

Organisational cultures

All organisations have their own unique qualities that distinguish them from others. Organisational culture represents a pattern of beliefs and expectations shared by its members. These provide the code by which each organisational community achieves its objectives.

THE IMPORTANCE OF ORGANISATIONAL CULTURE

Culture dictates how those in the organisation should behave in a given set of circumstances. It affects everyone from senior leadership to those lower in the hierarchy. Culture resides in shared behaviours, values and assumptions. It is implicit, persuasive and enduring. It legitimises certain forms of action and negates others.

While all organisations necessarily have rules relating to standards of behaviour, how things are done, responsibility for expenditure, and so on, it is the culture that determines how these are applied.



Some organisational cultural attributes are drawn from the society in which the entity is based and/or headquartered, others from the industry sector, and some from the types of professionals employed. The combination of attributes is unique which is why every organisation possesses its own specialness.

In a global context, mergers, acquisitions and joint ventures bring together different societal, organisational and professional cultures. Without cultural understanding, good communication and tolerance, there can be misunderstandings and poor business outcomes.

MEASURING CULTURE

Organisational culture can be measured using a number of dimensions. These include: mission (a clearly articulated strategy and key performance indicators); values consistency (whether values articulated are adhered to); adaptability (focus on learning from competitors and being open to change); and employee involvement (empowering and developing employees/teams).

Organisational culture checklists can be completed to provide an overview of an organisation's unique cultural attributes.

STRONG VERSUS WEAK CULTURES

Organisations tend to have strong cultures when members have worked together for a long time and have faced and overcome a number of threats successfully. Strong cultures can serve as both enabler and barrier to organisational change.

Research has indicated that a strong culture that aligns members' behaviour with organisational objectives boosts financial performance. Notwithstanding this, strong cultures are thought to be less effective in dynamic environments if they promote adherence to routines and

behavioural uniformity. However, firms with higher levels of consensus across many norms, as well as an intensive emphasis on adaptability that may promote conformity without the inertial effects of uniformity, perform better financially in volatile periods. Hence, whether cultural strength is an advantage or disadvantage depends on both strength and content of culture.

MANAGING ORGANISATIONAL CULTURE

The extent to which culture can be actively managed is contested. One way to bring about alignment between the existing and the desired culture is by adopting a "consistent cues approach". This involves organisational leaders exercising their power to influence culture through symbolism. How leaders use language, time, encourage employees to think and act in particular ways, and the sensitivity they exhibit in their communications must demonstrate consistency with the organisational values that they espouse. Senior leaders need to "walk the talk".

Consistent cues can be bolstered by Human Resources policies and procedures. How recruitment, induction, socialisation, training, performance management and reward are conducted can act as cultural levers to drive forward desired organisational change.

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