

Culture, Values and Diversity

Anubha Dadhich (PhD/IITD)

Indian Institute of Management Raipur

Organizational Culture

- Set of Key values, assumptions, understanding and norms that is shared by members of an organization and taught to new members as correct.
- Culture acts as a significant factor in the success of organization
- Culture is right– Customer service, long term plans, Commitment at work, Passion.
- “Beliefs, Values, Attitudes, Behaviors and Practices that are characteristics of a group of people” Warrick

Foster values: 10 core values



- Be humble
- Create fun and a little weirdness
- Pursue Growth & Learning

Edgar Schien

- Culture is "a pattern of basic assumptions-invented, discovered,
- or developed by a given group as it learns to cope with 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 to perceive, think,
- and feel in relation to those problems"

- uses it as an organizing framework

Fundamentals of Culture

- Culture is a result of what an organization has learned from dealing with problems and organizing itself internally
- Culture as the sum-total of everything an organization has learned in its history in dealing with the external problems – which would be goals, strategy, how we do things – and how it organizes itself internally.”
- This defines how we’re going to relate to each other, what kind of hierarchy exists, etc.

- Culture operates at many levels
- Surface level, Underground level
- Focus on Business problem– Not on Culture Change
- Be very specific about behavior
- how it's impacting your problem
- the future state of the behavior you want to see
- Culture is a group phenomenon
- Define how the culture is helping and hindering work on a problem– FGD
- Culture is a bottomless pit, so focus on solving business problems.

What do we mean by Norms ??

Norms are shared standards that defines what behaviors are acceptable and desirable with-in a group of people.

Levels of corporate culture

- 1) Surface Level: Visible artifacts e.g. manner of dress, patterns of behavior, physical symbols, office layouts, organizational ceremonies.
- Things which one can see, hear or observe by watching members of the organization.

- 2) Deeper level: Expressed values and beliefs, not observable but can be discerned from how people explain and justify what they do.

3) Deeply embedded values: These underlying assumptions are the essence of the culture.

- Assumptions start with the expressed values.
- Overtime they become more deeply embedded and less open to question.

Culture Strength

- Degree of agreement among employees about the importance of values and ways of doing things.
- Effect of strong culture is not always positive one.

Culture Gap

- The difference between desired and actual values and behaviors
- Immense in case of mergers
- High Performance Culture

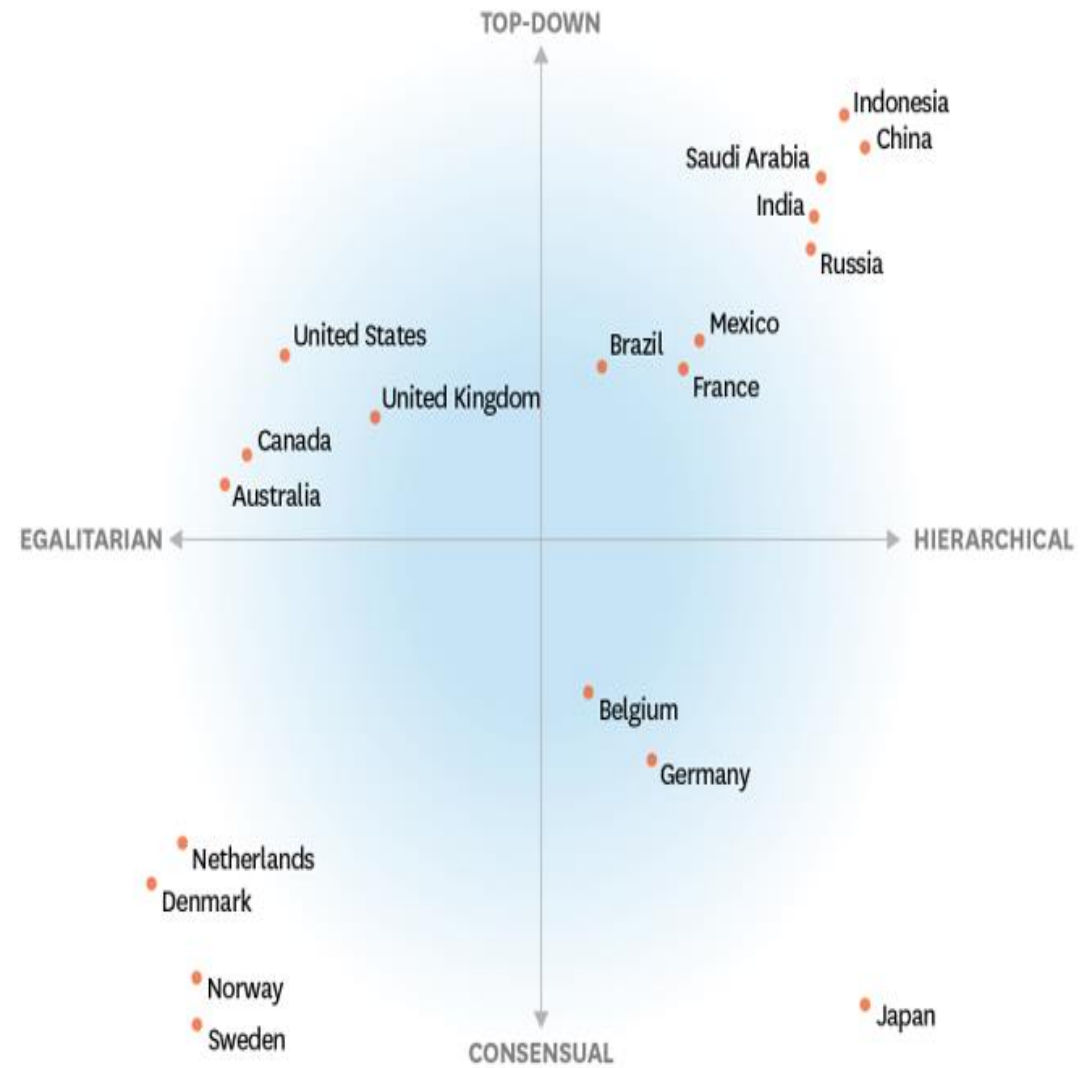
Adaptability Culture

- Characterized by strategic leaders encouraging values that support the organization's ability to interpret and translate signals from the environment into new behavior responses.
- Employee have autonomy to make decisions
- Act freely to meet new needs
- Responsiveness to customers is highly valued

Understanding Cultural differences



- There is nothing Good or Bad about any Culture. There are only differences.
- Understanding Cultural Differences are often the determining factor in success or failure in Business



Organizational Values (OV) and Culture

- OV 's are the enduring beliefs that have worth, merit, and importance for the organization.
- Unhealthy cultural values played a crucial role in many of the mistakes that companies make.
- Changes in the nature of work, globalization, increasing diversity in the work force, made the topic of values one of considerable concern to managers.
- How can I determine what cultural values are important?

Continue.....

- Are some values better than others ?
- How can the organization culture help us to be more competitive ?
- Cultures can vary widely across organizations
- The correct relationship among cultural values organizational strategy and the external environment can enhance organizational performance.

Continue.....

Organizational culture can be assessed on many dimensions:

- Extent of collaboration versus isolation among people and departments
- The importance of control and where control is concentrated.
- Organizations time orientation is short term or long term.

Specifically two dimensions are commonly used:

1. Extent to which competitive environment requires flexibility or stability.
2. Extent to which the organizations strategic focus and strength is internal or external.

Adaptability culture

- Is characterized by strategic leaders encouraging values that support the organization ability to interpret and translate signals from the environment into new behavior response new needs
- Employees have autonomy to make decisions.
- Act freely to meet new needs
- Responsiveness to customers is highly valued
- Encouraging and rewarding creativity
- Experimentation and risk taking
- Example Google

Achievement culture

- Is characterized by a clear vision of the organization goal.
- Focus on the achievement of specific target such as sales, growth, profitability and market share.
- Concerned with serving specific customers in the external environment but without the need for flexibility and rapid change is suited to the achievement culture.
- This is result oriented culture that values competitiveness
- aggressiveness
- personal initiative and
- willingness to work long and hard to achieve results
- Example: Netflix

Clan Culture

- Has an internal focus on the involvement and participation of employees to meet changing expectations from the external environments
- This culture places value on meeting the needs of organization members
- Friendly places to work, and employees may seem like a family.
- Emphasize cooperation consideration of both employees and customers and avoiding status differences
- Emphasize on fairness and reaching agreement with others
- Example: In and Out Burger fast food Chain

Bureaucratic culture

- It has internal focus and consistency orientation for a stable environment
- It support a methodical, rational , orderly way of doing business.
- Following the rules and being thrifty are valued.
- The organization succeed by being highly integrated.