an environment of personal growth and others who have the same attitude. When working on the plane of an “attitude”, people work at the level of a “group”. They take on additional tasks and even apply more effort to their job. Unlike those working at the level of an individual, they do not need to be told what to do, only to be guided to a direction.

3. The level of an organization: the pinnacle of greatness comes when individuals see their work as their purpose. People see a greater purpose to the work they do, something greater than the individual, or the group. The organization is the vehicle to doing and becoming something greater than themselves. When working on the plane of “self actualization”, people work at the level of an “organization”. At this level of commitment, an individual will do for the organization the same he/she would do for him/herself. The individual and the organization (and all its components and people) are one.

(https://en.wikipedia.org/wiki/Organizational-culture)

3.8 Insights on evolving corporate culture

According to Carmazzi (2001) each culture affects the effectiveness and “level of commitment” of the people within that culture. And that perpetuates the psychology that creates the culture in the first place. In order to break the cycle and evolve a culture and the commitment of those in it, leaders need to understand their role in the psychological
dynamics behind the culture and make adjustments that will move it to the next level. Carmazzi states five levels of organizational culture:

1. The blame culture: this culture cultivates distrust and fear, people blame each other to avoid being reprimanded or put down, this results in no new ideas or personal initiative because people don’t want to risk being wrong. The major of commitment here is at the level of the individual.

2. Multi-directional culture: this culture cultivates minimized cross-department communication and cooperation. Loyalty is only to specific groups (departments). Each department becomes a clique and is often critical of other departments which in turn create lots of gossip. The lack of cooperation and multi-direction is manifested in the organization inefficiency. The major of personal commitment in this culture borders on the level of the individual and level of a group.

3. Live and let live culture: this culture is complacency; it manifests mental stagnation and low creativity. People here have little vision and have given up their passion. There is average cooperation and communication and things do work, but they do not grow. People have developed their personal relationships and decided who to stay away from, there is not much left to learn. Personal commitment here is mixed between the level of individual and level of a group.

4. Brand congruent culture: people in this culture believe in the product or service of the organization, they feel good about what their company is trying to achieve and cooperate to achieve it. People here are passionate and seem to have similar goals in the organization. They use personal resources to actively solve problems and while they don’t always accept the actions of management or others around them, they see their job as important. Almost everyone in this culture is operating at the level of a group.

5. Leadership enriched culture: people view the organization as an extension of themselves; they feel good about what they personally achieved through the organization and have exceptional cooperation. Individual goals are aligned with the goals of the organizations and people will do what ever it takes to make things happen. As a group, the organization is more like family providing personal fulfillment which often transcends ego so people are consistently bringing out the best in each other. In this culture, leaders do not develop followers, but develop
other leaders. Almost everyone in this culture is operating at the level of the organization.

(http://en.wikipedia.org/wiki/Organizational-culture)

3.9 The impact of organizational culture on employee performance

According to Sinickas (2006), corporate culture can help drive business results, but it takes a cultural audit to differentiate which elements of the culture can lead to superior performance. (www.sinizom.com/sub%20pages/pubs/articles/articles48.pdf)

Sinickas (2006) conducts employee engagement surveys that are specifically designed to measure the correlation between employee behaviours and attitudes that define an organization’s culture and its financial results. “The key is to ask the right question”. The questions are developed in two categories: behaviors defining outcomes with financial value and behaviours; and attitudes describing inputs that could affect those outcomes.

1. The first category of questions measures positive behavioural outcomes that the organization needs in order to succeed. Some of these have immediate financial value, such as employee’ ratings of their own productivity or intention to stay with the organization. Other outcome questions are harder to quantify financially, such as self-ratings of employee’s commitment to help the company succeed or the likelihood of recommending their organization as a great employer to their friends. However, all these are specific employee behaviours that define an engaged workforce and will lead to better financial results.

2. The second category of survey questions measures the current extent of cultural factors likely to contribute to those positive outcomes. Obviously these have to be tailored to the type of work the organization does. Some examples are, “To what extent does one feel that they have the opportunity to provide upward information or feedback?” or “To what extent are people treated with respect?”

The entire process depends on identifying the key outcome questions and the potential cultural variables at a specific organization that might lead to those outcomes. Sinackas’ methodology begins with qualitative research in order to identify the unique characteristics
for each organization that help to drive business performance and achieve results. Sinackas states that the first approach is for one to start conducting executive interviews; by asking what behavioural outcomes do people want to see and what they think makes working at this place special. What goes into making people more focused, more productive and more committed to quality or customers? The second approach is the employee focus groups; this step is to ask the employees the same questions. Giving them the opportunity to say in their own words what factors they think drive the company’s success. Asking why they either want to be in this company or what changes would increase their commitment to the company’s success. Getting people to discuss open-ended questions such as, “what makes working for this company better that working another company?” Or “why did they choose to work for this company rather than the competitors?” and these questions reveal the value-adding characteristics of the culture.

In addition to using this qualitative research, a cultural survey should also incorporate survey questions measuring the extent to which the company’s stated mission, vision and values are reflected in current management and employee behaviours.

(www.sinizom.com/sub%20pages/pubs/articles/articles48.pdf)

3.10 The difference between strong and weak cultures

According to Robbins, Odendaal and Roodt (2003:382), it has become increasingly popular to differentiate between strong and weak cultures. It is argued that strong cultures have greater impact on employee behavior and more directly related to reduce turnover. In a strong culture, the organization’s core values are held strongly and shared widely. The more the members accept the core values and the higher their commitment to those values, the stronger the culture. Consistent with this definition, a strong culture will have a strong influence on behavior of its members because what they share and the intensity create internal climate of high behavioral control. In an example stated by Robbins et al, Rand Merchant Bank (RMB) has developed a service culture that is difficult to quantify, difficult for competitors to emulate, and most critical to corporate success. One specific result of a strong culture should be lower employee turnover. In a strong culture members agree about what the organization stands for. Such unanimity of purpose builds cohesiveness, loyalty, and organizational commitment. These qualities, in turn, lessen employees’ prosperity to leave the organization.
Janis (2001) differentiates between strong and weak cultures; a strong culture is said to exist where staff respond to stimulus because of their alignment to organizational values. Conversely, there is weak culture where there is little alignment with organizational values and control must be exercised through extensive procedures and bureaucracy. Where culture is strong; people do things because they believe it is the right thing to do; there is a risk of another phenomenon, Groupthink. ‘Groupthink’ as described by Janis (2001) is a quick and easy way to refer to a mode of thinking that people engage when they are deeply involved in a cohesive in-group, when members’ strivings for unanimity override their motivation to realistically appraise alternatives of action. This is a state where people, even if they have different ideas, do not challenge organizational thinking, and therefore there is a reduced capacity for innovative thoughts. This could occur, for example, where there is heavy reliance on a central charismatic figure in the organization, or where there is an evangelical belief in the organization’s values, or in groups where a friendly climate is at the base of their identity (avoidance of conflict). In fact groupthink is very common, it happens all the time, in almost every group. Members that are defiant are often turned down or seen as negative influence by the rest of the group, because they bring conflict (conflicting ideas) and disturb the central culture. In cultural studies, culture is seen as ethnocentric, or culturocentric, meaning that we tend to think that our culture/subculture is the best. The stronger the culture; the greater the risk of groupthink. By contrast, bureaucratic organizations may miss opportunities for innovation, through reliance on established procedures. Innovative organizations need individuals who are prepared to challenge the status quo; be it groupthink or bureaucracy, and also need procedures to implement new ideas effectively. (www.en.wikipedia.org/wiki/Organizational-culture)

3.11 The relationship between organizational culture and economic performance

Huczynski and Buchanan (2001:647) assert that original writings on organizational culture by Peters and Waterman, and by Deal and Kennedy (to name a few authors), promote the merits of ‘strong’ organizational cultures, defined as those in which key values are widely shared, intensely held, clearly ordered by employees, who are guided by them. Not all cultures are strong ones, but those that are strong, are claimed to produce and improve economic performance. Strength refers to a degree to which employees share a commitment to a range of goals and values espoused by management, and have a high level
of motivation to achieve them. The argument by Huczynski and Buchanan is that, with respect to employees, a strong culture:

- ‘glues’ them together
- Gives them a sense of purpose
- Provides them with a sense of identity
- Makes them feel better about what they do
- Increases their commitment to the company
- Makes their work more intrinsically rewarding
- Provides them with a sense of their own distinctiveness
- Helps them identify more closely with their fellow workers
- Supplies a set of informal rules which clearly signal how they are to behave
- Reduces ambiguity by enabling them to ‘make sense’ of different organization events.

3.12 Matching people with cultures

According to Robbins et al (2003:390), there is now a substantive body of evidence to demonstrate that organizations attempt to select new members who fit in well with the organization’s culture. And most job candidates similarly try to find organizations where their values and personality will fit in. In a recent research by Goffee and Jones (1998) cited by Robbins et al (2003:390) provides some interesting insights on different organizational cultures and guidance to prospective employees. Goffee and Jones have identified four distinct culture types that can be used to select an employer where an individual will fit best. It is argued that there are also two dimensions that underlie organizational culture. Sociality is the first dimension which measures friendliness. High sociality means people do kind things for one another without expecting something in return and relate to each other in a friendly, caring way. In terms of our definition of organizational culture presented at the beginning of the earlier chapter, sociability in this context is consistent with a high people orientation, high team orientation, and a focus on processes rather than outcomes. The second dimension is solidarity. Solidarity is a measure
of task orientation. High solidarity means people can overlook personal biases and rally behind common interests and common goals. Again, referring back to our earlier definition, solidarity is consistent with high attention to detail and high aggressiveness. Table 2 illustrates a matrix with these two dimensions rated as either high or low. They create four distinct culture types:

**TABLE 2**

<table>
<thead>
<tr>
<th>SOLIDARITY</th>
<th>SOCIABILITY</th>
</tr>
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<tbody>
<tr>
<td>LOW</td>
<td>LOW</td>
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<tr>
<td>HIGH</td>
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<td>HIGH</td>
<td>HIGH</td>
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<tr>
<td>LOW</td>
<td>HIGH</td>
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</tbody>
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1. Net-worked culture (high on sociability; low on solidarity). These organizations view members as family and friends. People know and like each other. People willingly give assistance to others and openly share information. The major negative associated with this culture is that the focus of friendship can lead to a tolerance for poor performance and creation of political cliques.

2. Mercenary culture (low on sociability; high on solidarity). These organizations are fiercely goal-focused. People are intense and determined to meet goals. They have a zest for getting things done quickly and a powerful sense of purpose. Mercenary cultures aren’t just about winning; they’re about destroying the enemy. This focus on goals and objectivity also leads to a minimal degree of politicking. The downside of this culture is that it can lead to an almost inhumane treatment of people who are perceived as low performers.
3. Fragmented culture (low on sociability; low on solidarity). These organizations are made up of individualists. Commitment is first and foremost to individual members and their job tasks. There is little or no identification with the organization. In fragmented cultures, employees are judged solely on their productivity and the quality of their work. The major negatives in these cultures are excessive critiquing of others and an absence of collegiality.

4. Communal culture (high on sociability; high on solidarity). This final category values both friendship and performance. People have a feeling of belonging but there is still a ruthless focus on goal achievement. Leaders of these cultures tend to be inspirational and charismatic, with a clear vision of the organization’s future. The downside of these cultures is that they often consume one’s total life. Their charismatic leaders frequently look to create disciplines rather than followers, resulting in a work climate that is almost “cult-like”

3.13 Culture and conflict resolution

Osland (2001) as cited by Werner (2007:239) explores the relationship between culture and conflict. Cultural assumptions affect people’s approaches, expectations and behaviours in a conflict situation. In low-context cultures, such as that of the United States and Germany, communication is more explicit, disclosing and candid. In these cultures, conflict is perceived as instrumental and approached in analytical and logical terms. As a result, open confrontation is regarded as acceptable and desirable. In a high-context culture, such as Japan, China, Saudi Arabia and Egypt, meaning is created through the context (social roles, position) and nonverbal cues (pauses, silence, and tone). In such a high-context culture, conflict is indirectly expressed so that the relationship will be preserved and nobody loses face. Open confrontation is regarded as socially inappropriate and conflict is expressed in more indirect ways.

As a result of the above-mentioned cultural difference, Werner (2007:239) states that a Westerner visiting a country with a high-context culture might be ignorant of imminent disagreement or conflict because he/she does not recognize the indirect clues indicating disagreement. By the same token, a person from a high-context culture might perceive the typical Westernized way of dealing with conflict as rude, arrogant and disrespectful of the relationship. In cultures where individualism is encouraged, people are generally more self-
controlling, self-orientated and competitive when faced with conflict. Individualists want to resolve conflict quickly and achieve tangible outcomes. Collectivists, on the other hand, are more likely to use other conflict resolution styles, such as accommodation or integration. The American culture is perceived as individualistic while the Japanese culture is perceived as one of collectivism.

Just as groups of people share a specific culture, an organization as a collection of people working towards a common goal, develops a unique culture that distinguishes it from other organizations and gives it its own identity. Werner agrees like many other authors mentioned in the previous chapter that organizational culture can be defined as a system of shared assumptions held by members that impact on their behaviour, attitudes and feelings. Organizational culture develops overtime and is strongly influenced by the behaviour of its founders, senior leaders and managers. Organizational members subconsciously perceive cues in the organizational development that signal them how they should act in various situations. When a potential situation arises, the employee will instinctively know how to react in order to maintain or strengthen his/her position in the organization. The employee might withdraw, oblige, compromise, compete or collaborate, depending on what type of behaviour is encouraged by the organizational culture. In a constructive organizational culture, employees are encouraged to discuss the issues and collaborate to find a solution, or alternatively, find a compromise. In an aggressive defensive culture, employees know that in order to preserve their positions, they have to address conflict aggressively and therefore compete with others. In a passive defensive culture, employees will rather avoid conflict, follow rules and procedures rigidly or rely on the managers to use their authoritative command (dominating style) in order to deal with the conflict. In organizations where a specific culture is well embedded, a preferred conflict resolution style will emerge and be modeled. It would therefore be possible to identify the predominant organizational conflict resolutions style in an organization.

Managers who want to create a culture in which conflict is perceived as natural and necessary for growth and innovation should give attention to:

- The appreciation and encouragement of diversity in the organization
- The empowerment of employees so that they will have the ability and authority to question the status quo and suggest alternatives.
3.14 The organizational socialization

Huczynski and Buchanan (2001: 633) assert that the ultimate strength of a company’s culture depends on the homogeneity of group membership, and the length and intensity of their shared experiences in a group. One learns about a company’s culture through the process of organizational socialization. Pascale (1985) as cited by Huczynski and Buchanan, organizational socialization includes the careful selection of new company members, their instruction in appropriate ways of thinking and behaving, and the reinforcement of desired behaviours by senior managers. The concept of socialization is considered at the level of the individual and the group and that according to van Maanen and Schein (1979) as cited by Huczynski and Buchanan, socialization is imperative because new organization recruits have to be taught to see the organizational world as their more experienced colleagues do if the tradition of the organization is to survive.

**Figure 1: The Socialization Process**

![Diagram showing the socialization process]

Socialization involves newcomers absorbing the values and behaviours required to survive and prosper in an organization. It reduces variability of behaviour by imbuing employees with a sense of what is expected of them and how they should do things. By providing an internal sense of how they should behave, plus a shared frame of reference, socialization standardizes employee behaviour, making it predictable for the benefit of senior management. The socialization process is shown in figure 1.

The pre-arrival stage of socialization occurs before individuals are admitted to the organization and is targeted equally at both those who will be accepted and those rejected. Every individual comes to an organization already possessing a set of values, attitudes and expectations, which they will have acquired through their earlier socialization at school, university and in their previous employment. The selection process is part of this socialization stage and has four objectives:
- Informs prospective employees about the organization
- Ensures that the values and objectives of those recruited mesh with those of the company, thereby ensuring homogeneity of the total membership (finding the right type)
- Conveys to the minority ultimately admitted that they have surmounted a rigorous selection procedure. Thereby making them feel that they were members of an elite, who have achieves a coveted and distinctive status.
- Reinforces the image the company wishes to project to its future applicants as the accounts of the experiences of both successful and unsuccessful applicants will circulate through the grapevine.

Individuals joining an organization have expectations of what it will be like. During the *encounter stage of socialization*, individuals interact with their managers and colleagues, do their job and can judge the degree to which their expectations match the reality. Where there is a mismatch, the learning process detaches them from their previous assumptions and replaces them with another set of values, attitudes and motives that conform to those which the organization deems desirable. Many vivid accounts of this stage are contained in novels and films about new recruits joining the military and churches.

In the *metamorphosis stage of socialization*, the new employees adjust to their organization’s values, attitudes, motives, norms and required behaviours. Such adjustment may be real or fabricated. Where the gap between expectation and reality cannot be breached, the individual may leave their job by resigning. Socialization is a process that is most intense when the employee enters the organization for the first time, but it continues throughout their stay. Senior managers in the company may take the role of mentors or coaches. For example, two of the largest international management consultancy companies use this approach. They operate a formal counseling, mentoring and “buddy” system. In one of them, upon management, all new staff members are allocated a counselor who monitors their development and provides coaching. In the other firm, summer placement students are allocated to teams whose members they refer to as ‘buddies’ and whose role is to counsel and aid the student during the first few weeks in the company. In both cases, the responsibility of coaches, mentors and buddies is to guide and mould the new members in line with organization expectations.
Performance-based appraisal systems and formal training programs are also instituted by senior management to signal visibly which goals new joiners should be striving for and how. Finally, senior management’s behaviour in promoting, censoring and dismissing employees also sends information to employees about company values, expectations about norms, risk taking, acceptability of delegation, appropriate dress, topics of discussion, and so on.

**Conclusion**

Organizational cultural issues are becoming increasingly important and a source of a strategic competitive advantage. Organizational changes usually promote and intensify competitiveness, as they require dramatic changes in strategy, technology, working systems and management style, among others. These changes require an in-depth analysis of values, beliefs and behaviour patterns that guide day-to-day organizational performance. Assessing an organizational culture is a lot, an assessor can obtain a picture of an organization’s culture in several ways. To participate in the assessment of an organizational culture, an assessor must, try to be an impartial observer of the current culture in action, watch emotions, be observant of the objects and artifacts that sit on desks and on walls. Corporate culture can help drive business results, but takes a cultural audit to differentiate which elements of the culture can lead to superior performance. A strong culture is said to exist where staff respond to stimulus because of their alignment to organizational values. Conversely, there is weak culture were there is little alignment with organizational values and control must be exercised through extensive procedures and bureaucracy. Not all cultures are strong ones, but those that are strong, are claimed to produce and improve economic performance. Strength refers to a degree to which employees share a commitment to a range of goals and values espoused by management, and have a high level of motivation to achieve them.
Chapter 4

The Impact of Organizational Culture on Organizational Performance

4.1 Introduction

The changes that many organizations are forced to make in an ever-changing environment are often so fundamental that they involve transforming an organization’s very essence—its corporate culture. Because the culture of an organization plays an important part in both organizational performance and change, an examination of the concept is necessary. Organizational culture should be aligned with the organization’s strategy and structure. If not, the culture can be potent sources of resistance to change. Every organization has a particular culture, which is almost like a personality. It comprises of an omnipresent set of assumptions, which are often difficult to fathom, and which directs activities within the organization. Just as an individual’s personality determines his/her behavior, shared values and beliefs from the foundations of a particular culture that influences the actions and activities in that organization. Tremendous changes are occurring in the workplace and in society generally. The information revolution is transforming all before it, just as the industrial revolution did two hundred years ago. The rules of the game have fundamentally changed: ‘control’ was important in the industrial era, but the information revolution demands innovation and flexibility as prerequisites for success. Control is increasingly counter-productive in this new environment. To survive and prosper in this dynamic setting, both organizations and their members must be willing and able to make substantial changes to ensure they remain economically competitive and responsive to the environment. For organizations, this means continual innovation. For employees, this means relentless attention to planning and managing their careers under conditions very different from those of the past. Organizations today can find themselves competing not only with local competitors but with other organizations around the globe. And the swift introduction of technological advances is often crucial to success. Thus, flexibility is the key organizational characteristic for survival. The need for flexibility has fundamentally changed both the shape of the organization and the employment relationship between employers and employees.
4.2 Models of organizational behaviour

Clark (2000) studies organizational behaviour as an application of knowledge about how people, individuals, and groups act in organizations. And organizational behaviour does this by taking a system approach. That is, it interprets people-organization relationships in terms of the whole person, whole group, whole organization, and whole social system. Its purpose is to build better relationships by achieving human objectives, organizational objectives, and social objectives. The organization’s base rests on management’s philosophy, values, vision and goals. This in turn drives the organizational culture which is composed of the formal organization, informal organization, and the social environment. The culture determines the type of leadership, communication, and group dynamics within the organization. The workers perceive this as the quality of work life which directs their degree of motivation. The final outcomes are performance, individual satisfaction, and personal growth and development. All these elements combine to build the model of framework that the organization operates from. Clark (2000) states that there are four major models or frameworks that organizations operate out of:

a) Autocratic- the basis of this model is power with a managerial orientation of authority. The employees in turn are oriented towards obedience and dependence on the boss. The employee’s need that is met is subsistence. The performance result is minimal.

b) Custodial- the basis of this model is economic resources with a managerial orientation of money. The employees in turn are oriented towards security and benefits and dependence on the organization. The employee’s need that is met is security. The performance result is passive cooperation.

c) Supportive- the basis of this model is leadership with a managerial orientation of support. The employees in turn are oriented towards job performance and participation. The employee’s need that is met is status and recognition. The performance result is awakened drives.

d) Collegial- the employees in turn are oriented towards basis of this model is partnership with a managerial orientation of teamwork. The employees in turn are oriented towards responsible behavior and self-discipline. The employee’s need that is met is self-actualization. The performance result is moderate enthusiasm.

Although there are four separate models, almost no organization operates exclusively in one. There will usually be a predominate one, with one or more areas overlapping in the
other models. The first model, autocratic, had its roots in the industrial revolution. The managers of this type of organization operate out of McGregor’s Theory X. The next three models begin to build on McGregor’s Theory Y. They have each evolved over a period of time and there is no one “best” model. The collegial model should not be thought as the last or best model, but the beginning of a new or paradigm.

4.3 The seven characteristics of organizational development

According to Clark (2000), organizational development (OD) is the systematic application of behavioural science knowledge at various levels, such as group, inter-group, organization, etc., to bring about planned change. Its objectives are higher quality of work-life, productivity, adaptability, and effectiveness. It accomplishes this by changing attitudes, behaviours, values, strategies, procedures, and structures so that the organization can adapt to competitive actions, technological advances, and the fast pace of change within the environment. Clark states that there are seven characteristics of OD:

a) Humanistic Values: positive beliefs about the potential of employees (McGregor Theory Y).

b) System Orientation: all parts of the organization, to include structure, technology, and people, must work together.

c) Experiential Learning: the learners’ experiences in the training environment should be the kind of human problems they encounter at work. The training should not be all theory and lecture.

d) Problem Solving: problems are identified, data is gathered, corrective action is taken, progress is assessed and adjustments in the problem solving are made as needed. This process is known as Action Research.

e) Contingency Orientation: actions are selected and adapted to fit the need.

f) Change Agent: stimulate, facilitate, and coordinate change.

g) Levels of interventions: problems can occur at one or more level in the organization so that the strategy will require one or more intervention.
4.4 The relationship between corporate culture and performance

The research conducted by Harvard University (2006) defines corporate culture as the shared beliefs and values that drive the behaviour of an organization, both individually and as a whole. Cultural norms can be spoken or unspoken, overt or hidden. Culture is the most profound force in an organization, yet the most intangible. Culture influences whether an employee succeeds or fails, and whether a company competes effectively in the marketplace. Culture can hold a company back or lead to great performance and profitability. The Harvard University confirms that there is a relationship between organizational culture and:

- Employee resilience and receptivity to change
- Customer focus and customer loyalty
- Reduction of liability risk and improved ethical behaviour and compliance
- Employee commitment, retention, and morale
- Productivity, profitability, and competitiveness
- Innovation, creativity, new product development
- Company image and reputation, product and service quality.

(www.corporatecultures.com/index.html)

According to Shaw (1997:29), agree with the research conducted by the Harvard University (2006) that corporate culture can have a significant impact on a firm’s long term economic performance. Organizations with cultures that emphasize key managerial constituencies (customers, shareholders and employees) and leadership significantly outperform organizations that do not have cultural traits. Organizations with cultural traits can outperform other organizations on revenue, net income, and may increase value in equity. Change is complex and time consuming. Above all, change requires leadership which is guided by realistic vision of what kinds of cultures enhance performance. Such leadership is very different from management (even excellent management) and is difficult to find. Kotter and Heskett (1992) quoted by Shaw (1997:30) examine the types of organizational culture that led to enhance long-term performance and identify the three predominant cultural characteristics in the profiles of successful organizations:

- Strong cultures
- Strategically appropriate cultures
Adaptive cultures

The first perspective comprises of strong cultures that are characterized by a set of relatively consistent values and methods of doing business. These values are shared by virtually all the employees in the organization and their behaviour reflects this. Organization with strong cultures are usually seen by outsiders as having a certain ‘style’ or a ‘way of doing things’. They make their shared values known in a creed or mission statement and seriously encourage all their employees to share the values. The logic of the effects of cultural strength on performance involves three principles:

a) Goal alignment: In an organization with a strong culture, employees tend to march to the same drum. This means that the employees share the same vision and values. In a world of specialization and diversity this is extremely difficult to achieve.

b) Motivation: Strong cultures also help business performance because they create an unusual level of motivation in employees. Shared values and behaviour tend to make people feel good about working for an organization and this tends to lead to a feeling of commitment and loyalty that makes people want to achieve.

c) Strong cultures often provide structure and control without having to rely on a stifling formal bureaucracy that can dampen motivation and innovation. An example of this would be Tandem Computers which was ‘founded on a well ordered set of management beliefs and practices, had no formal organization chart and few formal rules and yet employees kept off each other’s toes and worked productively, in the same direction, because of the unwritten rules and shared understanding’.

The second perspective on the relationship of culture and performances addresses some of the shortcomings of the strong culture theory in that it builds on the theory’s base. This perspective states that culture must be strategically appropriate. The culture must align and motivate employees in terms of organizational vision, objectives and the market in which the organization operates. The key concept employed is that it fits. There is no such thing as generically ‘good’ culture, no ‘one-size-fits-all’ ‘winning’ culture that works well anywhere. Culture is only good if it fits context. This could mean the conditions of the industry, which segment the industry specified by the organizations’ strategy, or the business strategy itself. This suggest that the better the fit, the better the performance; and the poorer the fit, the poorer the organization. To illustrate the concept of strategic
appropriateness, a culture in which high value is placed on excellent technology might help a computer manufacturer but it would be totally inappropriate for a symphony orchestra. Similarly, a culture characterized by a rapid decision making and no bureaucratic behaviour will enhance performance in the highly competitive deal-making environment of mergers and acquisitions organization but might hurt performance in a traditional life insurance company.

The third perspective of an adaptive culture incorporates a risk-taking, trusting and proactive approach. This facilitates the effective management of any problems and opportunities that may confront the organization. In other words, members of the culture are receptive to change and innovation. Organizations with cultures that incorporate all three of the cultural characteristics reflected consistently superior performance.

4.5 The cultural characteristics of high performance organizations

According to Shaw (1997:102), organizational culture is primarily the result of the practices and values inherent in leadership and management principles and behaviours that are applied in the organization. These principles and behaviours impact on the degree of customer orientation, strategy, structure, communication and human resources of the organization. Shaw states that, there are cultural characteristics that are exhibited in high performance organizations:

- The organization should place a high value on both leadership and management, and should balance between the two rather than an emphasis on one or the other. In fact, organizations should place a heavy emphasis on both sets of principles so that organizations will have a good sense at visualizing the future, develop the strategy to make the future happen and drill the strategies down to detailed budgets and plans. Organizations with this view align people with the vision and motivate and inspire them but they do not neglect the organizing, staffing, controlling and problem solving. In other words, the principles of management and leadership are integrated.

- The recruitment process should be rigorous and employees should be selected carefully of their abilities to meet their individual objectives as well as their ability to fit into the organizational culture. The culture should be seen as essential to support achievement of the corporate strategies and objectives. The individuals
should be chosen to fit the culture and the process should ensure that the culture would only change to align itself with changes in the environment. Senior management should spend a lot of time communicating the vision and direction of the organization to employees, and this should be reinforced by management translating this vision into clear and measurable corporate objectives.

- Corporate objectives should be drilled down to functional and employee objectives.
- Budgeting and planning should be seen as important and must be used as a monitoring and controlling mechanism. The organization as a whole should budget and be cost conscious.
- There should be a high degree of future orientation in the development of strategy. This should be based on a clear vision of the future and emphasis on creating the future by shaping markets and introducing appropriate products.
- A high level of environmental awareness throughout the organization, and innovation and entrepreneurship should be valued and encouraged.
- Employees should be empowered through the awareness of the organization’s vision and direction; should have the tools and ability to carry out their functions, being fully accountable and highly motivated.
- Organizations should have a high level of customer orientation that typifies an obsession with satisfying the needs of customers. High performance organizations should take this obsession further by continually looking for ways to service the future needs of customers. The entire organization should be driven by the customer, right down to the organizational structure and the design of operational processes.
- Emphasis should be on building relationships with the customer and this should be combined with sales focus.
- The continuation of adding value (high value) should be seen to be the mechanism through which customer needs are always satisfied.
- Technology should be used extensively to improve productivity in the organization as well as to improve customer service.
• Communications should be extensive and informal through email and personal contact.

• A high level of cross functional communication and activity.

• Organizations should be slightly more task orientated than people orientated. The task should be emphasized through the establishment of clear measurable performance objectives and a high developed performance measurement and evaluation system should be linked to the reward system. People should be emphasized through an extensive training and personal development program which will be broad-based and include training beyond the employees’ immediate function.

• High tolerance to change. This includes environmental and organizational change as well as technology and product change.

4.6 What is organizational development?

According to Gibson, Ivancevich and Donnelly (1991:639), organizational development refers to a ‘specific set of change interventions, skills, activities, tools, or techniques that are used to help people and organizations to be more effective’. Gibson et al (1991) state that, in its most restrictive usage, organizational development refers to sensitivity training. In this context, organizational development stresses the process by which people in organizations become more aware of themselves and others. Emphasis is on the psychological states of employees that inhibit to communicate and interact with other members of the organization. The assumption is that organizational effectiveness can be increased if people can engage in honest and open discussion of issues. A slightly more encompassing definition of organizational development states that, organizational development is planned, managed, systematic process to change the culture, system and behaviour of an organization, in order to improve the organization’s effectiveness in solving its problems and achieving its objectives. Here, the emphasis is on organizational development as a planned process overtime that must be justified in terms of organizational effectiveness. Gibson et al (1991) again recognizes that the concept of organizational development must be broad enough to include not only the behavioural approach but others as well. The following definition identifies all the significant aspects of organizational development: the term ‘organizational development’ implies a normative reeducation
strategy intended to affect systems of beliefs, values, and attitudes within the organization so that it can adapt better to the accelerated rate of change in technology, in our industrial environment and society in general. It also includes formal organizational restructuring which is frequently initiated, facilitated and reinforced by the normative and behavioural changes. The three subobjectives of organizational development are “changing attitudes or values, modifying behaviour, and inducing change in structure and policy”. However, the organizational development strategy might conceivably emphasize one or another of these sub-objectives. For an example, if the structure of an organization is optimal in management’s views, the organizational development process might attempt to educate personnel to adopt behaviours consistent with that structure. Such would be the case for leadership training in participative management in an organization that already has an organic structure. Moreover, the concept of organizational culture must include the possibility of programs aimed at providing personnel with technical skills. Effective change may not be forthcoming simply because people in the organization do not have the skills needed to cope with it. Management may determine that attitudes, behaviour, and structure are appropriate, yet the organization can not respond. The skill training programs of industry and government are important application of organizational development.

According to Wood, Wallace, Zeffane, Schermerhorn, Hunt and Osborn (2001:618), organizations and their managers must work hard to adapt with the times and to achieve the innovation needed to prosper. The challenge today is to engage in a process of continual self-assessment and planned change so as to stay abreast of problems and opportunities in a complex and demanding environment. Fortunately, managers have access to organizational development- a comprehensive approach to planned change that is designed to improve overall effectiveness of organizations. Formally defined, organizational development is the application of behavioural science knowledge in a long-range effort to improve an organization’s ability to cope with change in its external environment and to increase its internal problem-solving capabilities. Organizational development is an exciting application of behavioural science theory to management practice. It includes a set of tools with which any manager who is concerned about achieving and maintaining high levels of productivity will want to be familiar. Given its comprehensive nature and scientific foundation, organizational development is frequently implemented with the aid of an external consultant or internal professional staff member. But its basic concepts can and should be used routinely by all managers. Just as human resources development must be a
continuing management concern, so too must organizational development. There are times when every organization or sub-unit needs to reflect systematically on its strengths and weaknesses and on the problems and opportunities it faces. The concepts and ideas of organizational development can assist managers in doing just that. While many managers report that the demands of the contemporary environment preclude a routine application of organizational development, more experienced managers see it as a crucial element of sound human resource management.

4.7 The goals of organizational development

According to Wood et al (2001:619), organizational development is not a panacea or certain cure for all that ails an organization and its members. However, organizational development does offer a systematic approach to planned change in organizations that addresses two main goals: process goals and outcome goals. **Process goals** include achieving improvements in such things as communication, interaction and decision making among an organization’s members. These goals focus on how well people work together. **Outcome goals** include achieving improvements in task performance. These goals focus on what is actually accomplished through individual and group effort. In pursuit of these goals, organizational development is intended to help organizations and their members by:

- Creating an open problem-solving climate throughout and organization
- Supplementing formal authority with that of knowledge and competence
- Moving decision making to points where relevant information is available
- Building trust and maximizing cooperation among individuals and groups
- Increasing the sense of organizational ownership ‘among’ members
- Allowing people to exercise self-direction and self-control at work.

4.8 The practice of organizational development: An issue for debate.

According to Greiner and Schein (1988) as cited by Gibson et al (1991:636), organizational development is an organizational issue for debate in many organizations, on the basis that, the practice of organizational development is unethical, and the following literature serves to reveal the argument for and against organizational development:
The argument for organizational development (OD) is a managerial technique for implementing major changes in organizations. As a practice intended to bring about change, OD involves a change agent applying powerful behavioral science principles to bring about performance improvements. The ethical issues centre on the power relationships among the various participants in the change effort. At the most fundamental level, critics note, OD takes as given the existing power relationships in the organization, since the change effort is initiated by managers. As a managerial technique, OD necessarily implements managerial values regardless of the values of the change agent. OD is inherently unethical because it restricts the range of values that can legitimately be considered in bringing about change. Even though OD may bring about performance improvements in the organization, the basis power relationships remain unchanged. As a consequence of its inherently unethical nature, OD practice is susceptible to abuse and mistake. Opportunities for unethical behaviour can be seen in several activities. For an example, the purposes of a particular OD intervention can be misrepresented to the participants in order to win their participation. Managers might want to implement management by objectives (MBO) to provide greater employee participation, when in fact, might be attracted to MBO as a means of performance evaluation that holds individuals responsible for results rather than activities. A second dangerous OD activity involves data analysis. Change agents collect and analyze data to diagnose the nature of the problem and to evaluate the solution. The change agents’ allegiance to the people who hire them- the organization’s managers- inevitably leads to misuse when the data conflict with managers’ preferences. Data indicative for management incompetence can be misused to imply employee incompetence. Finally, OD involves manipulation of individuals without informed consent. Subjects of OD interventions are not given a choice whether or not to participate, particularly when the focus of the change is group and organizational performance. Manipulation can, in fact, turn into coercion when the individual must choose between participation in the process or being fired. The argument that OD is unethical proceeds from the recognition that OD inherently reflects only one possible set of values, managerial values. As a consequence, the OD activities that involve ethical choices will always be guided by those underlying values even when the choices involve misrepresentation, misuse, and manipulation.

The argument against indicates that, those who dispute the argument that OD is inherently unethical point out that every act has ethical implications, but only because the action is
taken by an individual. Machines are not capable of unethical behaviour; people are more than capable of unethical as well as ethical behaviour. OD is no more or less unethical than any other management technique. The fact that OD implements managerial values to the exclusion of other is not unique to OD. By that argument, the practice of management is itself unethical because it reflects the value system of the larger society of which it is a part. Even the proponents of OD, however, recognize that special care must be taken to protect against the abuse of powerful techniques that OD change agents apply. The best protection against misrepresentation, misuse, and manipulation is managers who create and foster an organizational culture that encourages ethical behaviour. Such a culture would begin with top management’s formal declarations that conduct themselves in an ethical manner in all actions, even when such conduct may be costly to the organization in economic and technical terms. Through the actions of top management, ethical behaviour can be part of the everyday activities and decisions of each member of the organization. Codes of ethics are suggested means for institutionalizing ethical behaviour. Top management demonstrates its commitment to the code through its daily behaviour. In addition, the organization reinforces ethical behaviour through punishment and rewards. Deviants are dealt with swiftly, and adherents are rewarded consistently. The performance evaluation system can be very important mechanism for demonstrating management’s commitment to ethical behaviour. Thus, OD is not unethical. Individuals can be unethical, however, if rewarded for unethical behaviour. Consequently, an important responsibility of management is to create an environment that fosters ethical behaviour conduct. In such an environment, the practice of OD can proceed in an ethical manner.

4.9 The six characteristics of organizational development

According to Gibson *et al* (1991:641), organizational development, as the term is used in contemporary management practices, has certain distinguishing characteristics:

- It is planned and long-term: organizational development is a data-based approach to change that involves all of the ingredients that go into managerial planning: goal setting, action planning, implementation, monitoring, and corrective action when necessary. Because of the significance of the anticipated and desired change, no quick results are expected; the entire process can take several years.
• It is problem oriented: organizational development attempts to apply theory and research from a number of disciplines, including behavioural science, to the solution of organizational problems.

• It reflects a systems approach: both systemic and systematic, organizational development is a way of more clearly linking the human resources and potential of an organization to its technology, structure, and management processes.

• It is action oriented: organizational development focuses on accomplishments and results. Unlike approaches to change that tend to describe how organizational change takes place, organizational development emphasizes on getting things done.

• It involves change agents: the process requires the facilitative role of a change agent to assist the organization in redirecting its functioning.

• It involves learning principles: the basis feature of organizational development is the reliance on reeducation as the way to bring about change. Reeducation involves the application of fundamental learning principles.

These characteristics of contemporary organizational development indicate that managers who implement organizational development programs are committed to making fundamental changes in organizational behaviour. At the heart of the process are learning principles that enable individuals to unlearn old behaviours and learn new ones. The classic relearning sequence of unfreezing, moving, and refreezing is implementing in the organizational development approach to change.

4.10 Learning principles in the organizational development context

According to Gibson et al (1991:642), states that managers can design a theoretically sound of organizational development and not achieve any of the anticipated results because they overlook the importance of providing, for an example, reinforcement or continuous feedback to employees. Such principles of learning also should be tailored to the needs of the group affected by the organizational development program.

The first principle is the expectations and motivations; Gibson et al states that people must want to learn. Some may recognize that they need more skill in a particular job or more understanding of the problems of other units of the organization, and they are receptive to experiences that will aid them in developing new skills or new empathies. Others reject the
need or play it down because they view learning as an admission that they are not completely competent in their jobs. These kinds of people face the prospect of change with different expectations and motivations. Determining the expectations and motivations of people, while not an easy task, is one that must be undertaken. Not everyone wants to participate in a change program, and its management’s responsibility to show employees why they should want to change.

The second principle is the reinforcement and feedback. Reinforcement is an important principle of learning. It suggests that when people receive positive rewards, information, or feelings of doing something, they become more likely to do the same thing in the same or a similar situation. The other side of the coin involves the impact of punishment for a particular response, it is assumed that punishment will decrease the probability of doing the same thing at another time. The reinforcement principle, then, implies that achieving successful change is easier through the use of positive rewards. Reinforcement can also occur when the knowledge or skill acquired in a training program is re-imparted through a refresher course. A major problem associated with reinforcement is the determination of reinforcers. That is, what will serve as the appropriate reinforce of desired behavior? Money or praise is effective for some people, while others respond more to a refresher type of training experience. Once again, situations and individuals determine what means of reinforcement will prove effective. Employees generally desire knowledge on how they are doing, or feedback, especially after a change program has been implemented. Providing information about the progress of a unit or a group allows the employees involved and to take corrective actions. A number of studies have indicated that employees perform more effectively on a variety of tasks when they have feedback than they do when it is absent. As one might anticipate, however, individuals differ in their receptivity to feedback. In general, employees who are motivated to improve themselves or their units react more favourably.

4.11 Principles underlying organizational development

Wood et al (2001:619) states that a framework for planned change, organizational development is designed to improve the contributions of individual members in achieving the organizational goals. But, it seeks to do so in ways that respect the organization’s members as mature adults who need and deserve high quality experiences in their working lives. The foundations for achieving change in this manner rest with a number of well-
established behavioural science principles. At the individual level, organizational development is guided by principles that reflect an underlying respect for people and their capabilities; it assumes that individual needs for growth and development are most likely to be satisfied in a supportive and challenging working environment. And, it assumes that most people are capable of taking responsibilities for their own actions and of making positive contributions to organizational performance. At the group level, organizational development is guided by principles that reflect a belief that groups can be good for both people and organizations. It assumes that group help their members satisfy important individual needs and can also be helpful in supporting organizational objectives. And, it assumes that effective groups can be created by people working in collaboration to meet individual and organizational needs. At the organizational level, organizational development is guided by principles that show a respect for the complexity of an organization as a system of interdependent parts. It assumes that changes in one part of the organization will affect other part as well. It also assumes that the culture of the organization will affect the nature and expression of individual feeling and attitudes. And, it also assumes that the organizational structures and jobs can be designed to meet the needs of individual and groups as well as of the organization.

Wood et al continues to state that, organizational structures and job change, or need to be changes, over time. Organizational development is a very useful tool to make the necessary adjustment to ensure the needs of all parties continue to be met.

4.12 The five important features of organizational development

According to Wager and Hollenbeck (1998:344), besides being a way of stimulating and solidifying cultural change, organizational development is more generally a process of planning, implementing and stabilizing the results of any type of organizational change. Organizational development is also a field of research that specializes in developing and assessing specific interventions, or change techniques. As both management process and a field of research, organization development is characterized by five important features:

1. Organizational development emphasizes planned change. The field of organization development evolved out of the need for a systematic, planned approach to managing change in organizations. It is organization development’s emphasis on
planning that distinguishes it from other processes of change in organizations that are more spontaneous or less methodical.

2. **Organizational development has a pronounced social-psychological orientation.**
   Organizational development interventions can stimulate change at many different levels—interpersonal, group, intergroup, and organizational. The field of organization development is thus neither purely psychological (focused solely on individuals) nor purely sociological (focused solely on organizations), but instead incorporates a mixture of the two orientation.

3. **Organizational development focuses primary attention on comprehensive change.**
   Although every organizational development intervention focuses on a specific organizational target, of equal importance are effects on the total system. No organizational development intervention is designed and implemented without consideration of its broader implications.

4. **Organizational development is characterized by a long-range time orientation.**
   Change is a continuing process that can sometimes take months- or even years- to produce desired results. Although managers often face pressure for quick, short-term gains, the organization development process is not intended to yield stopgap solutions.

5. **Organizational development is guided by a change agent.** Organizational development interventions are designed, implemented, and assessed with the help of a change agent, an individual who serves both as a catalyst for change and a source of information about the organization development process.

Together, these five features suggest the following definition: Organizational development is a planned approach to interpersonal, group, intergroup, and organizational change that is comprehensive, long-term, and the guidance of a change agent.

### 4.13 Ethical aspects of organizational development

Wood *et al* (2001:620) states that organizational development practitioners (consultant or managers) are trying to facilitate a client system—a group or organization and its members—to accomplish positive change in a manner that is considered fair by all participants. However, in any helping relationship ethical dilemmas may arise, and the risk exists that
the relationship may be abused or misused in some way. The principles underlying organizational development implicitly foster high ethical standards among organizational development practitioners. As just described, these principles represent a basic and fundamental concern for human dignity and the quality for work life as well as for system improvement and high performance. In addition, groups of organizational development practitioner have been concerned about developing ethical standards to guide members of this emerging profession. Among the most common ethical dilemmas that arise in organizational development are those involving the following four decision situations:

✓ Actions to be taken. It is not considered ethical to attempt to bring about change by engaging in activities in which the organizational development practitioners is not skilled and/or which the client system does not want to use.

✓ Use of information. It is not considered ethical to use information to manipulate the client system or to give one individual or group within the system special advantage over another.

✓ Client system dependency. It is not considered ethical to build prolonged dependency of the client system on the organizational development practitioner; rather, organizational development should help make the client system independent and capable of managing its own self-renewal and continual improvement.

✓ Freedom of choice. It is not considered ethical to conduct organizational development activities in situations in which the participants are not fully informed and/or do not have free choice about initial participation and continued involvement in the organizational development process.

An emerging field of interest concerns the functional value of fairness- that is, the belief that interventions considered to be ‘fair’ are more likely to be favourably received and implemented. While research in this area is not well advanced, it is becoming apparent that organizational development’s orientation to fairness is well placed for functional as well as ethical reasons.

4.14 The seven elements of economic success

Hampden-Turner and Trompenaars (1987) cited by Shaw (1997:19) examines seven nations which they consider to have the most to teach about the best practices of capitalism.
These nations are selected on the basis of their current and historical economic success; they are: the United States, United Kingdom, Sweden, France, Japan, Netherlands and Germany. All these nations are capitalist and free enterprise nations, and generally subscribe to the same philosophy, but there the resemblance ends. The difference lies in the deepest motivations and the behaviour patterns of the people of each nation.

Hampden-Turner and Trompenaars set out to establish who did what well and why. It has been recognized that the Germans were particularly good at building infrastructure and that the Americans excelled at inventions while Japanese strength was innovation. The question that arises is: “why should such skills correspond to nationality?” Hampden-Turner and Trompenaars propose that wealth or value creation is in essence a moral act. This raises the question on “where do the moral values that drive wealth come from?” The answer is that they originate in culture. In the study carried out in *The Seven Cultures of Capitalism*, Hampden-Turner and Trompenaars find that culture of origin is the most important determinant of values. In any culture, a deep structure of beliefs is the invisible hand that regulates economic activity. These cultural preferences or values are the bedrock of national identity and the source of economic strength and weaknesses.

Hampden-Turner and Trompenaars identify seven “sets” of values that are believed to be fundamental elements of economic success:

1. Universalism vs. Particularism: this determines whether each situation is dealt with according to a universal set of rules or on its own particular merits.

2. Analysis vs. Integrating: the question arises as: “are we more effective as managers when we analyze phenomena into parts or when we integrate and configure such details into whole patterns, relationships and wider contexts?”

3. Individualism vs. Communitarism: this examines the degree of focus on each individual, his/her rights, motivations, rewards, capacities and attitudes; in contrast to the advancement of the organizations as a community of which all of its members are a part.

4. Inner-directed vs. Outer-directed orientation: the question arises as: ‘which are the more important guides to action, our inner-directed judgments, decisions and commitments or the signals, demands and trends in the out world to which we must adjust?’
5. Time as sequence is time as synchronization: this refers to the completion of tasks in the shortest time possible to the coordination of tasks for simultaneous completion. In other words, “Time is money and efficiency is the key” vs. get on with the job and ignore other considerations”.

6. Achieved status vs. Ascribed status: the question arises as: “does the status of employees depend on how the employees have performed or what he/she have achieves or on some other characteristic important to the corporation or the community such as age, seniority, education or strategic importance?”

7. Equality vs. Hierarchy: “are employees treated as equals so as to elicit from them the best they have to give or is the judgment and authority of the hierarchy preferred?”

The study finds major differences between the selected nations on each of the value “sets”. Each nation had a unique combination of the values discussed above. This economic “fingerprint” correlates with specific types of economic achievement and failure. This means that the wealth creation system for each nation is different, i.e. Japan’s production capability is the key to their success where as the USA’s product development is the foundation for their wealth. Each nation has found a way of creating a competitive advantage that suites its particular culture.

4.15 Typically cultural barriers to high performance

According to Holbeche (2005:89), in practice, alignment is difficult to achieve, and alignment gaps may become barriers or ‘blockers’ to high performance. In the following examples of cultural misalignment with business strategy comes from the Management Agenda survey:

- Many companies aim to compete in the global marketplace, yet they often appear to focus mainly on the local market, rather than seeking to understand their international markets.

- Many organizations share the inspiration to develop a flexible, networked and innovative culture that will equip them to thrive in turbulent times. However, the picture emerges of many organizations being so internally focused that they are unable to collaborate easily internally, let alone with other organizations. While
many organizational strategies call for innovation, in practice management styles and heavy workloads tend to militate against risk-taking and creativity.

✓ Despite organizations’ aspiring to operate across organizational boundaries, relatively few people appear to be involved in forms of partnership working and there appears to be little sharing of the evolving knowledge and expertise.

Other common cultural barriers to high performance evident in the Management Agenda findings include:

✓ Lack of shared values: there is a lack of trust at all levels, reflected in political climates, lack of clear strategic direction; inappropriate management styles; harassment; conflict; values espoused but not practiced; lack of role modeling by senior management; lack of openness to change; merger situations which undermine trust levels.

✓ Lack of leadership: this includes not taking culture change or employee needs seriously; being out of touch with new working practices, having little time to coach and develop others, permitting politics and conflict, senior managers being the main perpetrators of harassment, failing to address the workload issues, managing innovation as if it is status quo, managers finding difficulties managing flexible workers, lack of support to other and overly control management styles.

✓ Staff: symbols include lack of diversity, recruiting in own image, skills shortages, lack of shared learning, heavy workloads and high stress levels and difficulty in working in global teams.

✓ Inappropriate systems: this include the performance management processes that are out-of-date or meaningless to employees, reward systems that contradict espoused values, few processes that enable learning to be shared, email creating communication overload, poorly run meetings which waste time, and change agents such as, HR not adding value and working on low-priority issues.

Holbeche states that the picture emerges of somewhat rigid, inward-looking organizations, which are slow to change and where employees put as much effort into preserving their position as to achieving high performance. Complexity theory suggests that complex adaptive systems are at risk when they are in equilibrium. In an over-stable state, the organization will be characterized by too many rules, too much rigidity, and risk aversion. There will be too few connections between peoples, except through vertical hierarchy.
Management styles will tend to be in command and control, and contracts will be formal rather than as members of the teams. Conversely, in chaos, employees experience too little procedure, leading to anarchy and confusion. If anything, there are too many interconnections between people, creating a sense of free-for-all, lack of accountability and informal rather than formal contracts. Risk taking can err on the reckless side, and gossip can be rife

4.16 The Development of Organizational Culture

According to Ott (1989:84), the following analysis concentrates on the ordinary or normal incremental development of organizational culture. Shifts in any of the three primary sources of organizational culture should cause at least minor alterations. Thus drifts in societal or professional cultural values, assumptions, and lifestyle patterns eventually creep into organizational cultures. Changes in an organization's line of business, for example, through acquisition, merger, expansion, contraction, new legislative mandates, grant rewards, or budget cutting, should modify its culture, although even minor changes often happen slowly and painfully, are resisted, and typically are accompanied by conflict. New organizational leaders who ascend through evolutionary processes add their imprints to those of the founder and other early leaders. Therefore, although organizational cultures tend to be quite stable, they do not remain static. They evolve, often slowly, often slowly and within limits, because their primary sources also shift. The development of organizational culture is a more complicated process than its formation because more complex variables come into play. Organizational cultures develop as unique combinations of individuals and groups work within organizational cultures and subcultures, each with its own history of experiences with solving problems and capitalizing on opportunities. If organizational culture is defined as artifacts, then cultures develop primarily through the process by which signs become symbols. On the other hand, if organizational culture is defined as beliefs and values, then cultures develop through the process by which beliefs and values are learned.

Schein (1985) as cited by Ott (1985:85) postulates that it is necessary to synthesize group dynamics or socio-dynamic theory, leadership theory; and learning theory in order to understand the dynamics of organizational culture development. Interestingly, Schein’s
theoretical basis draws substantially from theory on the development of pattern of behavior. The key theoretical points in Schein conception include:

1. Organization members face difficult dilemmas because of their conflicting desires to fuse with organizational reference groups (to lose some personal identity) and retain some autonomy (and risk losing group membership and affiliation).

2. Three competing basic human needs are at the core of these dilemmas, inclusion and identity; control, power, and influence; acceptance and intimacy. The dilemmas create anxiety.

3. Groups in organizations vary widely in the cultures they develop because of the unique strengths and interactions of the needs, personalities and emotional coping styles of the leaders, members, and the circumstances.

4. Despite variations among individuals’ needs and solutions to the dilemmas; their solutions are influenced by group norms and shared understandings.

5. Shared understandings develop from common feelings experiences and activities. They are transmitted and infused through a common communication system (language).

6. The culture includes the ‘learned group repertory of capacities to solve problems… and shared cognitions that the group develops’. Once societal defense mechanisms have been learned; they will be very stable and will be repeated indefinitely.

7. The interactions between leaders, members, and the organizational culture are complex. Although leaders play roles in creating and managing organizational cultures, they become trapped in and by them and sometimes find that they cannot lead the organization in new directions.

Although organizational cultures are influenced by individual members, Schein argues that cultures develop from the groups learning that occurs when members face problems and opportunities and “work out a solution together”. Group solutions reflect the unique personalities, needs and coping styles of individual members and also are shaped by leaders and by the group learning that flows from experiences specific to the group’s circumstances. Such learning requires shared understandings, and shared understandings cannot occur without common experiences and language. Thus, trying to predict how a specific organizational culture will develop requires a continuing dynamic analysis of how and what patterns of basic assumptions are “invested, discovered, or developed by a given group as it learns to cope with its problems of external adaptations and internal integration-
that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems”.

4.17 Measuring culture in an organization

According to Hofstede (2001) as cited by Ankrah and Langford (2005:597), it is important to recognize that culture is an intangible concept observable only through its manifestations in verbal and behavioural forms. Just as an assessment of forces will consider such aspects as magnitude and direction, and an assessment of fruits will focus on such aspects as weight, colour and nutritive value, as assessment of constructs of culture requires the identification of aspects important to culture. These aspects are referred to as dimensions of culture, and they represent the areas within which differences are seen to exist between the organizations being compared, and various researchers have emphasized different dimensions depending on what was considered important a seen to reveal significant points of difference. Hofstede, for instance, developed a “value survey module” (VSM) based on the dimensions of power distance, uncertainty avoidance, masculinity/femininity and individualism/collectivism. Arguments made about the bias of these dimensions towards ‘western’ values led Hofstede to add a further dimension of long term/short term orientation also referred as the Confucian dynamism dimension. Trompenaars (1994) also cited by Ankrah and Langford (2005:597), focused on the dimensions of universalism/particularism, individualism/collectivism, affective/neutral relationship, specific/diffuse relationships and achievement/ascriptions, while Schein (1985) reported, among others, dimensions of the nature of time, space, human relationships, human activities and human nature. When dealing with a multitude of dimensions, typologies are employed as an alternative to provide a simplified means of assessing cultures. Typologies describe a number of ideal types of culture, each of them easy to imagine, against which the culture being assessed is compared. Typologies have been utilized mainly in studies of organizational culture.

4.18 Managing organizational culture: Building, Reinforcing and Changing Culture

Wood, Wallace, Zeffane, Schermerhorn, Hunt and Osborn (2001:403), agree with Janis (2001) that in organizations with strong cultures, shared values and beliefs characterize a
setting in which people are committed to one another and to an overriding sense of mission. This commitment can be a source of competitive advantage for these organizations over their rivals. However, for others it may be more a collection of separate units and people who don’t seem to share much in common. It is also possible that the organization may have a strong culture but that it is not one that meets the needs of a changing environment. It is important that managers are able to analyze the nature of organizational culture if they seek to manage it. If the culture can not meet the needs of a changing environment its strength becomes a liability, as any change program that seeks to develop a different set of shared values and assumptions will constantly be opposed from within the organization. An organization may be a mix of subcultures and countercultures. Here, rivalries and value difference may create harmful conflicts. According to Wood et al (2001:393), subcultures are patterns of values and philosophies within a group that are not inconsistent with the dominant culture of the larger organization or social system; and countercultures are the patterns of values and philosophies that outwardly reject those of the larger organization or social system. For managers, especially for top managers, managing organizational culture is a pressing issue. For managers in all organizations, the culture should be considered as critical as structure and strategy in establishing the organizational foundations of high performance. Good managers are able to help build resilient cultures in situations where they are absent.

Top managers, especially, can set the tone for a culture and for cultural change. As one astute senior executive has put it, ‘for many organizations, a focus on values is seen as one way of coping with ever more competitive environments’. Some writers have evoked shared values for greater participation in decision making to improve creativity and innovation. Managers can help foster a culture that provides answers to important questions concerning external adaptation and internal integration. Recent work on the links between corporate culture and financial performance reaffirms the importance of an emphasis on helping employees to adjust to the environment. It also suggests that this emphasis alone is not sufficient. Nor is an emphasis solely on shareholders or customers associated with long-term economic performance. Instead, managers must work to emphasize all three issues simultaneously. Sometimes, however, managers attempt to revitalize an organization by dictating major changes rather than by building on shared values. While things may change a bit on the surface, a deeper look often shows whole departments resisting change and many key people who do not want to learn new ways. Such responses may indicate that
the responsible managers are insensitive to the effects of their proposed changes on shared values. They fail to ask if the changes are:

1. Contrary to important values held by participants within the firm.
2. A challenge to historically important organization-wide assumptions.
3. Inconsistent with important common assumption derived from the national culture outside the firm.

All too often, executives are unable to realize that they too can be captured by the broadly held common assumptions within their firms. Top management may, for example, take a decision to introduce autonomous working teams to improve productivity and innovation, yet not face the reality that the organizational culture invests all authority in the executive management team. In such circumstances, the introduction of autonomous working teams will be disastrous, as decision-making responsibility will not be devolved to the team. Culture influences managerial behavior as much as that of everyone else in the organization and astute managers who seek to manage culture will seek to understand it first.

4.19 Changing the organizational culture

According to Brevis, Ngambi, Vrba and Naicker (2002:230), all the elements of culture mentioned in Chapter Two form the content of a particular organizational culture content of culture drives the behavior of the people in the organization. The health and the strength of the organization’s culture influence the intensity of behavior. It is therefore more difficult to change a strong or long-standing culture than a relatively weak culture. The stronger the culture, the more powerful its effects; the weaker the culture, the less pervasive and direct it will be. Whereas its content determines in what direction a culture will influence organizational behavior, the intensity of its effect on behavior depends on the strength of the culture. The stronger culture is more widely shared and consequently has a more profound influence on organizational behavior. Such a culture is usually more resistant to change. A culture change is usually preceded by an “Organizational Culture Analysis” (OCA). The OCA is an instrument that can determine the difference between the current culture and the desired culture. Organizations in South Africa that use the OCA include Iscor and Kumba Resources. According to Brevis et al (2002:231), OCA is a means of determining the here and now of what life is really like in an organization—a quick barometer of the difference between current culture and that which is desired. It is an
analysis of whether or not conditions of competence exist and if they do not; and what conditions oppose them. The analysis also indicates whether the planned changes have any flaws. The OCA measures three conditions for competence in terms of an organization’s culture:

1. **Collaboration**: it measures leadership values, accessibility of leaders, and credibility of leaders.

2. **Commitment**: it determines the extent to which the sharing of power is formalized; the extent to which people are allowed to do what needs to be done; and the extent to which mutual reliance and respect (team values) are established.

3. **Creativity**: it determines the extent to which personal control over work is allowed; the extent to which excitement (not boredom) is created; and the faculty of problem-solving.

Changing an organizational culture involves a change in the content as well as the strength of the existing organizational culture. A radical change in a culture’s content results in greater resistance than does an incremental change. It is therefore more difficult to accomplish a radical change than an incremental change of the culture’s content and strength. Brevis et al (2002:230), state there are a few a basic approaches that managers can follow in attempting to change a culture:

1. Getting people to subscribe to a new pattern of beliefs and values and changing some of the elements of culture, such as, the name or logo of the organization or its corporate colours.

2. Inducting and socializing people into the organization and removing people who deviate from the culture, as illustrated in figure 1.

**Figure 1. Changing the organizational culture**

Employing people who fit in with the culture and pre-educating present employees. → **Culture** → Removal of members who deviate from the culture
3. A third approach may be to strengthen the prevailing culture through appropriate communication and training.

4. In severe case, organizations can make use of mergers or acquisitions and divest-mechanisms for introducing a radical change because of the employment of a large number of newcomers (often with a strong culture of their own), as illustrated in the above figure. Divestment, on the other hand, could involve the immediate and wholesale removal of people who deviate from the culture. Management should, however, consider whether or not a prospective acquisition meets important cultural criteria.

In addition to the above approaches to a culture change, management must know when to change the prevailing culture. This usually comes up for consideration when persistent performance and morale problems are detected and the actual behavior is not in line with the required behavior; when a fundamental change in the organization’s mission is made; when new markets have to be served; and/or when a major technological change takes place.

4.20 The process of innovation in organizations

According to Wood et al (2001:611), innovation can be defined as the process of creating new ideas and putting them into practice. It is the means by which creative ideas find their way into everyday practice in the form of new goods or services that satisfy customers or as new systems or practices that help organizations better produce them. The former represents product innovation- innovation that results in the creation of a new or improved good or service. The latter represents process innovation- that is, innovation that results in a better way of doing things. Today’s managers bear increasing responsibility for ensuring that both product and process innovation take place. They must be concerned with two main aspects of innovation as expressed in this equation:

\[ \text{Innovation} = \text{Invention} + \text{Application} \]

In the equation, invention is the act of discovery, while application is the act of use. Both are crucial to the innovation process. New ideas for improves products and services emerge from invention, but they achieve their full values only through application. In too many organizations, invention occurs, but application does not. One key aspect of application is marketing.
Wood *et al* (2001:612) states that there are various steps involved in a typical process of organizational innovation. These steps include:

1. **Idea creation**: gathering new product or process ideas that arise from spontaneous creativity, ingenuity and information processing.

2. **Initial experimentation**: examining new ideas in concept to establish their potential values and application.

3. **Feasibility determination**: conducting formal studies to determine the feasibility of adopting the new product or process, including the costs and benefits.

4. **Final application**: producing and marketing the new product or service, or fully implementing the new process.

Central to this view of the innovation process is the idea that any new product or process idea must offer true benefits to the organization and/or marketplace. Furthermore, the process is not complete until the point of final application has been reached.

According to Wood *et al* (2001:614), the following are the major features of highly innovative organizations:

1. Organizational strategy and culture support the innovation process
2. Organizational structures support the innovation process
3. The organization is staffed to support the innovation process
4. The organization’s top management supports the innovation process. Although this list may seem straightforward and simple, it is a true management challenge to make sure that all four points are fulfilled in actual practice. To be innovative on a continual basis, an organization’s strategies and cultures must be built around a commitment to innovation. In chapter two, on organizational culture, many directions are discussed which are evidence of this commitment in today’s workplaces. A common ingredient is the expectation that innovation will take place and that risk-taking will be encouraged. This means that the organizational climate is one that tolerates mistakes or well-intentioned ideas that just do not work out as expected. One would conclude that exporting and innovativeness are closely intertwined. Innovative firms are export, which provides opportunities, especially in gaining access to ideas, which are essential for innovativeness. Wood contends that innovative firms can be divided into three broad practices. These practices are:

1. Creating the need for new ideas
2. Trawling the market for solutions
3. Galvanizing skilled people to deliver innovative solutions.

4.21 The seven steps in spotting barriers to organizational innovation

According to Wood et al (2001:616), managers should be alert to, and be prepared to deal with, these seven barriers that can severely limit innovation in an organization:

1. Top management isolation: management looses touch with organizational realities
2. Intolerance of differences: questioning the status quo is discouraged
3. Vested interest: individuals and group think they are more important that the organization as a whole
4. Short time horizons: short-term results are emphasized over investments for long-term gains
5. Overly rational thinking: an emphasis on systems and routines drives out opportunities for creativity
6. Poor incentives: reward systems support the ‘safety’ of past routines and discourage risk taking

7. Excessive bureaucracy: an emphasis on rules and efficiency slows and frustrates creative people.

4.22 Techniques of organizational development

As the term organizational development has been defined above by to Gibson, Ivancevich and Donnelly (1991:639); and Mondy, Sharplin and Premeaux (1990:644); organizational development is a planned and systematic attempt to change the organization, typically to a more behavioural environment. Organizational development education and training strategies are designed to develop a more open, productive, and compatible workplace, despite existing differences in personalities, culture, or technologies. As Wager and Hollenbeck (1998:344) have mentioned above in one of their important features of OD; Organizational Development is guided by a change agent. According to Mondy et al (1990:644) a change agent is a person who is responsible for ensuring that the planned change in organizational development is properly implemented. This individual or group may be either an external or an internal consultant. Change agents have knowledge in the organizational development techniques described below; and they use this knowledge to assist in organizational change. When an organization first attempts to change, outside consultants are often used. An outside expert may bring more objectivity to a situation and be better able to obtain the acceptance and trust of organizational members. With time, internal consultants may move into the role of a change agent. It is vitally important to understand and appreciate the following techniques for implementing change:
1. The Survey Feedback Method

The method of basing organizational change effort on the systematic collection and measurement of subordinate attitudes by anonymous questionnaires is referred to as the survey feedback method. The three basic steps in the process of survey feedback method are shown in Table 1. Firstly, data are collected from members of the organization by a consultant. Survey questions typically require either objective multiple-choice responses (see Table 2) or scaled responses (see Table 3), to suggest agreement or disagreement with a particular question. Normally, anonymously answered questionnaires are used. If truthful information is to be obtained concerning attitudes, the employee must feel comfortable, secure, and confident in responding.
**TABLE 1: The Survey Feedback Method**

- Consultant
- Data Collection
- Feedback to Organizational Units
- Action Decisions


**Table 2: Examples of Multiple-choice Responses to Survey Questions**

<table>
<thead>
<tr>
<th>Why did you decide to do what you are now doing?</th>
<th>What do you like about your Job?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Desire to aid or assist others</td>
<td>a. Nothing</td>
</tr>
<tr>
<td>b. Influence by another persona or situation</td>
<td>b. Pay</td>
</tr>
<tr>
<td>c. Always wanted to be in this vocation</td>
<td>c. Supervisor relations</td>
</tr>
<tr>
<td>d. Lack of opportunity or interest in other vocational fields</td>
<td>d. Problems with fellow workers</td>
</tr>
<tr>
<td>e. Opportunities provides by this situation</td>
<td>e. Facilities</td>
</tr>
<tr>
<td>f. Personal satisfaction from doing this work</td>
<td>f. Paperwork and reports</td>
</tr>
</tbody>
</table>

Table 3: Examples of Scaled Responses to Survey Questions

<table>
<thead>
<tr>
<th>Pay Too Low High</th>
<th>Pay Low</th>
<th>Pay Average</th>
<th>Pay above Average</th>
<th>Pay Too</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

What are your feelings about overtime work requirements? Circle the number that best indicates how you feel.

<table>
<thead>
<tr>
<th>Unnecessary</th>
<th>Necessary on Occasion</th>
<th>Necessary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>


In the second step, the results of the study are presented to concerned organizational units. In the final step, the data are analyzed and decisions are made. Some means by which the data may be compared and analyzed include:

i. Scores for the entire organization now and in the past

ii. Scores for each department now and in the past

iii. Scores by organizational level

iv. Scores by seniority

v. Relative scores on each question

vi. Scores for each question for each category of personnel cited above

The decisions are directed at improving relationships in the organization. This is accomplished by revealing problem areas and dealing with them through straight-forward discussion.

2. Team Building

One of the major techniques in the arsenal of the organizational development consultant is team building, a conscious effort to develop effective work groups throughout the
organization. These work groups focus on solving actual problems in building efficient management teams. The team-building process begins when the team leader defines a problem that requires organizational change. Next, the group analyzes the problem to determine the cause. These factors may be related to such areas as communication, role clarifications, leadership styles, organizational structure, and interpersonal frictions. The next step is to propose alternative solutions and then select the most appropriate one. Through this process, the participants are likely to be committed to the solution. Interpersonal support and trust develops. The overall improvement in the interpersonal support and trust of group members enhances the implementation of the change. The concept of the quality circle, imported from Japan, is a modern example of team building.

3. Sensitivity Training

An organizational development technique that uses leaderless discussion groups is referred to as sensitivity training (also called T-group training or laboratory training). The general goal of sensitivity training is to develop awareness of, and sensitivity to, oneself and others. More specifically, the goals of sensitivity training include the following:

- Increased openness with others
- Greater concern for needs of others
- Increased tolerance for individual differences
- Less ethnic prejudice
- Awareness and understanding of group processes
- Enhanced listening skills
- Greater appreciation of the complexities of behaving competently
- Establishment of more realistic personal standards of behavior

Sensitivity training is not as widely used in business today as OD techniques. It has been labeled ‘psychotherapy’ rather than proper business training. Leaders of T-groups have been criticized for having an insufficient background in psychology. Detractors suggest that individual defense mechanisms- built up to preserve the personality over a period of years- may be destroyed, with little help provided in replacing them with more satisfactory behavior patterns. It is contended that one cannot exist without ego defense mechanisms.
Also, in business organizations, managers frequently must make unpleasant decisions that work to the department of particular individuals and groups. Excessive empathy and sympathy will not necessarily lead to a better decision and may exact an excessively high emotional cost for the decision maker. Many business organizations have internal environments characterized by completion and autocratic leadership. The power structure may not be compatible with openness and trust. In some instances, an effective manager may practices ‘diplomacy’ by telling only part of the truth, or perhaps even telling different stories to two different persons or groups. Truth is not always conducive to effective interpersonal and group relations. Sensitivity training would also tend to ignore organizational values that are derived from aggressiveness, initiative, and the charismatic appeals of a particular leader.

4. Management by Objectives

Management by objectives is a systematic approach to change that facilitates achievement of results by directing efforts towards attainable goals. MBO encourages managers to plan for the future. Because MBO emphasizes participative management, it is considered a philosophy of management. Within this broad context, MBO becomes an important method of organizational development. The participation of individuals in setting goals and the emphasis on self-control promote not only individual development but also the development of the entire organization.

5. Job Enrichment

In the past two decades, there has been considerable interest in, and application of, job enrichment in a wide variety of organizations. Job enrichment refers to basic changes in the content and level of responsibility of a job so as to provide greater challenge to the worker. Job enrichment basically provides an expansion of responsibilities. The individual is provided with an opportunity to derive a feeling of greater achievement, recognition, responsibility, and personal growth in performing the job. Although job enrichment programs have not always achieved positive results, such programs have demonstrated improvements in job performance and in the level of satisfaction of personnel in many organizations. According to Herzberg cited by Mondy et al (1990:648), there a number of principles applicable for implementing job enrichment:

- **Increased job demands**: changing the job in such a way as to increase the level of difficulty and responsibility of the job.
• *Increased a worker’s accountability*: allowing more individual control and authority over the work while retaining accountability of the manager.

• *Providing work scheduling freedom*: within limits, allowing individual workers to schedule their own work.

• *Providing feedback*: making timely periodic reports on performance to employees (directly to the worker rather than to the supervisor).

• *Providing new learning experiences*: work situations should encourage opportunities of new experiences and personal growth of the individual.

6. The Grid Approach to OD

Nel, van Dyk, Haasbroek, Schultz, Sono and Werner (2004:337) state that one of the best-known predesigned OD programs is the Managerial Grid developed by Blake and Mouton in 1964 and republished in 1991 as the Leadership Grid. Blake and Mouton suggest that the most effective leadership style is the one that stresses maximum concern for both output and people. The Managerial Grid provides a systematic approach for analyzing managerial styles and assisting the organization in moving to the best style. The grid provides a basis to compare different leadership styles in terms of two dimensions: the first dimension is a *concern for production*, the extent to which the manager emphasizes production, profit, deadlines, task completion, and results; and the second dimension is a *concern for people*, the extent to which the leader emphasizes the needs and expectations of employees, and fosters employee satisfaction.

7. Management Development

Organizational development techniques are designed to change the entire organization. *Management development programs* (MDP) are formal efforts to improve the skills and attitudes of present and prospective managers. Managers learn more effective approaches to managing people and other resources. Within MDP, specific areas that have been identified as possible organizational weaknesses are included in the program. Some of these areas might relate to leadership style, motivation approaches, or communication effectiveness. The training programs may be administered by either in-house or external
personnel. An illustration of a management development program that was utilized by a major independent telephone company is provides in Table 3.

<table>
<thead>
<tr>
<th>TABLE 3: Course Content for a Management Development Program (MDP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Management Development Program Title:</td>
</tr>
<tr>
<td>“Improving Group Effectiveness and Team Building:</td>
</tr>
<tr>
<td>II. Objectives:</td>
</tr>
<tr>
<td>1) To identify the reasons for group formation</td>
</tr>
<tr>
<td>2) To understand the types of group and their attributes</td>
</tr>
<tr>
<td>3) To discover the implications of research on group dynamics</td>
</tr>
<tr>
<td>4) To acquire an understanding as to forces in intra-and inter-group processes</td>
</tr>
<tr>
<td>5) To learn the characteristics of teamwork and ways to achieve it</td>
</tr>
<tr>
<td>6) To provide experience in analyzing and diagnosing work group dimensions</td>
</tr>
<tr>
<td>7) To acquire an appreciation for various team-building techniques</td>
</tr>
<tr>
<td>III. Description and Evaluation:</td>
</tr>
<tr>
<td>The course is designed to provide greater understanding of, and ability to work with and through, groups. Special emphasis is given to understanding the various need levels of groups and what can be done to appeal more effectively to those levels. Actual practice in team-building techniques is given, as well as experience in analyzing work groups. Evaluation is made of the major contingencies affecting groups. Observing group behavior through various media is a portion of the course content.</td>
</tr>
<tr>
<td>IV. Size of Class</td>
</tr>
<tr>
<td>The class should have a maximum enrollment of 20 participants so as to allow the group process to be seen in action in the group itself, yet small enough to allow for active participation.</td>
</tr>
<tr>
<td>V. Assignment of Instructor</td>
</tr>
<tr>
<td>The instructor allocates an equal amount of time to lecture and activate class discussions with approximately one-third of the time devoted to various media presentations and group involvement.</td>
</tr>
<tr>
<td>The course is designed for a 2- or 3-day session.</td>
</tr>
<tr>
<td>VI. Enrollment Requirement</td>
</tr>
<tr>
<td>Middle- and upper-level managerial experience desired.</td>
</tr>
</tbody>
</table>

The intent of MDP is not only to learn new methods and techniques but to develop an inquisitive thought process. Too often personnel within a firm become so accustomed to performing the same task day after day that they forget how to think. A properly designed managerial development program places a person in a frame of mind to analyze problems and is often used to provide the foundation for change to occur.

4.23 Conclusion

Organizational behaviour is an application of knowledge about how people, individuals, and groups act in organizations. And organizational behaviour does this by taking a system approach. That is, it interprets people-organization relationships in terms of the whole person, whole group, whole organization, and whole social system. Its purpose is to build better relationships by achieving human objectives, organizational objectives, and social objectives. Organizational development refers to a ‘specific set of change interventions, skills, activities, tools, or techniques that are used to help people and organizations to be more effective’. In its most restrictive usage, organizational development refers to sensitivity training. In this context, organizational development stresses the process by which people in organizations become more aware of themselves and others. Emphasis is on the psychological states of employees that inhibit to communicate and interact with other members of the organization. The assumption is that organizational effectiveness can be increased if people can engage in honest and open discussion of issues. Organizational development is also a field of research that specializes in developing and assessing specific interventions, or change techniques.
Chapter 5

Research Methodology

5.1 Introduction

Research is not just a process of gathering information; rather, it is about answering unanswered questions or creating that which does not currently exist. In many ways, research can be seen as a process of expanding the boundaries of our ignorance. The discovery and creation of knowledge, therefore, lies at the heart of research, as it is a systematic quest for discovered knowledge. In the chapter, the design of research is exhibited; stating the population with its sample and sampling procedure; and the method of collecting data is also mentioned, accompanying with its description and administration.

5.2 Research design

Polit and Hungler define research design as an non-experimental research that focuses on obtaining information regarding the activities, beliefs, preferences and attitudes of people via direct questioning of a sample of respondents. Survey research is a popular approach to measuring peoples’ beliefs opinions, attitudes, personal attributes or characteristics (such as age, gender, marital status, occupation), past experiences and potential behaviours. They help to answer questions such as “what do you think/ feel/ believe about…” or “how many times have you/ do you…” (www.hcc.uce.uk)

Labovitz and Hagedorn (1981:42-3) state that a research design designates the logical manner in which individuals or other units are compared and analyzed; it is the basis for making interpretations from the data. The purpose of a design is to ensure that the relation between the independent and dependent variables is not subject to alternative interpretation. The aim of this research is to focus on a non-experimental research design which is used in a descriptive research survey.
5.3 Population

Polit and Hungler define a population as the entire individuals (or objects) having some common characteristics. The target population is the whole population that the researcher is interested in (e.g. All employees who work in the Nelson Mandela Metropolitan University and the University Of Fort Hare), and the group of people or objects actually from within that population are termed the sample. The individuals within that group are called the respondents. In a survey termed a census, data is collected from every member of the population, whereas most survey researchers aim to gather data from a subset of the target population, i.e. a sample. (www.hec.uce.uk). The aim of this research focused on both the academic and administration staff of the Nelson Mandela Metropolitan University and Fort Hare University; and the population size of this study was 200 employee respondents.

5.4 Sample

Arkava and Lane (1983) as cited by de Vos, Strydom, Founche and Delport (2002:199) state that a sample comprises the elements of the population considered for actual inclusion in the study. Or it can be viewed as a subset of measurements drawn from a population in which we are interested. de Vos et al (2002:199) defines a sample as small portion of the total set of objects, events or persons that together comprise the subject of the study. In a survey research, the researcher aims to achieve a representative sample, i.e. a sample that reflects or “represents” the target population. This makes it more likely that the results can be generalized to the whole of the population the sample represents. If the sample were not representative of the population, the results would only be relevant to the sample group. Researchers in survey research determine their sample through a process termed probability sampling (the selection of research subjects by random procedures. (www.hcc.ac.uk). The sample size of this study was 40 respondents; comprised of the junior to senior level employees employed in the NMMU and UFH. A sampling unit was the administration and academic staff employed in the NMMU and UFH, and the sampling frame was the list of all employed administration and academic staff with at least a 2 year service in the department.
5.4.1 Sampling procedure

A sampling procedure is a process of selecting a random sample from a finite or infinite population. There are a total of different samples having size that can be obtained from finite population size. If the sample observations are selected randomly, then each of the samples is random samples that have an equal probability of being selected. For an infinite population, the sample is random if each of the sample observations corresponds to sample independently of the others. Oftentimes, the size of a population under study is large enough so that the population can be considered infinite, if the sample size is small relative to the population size, the population can usually be considered infinite. ([www.library.thinkquest.org](http://www.library.thinkquest.org))

The sampling procedure that suited for this study was the probability sampling, which is based on randomization sampling. According to de Vos et al (2002:199), a probability sample is one in which each person or other sampling unit in the population has the same known probability of being selected. In addition, the selection of persons from the population is based on some form of random procedure. The best known kinds of probability sampling are simple random sampling, systematic sampling, stratified sampling, cluster sampling and panel sampling. In the random sampling, each individual case in the population theoretically has an equal chance to be selected for the sample. According to Goddard and Melville (2001:36) state that in the simple random sample, the researchers first assign numbers to each member of the population (i.e. they enumerate the population). For an example, people’s I.D. numbers could serve as numbers for a study of South African adults, if everyone had an I.D. after performing this enumeration, the researchers generate as many unique random numbers as the size of the sample required, and the corresponding members of the population become the sample. Random numbers of the population can be generated by a computer, either by using special computer programs or the random functions available in programming languages such as Basic, Pascal and etc.

5.4.2 Data collection

Data collection is the act or process of capturing raw primary data from a single source or from multiple sources. ([www.hospitalguide.mhcc](http://www.hospitalguide.mhcc))
Data collection is the collection of specific information, i.e. an employee’s academic and behavioural performance. Data collection helps an instructor to determine a program’s effectiveness. By collecting and analyzing data on a systematic basis, an instructor knows when to make changes in both academic and behavioural programs. Data collection has two critical components: information gathering and decision making. (www.usu.edu).

The process of gathering and measuring information on variables of interest, in a established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes. (www.ori.dhhs.gov).

The method of data collection which was suitable for this study was the use of a quantitative approach using questionnaires. Melville and Goddard (2001:47) state that a questionnaire is a printed list of questions that respondents are asked to answer. These instruments are commonly used and commonly abused. It is easy to compile a questionnaire; but it is not easy to compile an effective one. Effectiveness requires planning beforehand to ensure that the data can be objectively analyzed afterwards. Open (or unstructured) questions can be used in a preliminary or to get a feel for the subject. Here respondents answer questions in their own words. Closed (or structured) questions are used in large-scale data collection. Here respondents choose from a collection of alternatives (e.g. true or false) or assign a numerical score or ranking.

Hagedorn and Labovitz (1981:69) define a questionnaire as an instrument comprised of a series of questions that are filled by the respondents themselves. It may be handed out to them at work or school, or it may be mailed to them at home. A mailed questionnaire is a useful technique if respondents are spread out over a fairly geographical area and the researcher has limited resources (money and assistance). The data that will be provided in the following chapter has been collected partially from both the universities.

5.4.3 Descriptions of data collection instruments

Since the research design of this research consisted of the distribution of questionnaires, the questionnaire was divided into four sections: the first section comprised of the demographic factors of the respondents, the second section comprised of the structured questions the impact of organizational culture; the third section comprised of the structured questions on the effectiveness of organizational culture on employees’ behaviour and the last section focused on the impact the organizational culture has on organizational performance.
5.4.4 Administration of data collection

The administration of such questionnaires was self administered and interviewer-administered.

5.5 Data analysis

Data analysis is the process of organizing and examining the collected data using narratives, charts, or tables. Data analysis is the processing of the information or data that has been gathered in order to draw conclusions.

(www.education.jlab.org/beamsactivity/6thgrade/vocabulary)

Hagedorn and Labovitz (1981:142) state that analyzing of the data involves both descriptive and inference statistics. Descriptively, the data collected are summarized and reduced to a few meaningful statistics for the actual sample of employees and customers in the NMMU and UFH. The descriptions pertain both to the nature of relevant characteristics of the department and to the nature of the relations between the independent and dependent variables in the hypotheses. After these characteristics and relations have been established for the samples, inference statistics are used to make statements about the populations and the sample represented.

5.6 Conclusion

In this chapter of research methodology, research can be seen as a process of explaining the boundaries of our ignorance. The discovery and creation of knowledge, therefore, lies at the heart of research, as it is a systematic quest for discovered knowledge. Research design focuses on obtaining information regarding the activities, beliefs, preference and attitudes of people via direct questioning of a sample of respondents. Population is the entire individuals (or objects) having some common characteristics. A sample comprises the elements of the population considered for actual inclusion in the study. A sampling procedure is a process of selecting a random sample from a finite or infinite population. Data collection is the act or process of capturing raw primary data from a single or from multiple sources. And, data analysis is the process of organizing and examining the collected data using narratives, charts, or tables, also is process of gathering data to draw conclusions.
Chapter 6

Data Analysis

6.1 Introduction

The following information has been gathered to provide adequate data analysis, which was received from individual respondents at the Nelson Mandela Metropolitan University and the University Of Fort Hare. This chapter starts with the bibliographical information of independent respondents, followed by questions on the general impact of organizational culture; the effectiveness of it on employees’ behaviour and the impact it has on the organization’s performance.

6.2 Section A: Bibliographical Information

6.2.1 Gender

<table>
<thead>
<tr>
<th>Table 6.2.1</th>
<th>Figure 6.2.1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>25</td>
</tr>
<tr>
<td>Female</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
</tr>
</tbody>
</table>

In table and figure 6.2.1; research indicated that there were 15 (38%) of females and 25 (62%) were males.

6.2.2 Age

<table>
<thead>
<tr>
<th>2. Age</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;25</td>
<td>8</td>
<td>0.2</td>
</tr>
<tr>
<td>26-35</td>
<td>12</td>
<td>0.3</td>
</tr>
<tr>
<td>36-45</td>
<td>14</td>
<td>0.35</td>
</tr>
<tr>
<td>46+</td>
<td>6</td>
<td>0.15</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>
In table and figure 6.2.2, it is indicated that 8 (20%) of the respondents were 25 years old or less, 12 (30%) were between the ages of 26 and 35, 14 (35%) were between the ages of 36 and 45; and 6 (15%) were 46 and above of age.

### 6.2.3 Marital Status

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>22</td>
<td>0.55</td>
</tr>
<tr>
<td>Married</td>
<td>8</td>
<td>0.2</td>
</tr>
<tr>
<td>Widow(er)</td>
<td>5</td>
<td>0.125</td>
</tr>
<tr>
<td>Divorced</td>
<td>5</td>
<td>0.125</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

In table and figure 6.2.3, 22 (55%) of the respondents were single, 8 (20%) were married, and 5 (13%) were widowed and divorced.
6.2.4 Ethnic Group

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>African</td>
<td>28</td>
<td>0.7</td>
</tr>
<tr>
<td>White</td>
<td>8</td>
<td>0.2</td>
</tr>
<tr>
<td>Coloured</td>
<td>4</td>
<td>0.1</td>
</tr>
<tr>
<td>Other (Specify)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.2.4

![Ethnic Group Pie Chart](chart.png)

Figure 6.2.4

In table and figure 6.2.4; there were 28 (70%) of the respondents were Africans, 8 (20%) were whites; and only 4 (10%) were coloured.

6.2.5 Education Level

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matric</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Diploma</td>
<td>8</td>
<td>0.2</td>
</tr>
<tr>
<td>Degree</td>
<td>14</td>
<td>0.35</td>
</tr>
<tr>
<td>Honours</td>
<td>8</td>
<td>0.2</td>
</tr>
<tr>
<td>Masters</td>
<td>2</td>
<td>0.05</td>
</tr>
<tr>
<td>PhD</td>
<td>8</td>
<td>0.2</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.2.5
In table and figure 6.2.5; research indicated that 8 (20%) of the respondents had a diploma, 14 (35%) had a degree, 8 (20%) had Honours degree, 2 (5%) had a Masters degree and 20% had PhD degree.

### 6.2.6 Designation

<table>
<thead>
<tr>
<th>Designation</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>24</td>
<td>0.6</td>
</tr>
<tr>
<td>Lecturer</td>
<td>6</td>
<td>0.15</td>
</tr>
<tr>
<td>Senior Lecturer</td>
<td>2</td>
<td>0.05</td>
</tr>
<tr>
<td>Professor</td>
<td>8</td>
<td>0.2</td>
</tr>
<tr>
<td>Other(Specify)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 6.2.6

In table and figure 6.2.6; 24 (60%) were in administration, 6 (15%) were lecturers, 2 (5%) were Senior Lecturers, and 8 (20%) were Professors.
6.3 Section B: The impact of organizational culture

B1: Knowledge of organizational culture

6.3.1 Organizational culture reflects the norms and values shared by all members within the organization

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>19</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.5</td>
<td>0.475</td>
<td>0.025</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.3.1

In table and figure 6.3.1; 5 (20%) of the respondents responded that the norms of the organizations are always shared, 19 (0.475%) responded usually on the statement, and only 1 (0.025%) was uncertain.

6.3.2 It supports the vision of all employees

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>15</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.25</td>
<td>0.375</td>
<td>0.375</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.3.2
In table and figure 6.3.2; 10 (25%) said organizational culture always supports the vision of employees, 15 (0.375%) indicated usually and on occasionally.

6.3.3 It is well articulated and widely understood by all

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>4</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.775</td>
<td>0.1</td>
<td>0.125</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

In table and figure 6.3.3; 31 (0.77%) indicated that it always articulated and widely understood, 4 (10%) indicated usually, were as 5 (0.13%) indicated on occasionally.

6.3.4 There's a good understanding of the old culture and the current culture of the organization

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.4</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>
Table 6.3.4

There is a good understanding of the old and current culture of the organization

Figure 6.3.4

In table and figure 6.3.4; 16 (40%) indicated that there always a good understanding, 8 (20%) indicated usually, and another 8 (20%) indicated occasionally and rarely.

6.3.5 It provides knowledge about how employees are expected to act and think

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>32</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.8</td>
<td>0.2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.3.5

Figure 6.3.5

In table and figure 6.3.5; 32 (80%) of the respondents respondent that organizational culture always provides knowledge and 8 (20%) respondent on usually.
B2: Guidance of organizational culture

6.3.6 It guides employees to perform their work effectively

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>24</td>
<td>4</td>
<td>0</td>
<td>4</td>
<td>40</td>
</tr>
<tr>
<td>0.2</td>
<td>0.6</td>
<td>0.1</td>
<td>0</td>
<td>0.1</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Table 6.3.6

Figure 6.3.6

In table and figure 6.3.6; 8 (20%) of the respondents indicated that organizational culture always guides to perform their work effectively, 24 (60%) indicated usually, and 4 (10%) of the respondents do not agree with the statement.

6.3.7 It guides the behaviour of employees and interprets experience

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.1</td>
<td>0.45</td>
<td>0</td>
<td>0</td>
<td>0.45</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Table 6.3.7

Figure 6.3.7
In table and figure 6.3.7; 4 (10%) of the respondents agreed that organizational culture always guides behaviour, and 18 (45%) indicated usually as well as another 18 (45%) indicated that it never guides behaviour.

### 6.3.8 It aims at giving employees the clues on what to do and not to do

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>4</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.65</td>
<td>0.1</td>
<td>0.25</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.3.8

In table and figure 6.3.8; it is indicated that 26 (65%) always agree that organizational culture aims at giving clues on what to do and not to do, 4 (10%) indicated usually, whereas 10 (25%) were in between.

### B3. Identity of the organization

### 6.3.9 The culture within the organization represents the identity of its members

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>16</td>
<td>24</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0.4</td>
<td>0.6</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.3.9
In table and figure 6.3.9; 16 (40%) indicated that culture usually represents identity, and the remaining 24 (60%) indicated that sometimes it does represent.

### 6.3.10 The culture within the organization clearly defines and maintains boundaries

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.35</td>
<td>0</td>
<td>16</td>
<td>24</td>
<td>14</td>
<td>8</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0.4</td>
<td>0.6</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1 (20%)</td>
<td>0.35</td>
<td>0.2</td>
<td>0.35</td>
<td>0.2</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.3.10

In table and figure 6.3.10; 14 (35%) indicated that culture always defines and maintains boundaries, 14 (35%) rarely agreed on the statement, and 8 (20%) never agreed.

### 6.3.11 The identity of the organization is reflected by the employees' interaction with one another

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.35</td>
<td>0</td>
<td>14</td>
<td>14</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>14</td>
<td>14</td>
<td>0.1</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 6.3.10
In table and figure 6.3.11; 12 (30%) of the respondents indicated that the identity of the organization is always reflected by the interaction, 14 (35%) indicated usually as well as the other remaining 14 (35%) indicated in between.

**B4: The character of the organization**

6.3.12 It is shaped by its organizational culture

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>24</td>
<td>16</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0.6</td>
<td>0.4</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

In table 6.3.12; 24 (60%) of the respondents indicated that sometimes an organization is shaped by its culture, and 16 (40%) rarely agreed on the statement.
6.3.13 The area in which the organization resides describes its culture

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>0</td>
<td>4</td>
<td>14</td>
<td>8</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>0.35</td>
<td>0</td>
<td>0.1</td>
<td>0.35</td>
<td>0.2</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 6.3.13

In table 6.3.13; 14 (35%) indicated that the area in which the organization resides always describes its culture, another 14 (35%) rarely agreed, 4 (10%) were in between, and 8 (20%) never agreed on the statement.

6.3.14 The site and the furnishing inside the organization determines its culture

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>32</td>
<td>8</td>
<td>0</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0.8</td>
<td>0.2</td>
<td>0</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 6.3.14

In table and figure 6.3.14; 32 (80%) indicated that sometimes the site and the furnishing inside the organization determine its culture, and 8 (20%) rarely believed the statement.
B5 The value of the organization

6.3.15 The culture within the organization recognizes and values the variety of opinions and insights of the employees

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>6</td>
<td>22</td>
<td>12</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0.15</td>
<td>0.55</td>
<td>0.3</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Table 6.3.15

In table and figure 6.3.15, 6 (15%) indicated that sometimes it recognizes the values, 22 (55%) rarely agreed, and 12 (30%) never agreed on the statement.

6.3.16 It encourages openness amongst its employees

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>12</td>
<td>0</td>
<td>28</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0.3</td>
<td>0</td>
<td>0.7</td>
<td>0</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Table 6.3.16

In table and figure 6.3.16; 12 (30%) indicated that organizational culture usually encourages openness, whereas the remaining 28 (70%) rarely agreed on the statement.
6.3.17 It makes the workers feel valued

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>14</td>
<td>8</td>
<td>0</td>
<td>18</td>
<td>40</td>
</tr>
<tr>
<td>0.35</td>
<td>0.2</td>
<td>0</td>
<td>0.45</td>
<td>1</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.3.17

In table and figure 6.3.17; 14 (35%) usually agreed that organizational culture makes the workers feel valued, 8 (20%) were in between, and 18 (45%) never agreed on the statement.
6.4 Section C: The effectiveness of organizational culture on employees’ behaviour

C1: Employees’ commitment

6.4.1 Organizational culture fosters commitment and corporation of employees

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>30</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0.125</td>
<td>0.75</td>
<td>0.125</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.1

In table and figure 6.4.1; 5 (0.125%) indicated that organizational culture always fosters commitment, 30 (75%) indicated usually, and 5 (0.125%) were in between.

6.4.2 Employees are committed to the organizational culture

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>16</td>
<td>16</td>
<td>4</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.1</td>
<td>0.4</td>
<td>0.4</td>
<td>0.1</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.2
In table and figure 6.4.2; 4 (10%) indicated that employees are always committed, 16 (40%) indicated on usually and sometimes, and another 4 (10%) rarely indicated on the statement.

6.4.3 Organizational culture provides shared patterns of effect, and an emotional sense of involvement and commitment

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>26</td>
<td>14</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0.65</td>
<td>0.35</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.3

In table and figure 6.4.3; 26 (65%) indicated that culture provides patterns of effect and an emotional sense, were as 14 (35%) indicated that sometimes culture has involvement.
C2: Employees’ performance

6.4.3 Organizational culture influences employees’ performance

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>31</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.775</td>
<td>0.775</td>
<td>0.225</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.4

In table and figure 6.4.4; 31 (0.75%) indicated that culture usually influences performance, whereas 9 (0.25%) said it sometimes has an influence.

6.4.4 A good understanding of the organization's culture leads to high performance of the employees as well as the organization itself

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>4</td>
<td>32</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.1</td>
<td>0.1</td>
<td>0.8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.5

In table and figure 6.4.5; 32 (0.8%) indicated that culture usually leads to high performance, whereas 4 (0.1%) said it sometimes leads to high performance.
In table and figure 6.4.5; 4 (10%) indicated that culture always and usually leads to high performance, were as the remaining 32 (80%) agreed that sometimes it leads to high performance.

6.4.5 An organization's culture can lead to high creativity of employees

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>28</td>
<td>5</td>
<td>2</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.125</td>
<td>0.7</td>
<td>0.125</td>
<td>0.05</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.6

In table and figure 6.4.6; 5 (0.125%) responded that culture always leads to creativity, 28 (70%) indicated on usually, 5(0.125%) indicated that it sometimes leads to creativity and the remaining 2 (5%) rarely agreed on the statement.

C3 Job Satisfaction

6.4.7 Organizational culture can lead to job satisfaction

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>28</td>
<td>10</td>
<td>2</td>
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<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.7</td>
<td>0.25</td>
<td>0.05</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.7
In table and figure 6.4.7; 28 (70%) always agrees that culture leads to better job satisfaction, 10 (25%) indicated on usually, and 2 (5%) were in between.

**6.4.8 Job satisfaction of employees leads to high performance and development**

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>32</td>
<td>4</td>
<td>4</td>
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<td>0</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>0.8</td>
<td>0.1</td>
<td>0.1</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.8

In table and figure 6.4.8; 32 (80%) agreed that job satisfaction always lead to high performance, and the last 4 (10%) indicated on usually and in between.

**6.4.9 A strong organizational culture creates satisfaction to members inside and to outside customers**

<table>
<thead>
<tr>
<th></th>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30</td>
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<tr>
<td></td>
<td>0.75</td>
<td>0.125</td>
<td>0.125</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.9
A strong organizational culture creates satisfaction to members inside and to outside customers.

In table and figure 6.4.9; 30 (75%) indicated that a strong culture always creates satisfaction, and 5 (0.125%) indicated that it usually and sometimes has an impact on satisfaction.

C4 Communication by management

6.4.10 There is a high level of communication between management and employees

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>5</td>
<td>30</td>
<td>5</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0.125</td>
<td>0.75</td>
<td>0.125</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.10

In table and figure 6.4.10; 30 (75%) rarely agreed on the statement, 5 (0.125%) never agreed and were in between the statement.
6.4.11 Communication about the organization's culture is satisfactory

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>3</td>
<td>34</td>
<td>3</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0.075</td>
<td>0.85</td>
<td>0.075</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.11

In table and figure 6.4.11; 3 (0.075%) indicated that communication is sometimes and never satisfactory, and 34 (85%) indicated that communication rarely satisfactory.

6.4.12 Employees are well socialized into the organization’s culture

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
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<td>0</td>
<td>4</td>
<td>4</td>
<td>32</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0.1</td>
<td>0.1</td>
<td>0.8</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.4.12

In table and figure 6.4.12; 32 (80%) never agreed that employees are socialized into the organization’s culture, and the remaining 4 (10%) indicated on rarely does it is socialized.
6.5 Section D: The impact of organizational culture on organizational performance

D1 Success of the organization

6.5.1 Creating a strong organizational culture can lead to the success of the organization

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>32</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.2</td>
<td>0.8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.1

In table and figure 6.5.1; 8 (20%) indicated that creating a strong culture leads to success, and 32 (80%) indicated that it usually does create success.

6.5.2 A strong organizational culture does not necessarily lead to high performance

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
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<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>16</td>
<td>16</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.2</td>
<td>0.4</td>
<td>0.4</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.2
A strong organizational culture does not necessarily lead to high performance

Figure 6.5.2

In table and figure 6.5.2; 8 (20%) indicated that culture always leads to high performance, 16 (40%) indicated on usually and sometimes culture leads to high performance.

6.5.3 The culture of the organization determines its future success and failure

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
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</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>24</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.25</td>
<td>0.6</td>
<td>0.15</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.3

The culture of the organization determines its future success and failure

Figure 6.5.3

In table and figure 6.5.3; 10 (25%) agreed that culture always determines future success, 24 (60%) indicated on usually, and 6 (15%) were in between the statement.
D2 Growth of the organization

6.5.4 Organizational culture can improve the organization’s development as well as performance

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
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</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>17</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.525</td>
<td>0.425</td>
<td>0.05</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.4

![Graph showing organizational culture can improve the organization's development as well as performance]

In table and figure 6.5.4; 21 (0.525%) and 17 (0.425%) indicated that culture always and usually improves the organization’s development as well as performance, and 2 (5%) were in between.

6.5.5 Advancement of technology within the organization reflects its culture

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>17</td>
<td>7</td>
<td>3</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.325</td>
<td>0.425</td>
<td>0.175</td>
<td>0.075</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.5
In table and figure 6.5.5; 13(0.325%) and 17(0.425%) indicated that advancement of technology always and usually reflects the organization’s culture, 7 (0.175%) were in between, and 3 (0.075%) rarely agreed on the statement.

6.5.6 An increase in the number of employees and high performance results in the growth of the organization

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>19</td>
<td>19</td>
<td>2</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0</td>
<td>0.475</td>
<td>0.475</td>
<td>0.05</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.6
In table and figure 6.5.6; 19 (0.475%) indicated that an increase in the number of employees usually and sometimes results in the growth of the organization, and 2 (5%) rarely agreed on the statement.

**D3 Competition**

**6.5.7 An organization's culture can sustain competition amongst other organizations**

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>21</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.475</td>
<td>0.525</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.7

In table and figure 6.5.7; 21 (0.53%) and 19 (0.47%) indicated that culture always and usually sustains competition.

**6.5.8 Competition amongst other organizations may result in the growth of the organization and of its employees.**

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
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</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.725</td>
<td>0.275</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.8
In table and figure 6.5.8; 11 (0.27%) and 19 (0.73%) indicated that competition always and usually may result in the growth of the organization and of its employees.

6.5.9 High performance and innovation sustain competition in the global market

<table>
<thead>
<tr>
<th>Always</th>
<th>Usually</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>17</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>0.425</td>
<td>0.425</td>
<td>0.15</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.5.9

In table and figure 6.5.9; 17 (0.425%) indicated that high performance and innovation always and usually sustains competition, and 6 (15%) believed that sometimes high performance sustains competition.
6.6 Conclusion

Data analysis is a process of organizing and examining the data collected using charts and tables. This data has been gathered in order to draw conclusions. The data provided has been gathered from completed questionnaires from independent respondents of the Nelson Mandela Metropolitan University and University of Fort Hare. The first section of this chapter comprises of the bibliographical information; the second section composes of the statement centering on the knowledge of organizational culture; the third section concerning on the effectiveness of organizational culture on employees’ behaviour; and the last section is on the impact of organizational culture on organizational performance. In analyzing data, tables and charts (pie and bar graphs) were used to supply the analysis of information.
Chapter 7
Recommendations and Conclusion

7.1 Recommendations

From section B, it is quite obvious that the concept of organizational culture was at least understood; even though there is a rather small percentage of those who were not quite sure of whether their culture in the organization support their vision or not. The organizational culture’s guidance shows a good sign in that a big number of respondents agreed on the statement that it guides the behaviour of employees and interprets experience. Employees are rather unsure about the organization’s identity and their identity to the organization, so, it is recommended that management set procedures on how to construct organizational identity so that employees can have a sense of belonging and identity.

It is rather disappointing how the respondents have negatively responded on the value of the organization. There are huge percentages of those who felt that their organization doesn’t value nor does it encourage openness and communication amongst employees and the management. An organization that does not have identity, doesn’t have personality; and that means that, management should urgently rectify such careless mistakes because once members inside the organization start to feel less valued and appreciated, job dissatisfaction commences and consequently other factors which may sink the company or organization down may follow.

7.2 Conclusion

On a negative conclusion about this research, especially section B, organizational culture has minimum identity, and personality from the organizations which this research was carried from. The much good side is from section D were employees highly responded on the success, the growth of the organization as well as the competition. The general conclusion about this research is that management should be observant about the surrounding in the organization, not only on the physical aspects but also on emotions carried in the organization; because as defined earlier in this research, organizational culture is basically the shared values, artifacts and basic underlying assumptions; and it is important that these goals and values should be shared amongst all the employees and management because organizational culture influences the behaviour of each and every individual in the organization.
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Books


**JOURNALS**


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