

Chapter Review

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Developing an Organisation Culture

Objectives...

- 1 explain what is meant by organization culture
- 2 discuss types of culture
- 3 differentiate several dimensions of organization culture
- 4 list factors that may be a source or manifestation of organization culture
- 5 Discuss culture change

Key Terms

Corporate culture Defined by Bower (1966) as 'the way we do things around here'. Trice and Beyer (1984) elaborated this as: 'the system of ... publicly and collectively accepted meanings operating for a given group at a given time'. Hofstede (1994) describes corporate culture as 'the psychological assets of an organization, which can be used to predict what will happen to its financial assets in five years time'. See also 'Culture'.

Culture Shared ways of thinking and behaving (Uniformity)

Organisational (corporate) culture A set of values, beliefs, goals, norms and rituals that members of an organisation share

25. In this chapter we introduced and defined culture, noting it to have many functions but also arguing that it can be dysfunctional, ultimately impacting upon organizational performance. It is a very important but imprecise concept as it exists in many levels and is diffused throughout the organization. Culture is always about groups and the way they behave; in some cases we might also consider the way they think and their assumptions about the problems they face. Culture can be strong or weak and this is a measure of how similar thinking and behaviour is within the group. We noted that strong culture may be more appropriate in stable or predictable environments where efficiency is emphasised but that weak cultures may encourage the creativity and constant challenging attitude of employees needed to question their goals and ways of achieving them. Cultural differences encourage a contingency approach to management and cultural changes should reflect environmental changes. Culture change is difficult and incremental and relies heavily on organizational leaders.