## The corporate culture

Mgr. Dagmar Halová

## Today's Topic



### HOMEWORK DISCUSSION THE CORPORATE CULTURE

## Homework discussion





Introduce the organisation you have chosen and its strategic goals

Activity

# The corporate culture

"An organisation's culture includes the values, norms, beliefs, attitudes, and assumptions that may not be expressed in any way, but they definitely determine the way people behave and the way they perform work." (Armstrong and Taylor, 2015) Ways of Shaping Corporate culture

- 1) Culture is shaped mainly by the leaders who have shaped it in the past
- 2) Critical incidents important events that serve as a source of lessons about desirable or undesirable behavior
- 3) Culture is based on the need to maintain effective working relationships among members of the organization, which creates values and expectations
- 4) Culture is influenced by the organisation's environment, which can be either dynamic or unchangingorganisation

Development of the corporate culture

- Culture evolves over time as a result of shared experiences.
  - Trauma model: members of an organisation learn to cope with a threat by developing a defence mechanism
  - Positive reinforcement model: practices, that seem to be working are becoming firmly established and entrenched.
- Learning takes place as people adapt and cope with external pressures and when they adopt successful approaches and practices to manage internal tasks, processes and technologies in the organisation.
- In an organisation where culture has developed over a long period of time and become deeply embedded, it can be difficult to change it quickly, if at all, without causing unpleasant and unwanted events.
- The process of shaping an organisation's culture can result in a culture that characterises the whole organisation.
- However, there can be different cultures in an organisation.
  - For example, marketing vs. production

Components of the organisation's culture

An organization's culture can be characterized in terms of values, norms, artifacts, and styles of management or leadership.



- Values express beliefs about what is good or best for the organisation and what would should be or should happen.
- "An organisation's 'value system' can only be recognised at the top management level, or it may be shared throughout the organisation, with such organisation could be considered a values-driven organisation.
- The stronger the values, the more they influence behaviour.
- Values are enacted through norms or artefacts, as through the language used (organisational jargon), rituals, stories or myths.

## Values expressed in the following fields:



### Norms

- Norms are unwritten rules of conduct or "rules of the game" that represent informal guidelines for how to behave.
- Norms tell people what to do or say, what to believe or even how to dress.
- They are never expressed in writing if they were, they would they would be policies or procedures.
- They are passed on orally or expressed through behaviour, and adherence to them can be enforced by people's reactions.
- Through these reactions we can influence behaviour. We can put very strong pressure on the behaviour of others by the way we react to them.

## Standards commonly cover some of these areas:

Management style of managers	Status - how much importance is attached to status		Ambition - is openly displayed ambition expected and approved of, or is it the norm		A more restrained and measured approach.
Performance - generally expected to meet set standards of performance	Power - its distribution in the organisation		Policy/intricacies - acceptable or not		Loyalty - lifelong affiliation with the organisation?
Anger - expressed overtly or covertly		Accessik everything behind clo	g happens		addressing, code

## Artifacts

- Artifacts are the visible and tangible aspects of an organisation that people hear, see, or feel and that allow them to understand the organisation's culture
- Work environment,
- The tone and language used in emails, letters or other communications,
- The way people address each other in meetings or on the phone,
- The welcome that visitors receive

### Management style

### Charismatic non-charismatic,

## Autocratic - democratic,

## Controlling - supportive,

Transactional transformational.

## Schein (1984) - classification of cultures

#### A culture of power

• Power is concentrated in the hands of a few individuals, relies on their abilities, and in which there is a tendency to be entrepreneurial.

#### A role culture

 Power is balanced between leaders and bureaucratic structure. The environment is likely stable, and roles and rules are clearly defined.

### A success culture

• Personal motivation and commitment are emphasised and action, enthusiasm and influence are valued.

#### A culture of support

• People engage out of a sense of commitment and solidarity

## Activity

- Think about organisation you have worked for:
  - How would you describe their culture?
  - Did the culture suit you? Why?
  - Describe organisazion's values
  - How did the management style look like?

## Summary

• What have you learned today?

## Homework assignment

- Describe the corporate culture of the organisation from the Homework 1
- Use Shein's classification
- Describe values and norms in the organisation

# Thank you for your attention

Dagmar.halova@mvso.cz