ORGANIZATIONAL CULTURE, CLIMATE DEVELOPMENT AND TRANSFORMATION IN REGARD TO:

- HOW ORGANIZATIONS ADAPT TO EXTERNAL ENVIRONMENTS AND ARE ABLE TO MANAGE INTERNAL INTEGRATION
- TO DECIPHER CULTURE FOR INSIDERS AND REPORT CULTURE TO OUTSIDERS
- MANAGERS’ ROLE IN CULTURE CHANGE

DR. CAREN A. OUMA
United States International University-Africa
P.O Box 14634-00800, Nairobi, Kenya
TEL: (+254)722-316109
EMAIL: couma@usiu.ac.ke

ABSTRACT

This paper is a desk review of organizational culture, climate development and transformation in regard to; how organizations adapt to external environments and are able to manage internal integration, to decipher culture for insiders and report culture to outsiders and managers’ role in culture change. The paper examines the types of culture in any organization and evaluates how organizations can adapt to various types of culture. It is emphasized that the role of managers in culture change is very critical for the success of an organization. In conclusion, it is noted in this paper that, managers must be prepared for culture change and manage various environmental factors which may be directly or indirectly affecting culture change.

Key Words: Organizational Culture, Climate Development and Transformation

1.0 INTRODUCTION

Culture is shorthand for how an organization thinks and behaves, and no element of it is more important than the way the organization manages human performance. The question here is: To what extent is the strategy and its supporting culture embedded in the way an organization directs, manages, and rewards its people? The best organizations create and maintain a systematic discipline for managing human performance at every level to ensure strategic alignment.

In an organizational context, human performance comprises a series of behaviors directed towards achievement of a specific goal. Managing these behaviors is often seen as a simple matter of managing the responsible individuals or groups. It is critical that at every level, employees will argue that their failure to behave in a certain way is not their fault, but would justify with some reasons.

In this presentation, the items covered in regard to culture are as follows:
1. An analysis of how organizations adapt to external environment and manage internal interaction.
2. How to decipher culture for insiders and report culture to outsiders.
3. The role of a manager in culture change and in a learning culture.

1.1 MEANING OF CULTURE

Basically, organizational culture is the personality of the organization. Culture is comprised of the assumptions, values, norms and tangible signs (artifacts) of organization members and their behaviors. Members of an organization soon come to sense the particular culture of an organization. Culture is one of those terms that are difficult to express distinctly, but everyone knows it when they sense it. For example, the culture of a large, for-profit corporation is quite different than that of a hospital which is quite different that of a university. You can tell the culture of an organization by looking at the arrangement of furniture, what they brag about, what members wear, etc. similar to what one can use to get a feeling about someone's personality.

Cultures are holistic, qualitative elements of our complex, collective lives. Despite the difficulty, Edgar Schein (1992) has proposed the following clarification of what we mean by culture. First, he builds a holistic context within which culture is to be understood: Culture somehow implies that rituals, climate, values, and behaviors bind together into a coherent whole. This patterning or integration is the essence of what we mean by “culture.” Next he offers a “formal definition” of culture: 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 to perceive, think, and feel in relation to these problems. Culture is built up through its continuing enhancement of an organization’s ability to deal with its problems in a way that fixes its identity. While culture is a systemic phenomenon, its primary architects are those at the very top (Schein, 1992).

Schein models culture on three levels (Figure 1) below. The first level, artifacts, includes observable daily features of organizational life such as activities, rituals, jargon, office layouts, and so forth. The second level, values and beliefs, includes an organization's espoused judgments about what is good and bad, which make sense of how actions are evaluated as exemplary or ineffective. The third level, basic assumptions, includes our deepest and most comprehensive explanation of reality–our views of fundamental truths about people and the world. This layer is usually tacit. Additionally, to be found in this deepest layer, Schein points out, are the mental models and value systems that actually drive organizational behavior (Schein, 1992). I have added a feedback loop suggesting that while artifacts emerge as consequences of basic assumptions and values and beliefs, they also reinforce and further embed basic assumptions within the core of culture. This aspect for the definition of culture can be illustrated by the following layers of culture which can be found within any organization.
Corporate culture can be looked at as a system. Inputs include feedback from, e.g., society, professions, laws, stories, heroes, values on competition or service, etc. The process is based on assumptions, values and norms, e.g., values on money, time, facilities, space and people. Outputs or effects of our culture are, e.g., organizational behaviors, technologies, strategies, image, products, services, appearance, etc.

The concept of culture is particularly important when attempting to manage organization-wide change. Practitioners are coming to realize that, despite the best-laid plans, organizational change must include not only changing structures and processes, but also changing the corporate culture as well.

A difficulty for examining and understanding the levels of culture is that rarely are all three levels out in the open. Certainly the level of artifacts is observable; it contains the manifestations of culture that we see around us, the things, adornments, relations, and ways of speaking and address, that characterize tangible life in an organization. But when we attempt to look beneath the artifacts to find out why they are there we enter a realm that is often at least partially hidden from conscious thought, even among members of the organization. Directly beneath the level of artifacts lies the level of “values and beliefs.” These are the values that the organization holds dear and espouses a will to enact in practice. Common values are “promote honesty,” “respect the needs of co-workers,” or “strive for excellence.” These values are usually highly visible, often prominently posted.

Yet, research has found (Argyris & Schön, 1978), that routine organizational behavior sometimes reflects other, hidden values, especially in situations of stress and uncertainty. In contrast to espoused organizational values, these shadowy, alternate values are rarely acknowledged openly, nor can we examine them directly. Instead, they must be inferred from patterns of behavior. An example of such a hidden value would be “win, do not lose” (Argyris & Schön, 1978). These hidden values often conflict with published
espoused values. Moreover, when we choose to act consistently with hidden values, our actions will likely undermine other actions seeking to realize the espoused values of the organization.

These alternate values-in-use lie beneath awareness within Schein’s deepest cultural stratum: the layer of “basic assumptions about reality.” These assumptions are complex, value-driven theories that explain the world in ways important to organizational problem-solving (Schein, 1992). Examples would be the basic assumptions that people are fundamentally trustworthy, or not. Such assumptions frame and constrain our cognitive field within which we create and enact strategies to solve problems. The role of values is to drive action strategies within the context of key basic assumptions. An example of a strategic action script would be: “since people are not trustworthy, I have to watch my back and protect my own interests; to do this I’m going to win at the expense of my adversaries, and at all costs, avoid losing.”

The possibility that our hidden values (deepest layer) may conflict with and override the organization’s espoused values (middle layer) implies the possibility that we may act at times, perhaps unknowingly, in ways that undermine the espoused values. Such behavior may have powerful impact on organizational effectiveness. If, as researchers such as Argyris suggest, key patterns of organizational behavior may be incongruent with espoused organizational values, the question arises: are there any types of work life situations that are likely to trigger incongruent behavior? Yes, these situations are likely to be those in which individuals feel the need to protect themselves from embarrassment or threat (Argyris, 1992).

**Figure 2: Elaborated Model of Culture**

An elaborated model of culture (Argyris, 1992)

Figure 2 represents an elaborated model of culture that shows how the presence of a perceived threat can lead us to choose behavior driven by hidden values even though such behavior may be incongruent with espoused values and may undermine, over time, our commitment to espoused values.
1.2 TYPES OF CULTURE

There are different types of culture just like there are different types of personality. The following types of culture are very common:

1. **Academy Culture**
   - This is where employees are highly skilled and tend to stay in the organization, while working their way up the ranks. The organization provides a stable environment in which employees can develop and exercise their skills. Examples are universities, colleges, hospitals, large corporations, etc.

2. **Baseball Team Culture**
   - Employees are "free agents" who have highly priced skills. They are in high demand and can rather easily get jobs elsewhere. This type of culture exists in fast-paced, high-risk organizations, such as investment banking, advertising, etc.

3. **Club Culture**
   - The most important requirement for employees in this culture is to fit into the group. Usually employees start at the bottom and stay with the organization. The organization promotes staff from within and highly values seniority. Examples are the military, some law firms, etc.

4. **Fortress Culture**
   - Employees don't know if they'll be laid off or not. These organizations often undergo massive reorganization. There are many opportunities for those with timely, specialized skills. Examples are savings and loans, large car companies, etc.

5. **Power Culture**
   - Strong leaders are needed to distribute resources. Leaders are firm, but fair and generous to loyal followers. If badly managed there is rule by fear, abuse of power for personal gain, and political intrigue.

6. **Achievement culture**
   - This rewards results, not unproductive efforts. Work teams are self-directed. Rules and structure serve the system, not an end by themselves. A possible downside is sustaining energy and enthusiasm over time.

7. **Support Culture**
   -Employee is valued as a person, as well as a worker. Employee harmony is important. Weakness is a possible internal commitment without an external task focus.

8. **Role Culture**
   - Rule of law with clear responsibility and reward system. This type of culture provides stability, justice, and efficiency. Weakness is impersonal operating procedures and a stifling of creativity and innovation.
2.0 HOW ORGANIZATIONS ADAPT TO EXTERNAL ENVIRONMENT AND ARE ABLE TO MANAGE INTERNAL INTEGRATION

2.1 Introduction

No organization can exist in a vacuum; each is set in a particular country and region to which it is inextricably linked. This setting provides multiple contexts that influence how the organization operates and how and what it produces. Thus, the concept of "external environment" is an important consideration for any organization. An analysis of the external environment is an attempt to understand the forces outside organizational boundaries that are helping to shape the organization.

Forces outside the institution's walls clearly have considerable bearing on that which transpires within. The external environment can provide both facilitating and inhibiting influences on organizational performance. Multiple influences in the immediate or proximal environment form the boundaries within which an organization is able to function; these influences likewise shape how the organization defines itself and how it articulates what is good and appropriate to achieve. One way of looking at patterns of thought and behavior in the workplace is to see them as cultural structures with a purpose. The purpose is a pragmatic one: to help individuals and groups become integrated within the culture—a part of the team. But when things go wrong or are hazy and uncertain the purpose of behavioral patterns may become: to protect individuals and groups from embarrassment or threat, and to defend against antagonism real or imagined. In short, either way, organizational patterns of thought and action may be considered “purposeful.”

During change initiatives situations of uncertainty, ambiguity, and stress abound. These are situations in which organizational learning is required, so that we can understand and adopt new roles and responsibilities while discarding old ones. In TQM, as in many structural change programs, the vision or ultimate purpose is something like: “enact continuous improvement of team effectiveness in anticipating and exceeding customer needs.” The problem is that acting to cover a mistake is clearly not consistent with most if not all meanings and implications of continuous improvement. But what is the role of values in the systems of thought and action that work towards these various purposes, and how do these hypothetical systems organize purposeful action? Figure 3 shows a simple goal-seeking or cybernetic, action system. Its structure enables a looping sequence of error-correction that continues as a function of decisions within the system to influence changing conditions relevant to the system goal.
If we understand patterns of organizational thinking and action as “behavioral systems for correcting error” then we can see a role for values as the goal to be realized in the purposeful, behavioral system. If situations arise that threaten the values we hold in those situations, we are likely to act individually or in groups to “correct” the situation so that it realizes the values driving our behavioral theory of action in the situation. In this way a perceived mismatch between elements of a situation and our values in that situation lead to action aimed at correcting the mismatch or error. For instance, if a project seems in danger of being late, as a team member we might begin to feel stress. We might hold the value (perhaps hidden) “win, do not lose,” and feel stress precisely because we see losing (late project) as a possibility.

A typical behavioral strategy that could follow might be: “take over, own, and control the task.” We might utter to ourselves, “if I want something done right, I have to do it myself.” Our behavior then would be simply to take over the responsibilities of team members who we feel are not getting the job done, work long hours, get the project out on time, and consider ourselves a hero. However good we may feel at having single-handedly saved the project, our behavior may have important consequences for the future effectiveness of the team. This is especially so if the team is unable to reflect on its process of getting projects completed. If “enhance teamwork and team effectiveness” is an organizational value, our heroic behavior may have actually inhibited the realization of that value even though it saved us from the embarrassment of having a late project.
The behavior that we thought was so heroic can be seen as a defensive act to save us from embarrassment or threat.

**FIGURE 4: A GENERIC ORGANIZATIONAL PATTERN**

PROTECTS

FROM

EMBARRASSMENT OR THREAT

LEADS TO

COVER UP ERROR

INHIBITS

ORGANIZATIONAL LEARNING

TRIGGERS ERROR WHEN INHIBITED PROTECTS

Organizational Defensive Pattern (ODP) (Argyris, 1992)

What is remarkable about the above example is that rarely would we be able to recognize, without the aid of a skilled consultant, that our actions are incongruent with company values, or that the value we sought to realize in our actions was something like “win, do not lose.” Rather, we would likely remain unaware of these possibilities, unaware that we may hold such a value as “win, do not lose.” Moreover, this unawareness is not accidental, it is skillfully designed to allow us to enact the same routine over and over in similar situations (Argyris, 1992). An ironic conclusion to be drawn from our hypothesis of a set of hidden values, driving defensive behavior at the expense of organizational learning, is that we can begin to understand such action as a kind of effective problem-solving rather than organizational error. Defensive behavior is effective in realizing the values driving it, so it is not error.

It would only be in “error” if it realized state reflecting values other than those driving the behavior. This ironic consideration has prompted Argyris to coin the phrase: “skilled incompetence” (Argyris, 1992). He argues that we employ great and subtle skill in acting in ways that undermine organizational effectiveness and learning; such actions are both skilled and incompetent. It’s time now to consider the systems of hidden values suggested above. These systems of values, action strategies, and consequences are hypothesized as purposeful systems of thought and action that are likely to inhibit or prevent organizational learning during times of stress and uncertainty—precisely the times in which organizational learning is most needed (Argyris & Schön, 1974; 1978).
Key dimensions of the environment that bear on the institution include the administrative/legal, technological, political, economic, and social and cultural contexts, the demands and needs of external clients and stakeholders, and relations with other pertinent institutions. These are detailed below:

2.2 Administrative/Legal Environment

The administrative and legal environment in a country provides a framework within which an organization operates. In some countries this environment is very restrictive and has significant impact on all aspects of the organization; in other countries the administrative/legal context is more permissive. Understanding the administrative/legal environment is essential to determining if organizational change can take place (internal integration). The administrative context within which the organization operates may be shaped by a unique combination of forces, including international, governmental, nongovernmental policy, legislative, regulatory, and legal frameworks. An organization is affected by the policy or regulatory context that gave rise to it. This includes specific laws and regulations that support or inhibit the institution's development.

Several specific dimensions of the administrative environment to be examined are:

- **Whether there are constitutional restrictions on the organization:** An assessment should first determine whether the organization is part of a government ministry or department, and whether it is under federal or provincial jurisdiction.
- **Whether specific regulations govern the goals and structures of the organization:** It is important to know if the organization has a specific mandate and/or a specific structure that has been imposed on it. The imposed law has to be adhered to and this will direct the culture of the organization.
- **Whether there is a legislative mandate that restricts leadership of the organization:** It is helpful to understand any parameters that have been set around which can lead an organization. This includes identifying the governing body of the organization, and understanding how its members are selected, and further understanding who has the mandate or authority to set goals for the organization.

2.3 Technology Environment

Both the types and the level of technology in the society give insight into understanding an institution. Institutions dealing with Western paradigms are dependent on the state of national infrastructure, e.g. power, water, transport; those which concentrate on indigenous research paradigms may have totally different dependencies. Thus, it is important to understand the level of relevant technology in the institutional context and whether such technology is defined by computer literacy or by highly developed indigenous methods of verbal and nonverbal communication. It might also be helpful for an assessment to include a consideration of the process by which new technology comes into use, both to understand how difficult it is to acquire needed research technologies and to develop an appreciation for the society's willingness to embrace both new knowledge and change.

2.4 Political Environment

At a general level, an organization needs to understand the relationship between governmental strategy or development plans and the institution. Several specific dimensions of the political context should be scrutinized as follows:
• The extent to which government and its bureaucracy supports and contributes resources to the institution: It is imperative that organizations know whether significant governmental inputs are anticipated to support increased staffing, maintenance, or other recurring costs. The political context usually entails resource trade-off decisions at the government level.

• The extent to which the political system is stable or poised to undergo significant change: This factor is vital; the foreign policy context and its effect on the organization should also be considered.

• Whether the political context of the institution directly involves the legal context: Some institutions require specific legal status to operate, to receive external funding, and to import equipment in support of any development.

NOTE: All the above factors will have significant impact on how an organization can be able to have a culture which adapts to political requirements

2.5 Economic Environment

In the economic environment, the organizational analysis should centre on those aspects of the economic system that directly impact the type of project being considered. For example, the economic variables of interest would be; inflation, level of investment, dependency ratio, income level, income per capita, debt availability, and labor laws. Clearly, a country under a structural adjustment regime or one that is expecting to undergo restructuring presents an investment context that an organization needs to understand. Countries with foreign currency restrictions represent different environments for institutions than countries without them. Organizations will always have a strategy to adapt to the economic environmental facets. If the economic conditions are not favorable, an organization will have to design products and services which are affordable to the market it serves.

2.6 Social and Cultural Environments

Social and cultural forces at local, national, and often regional levels have profound influence on the way organizations conduct their work and on what they value in terms of outcomes and effects. For example, the more of an indigenous culture have a bearing on the work ethic and on the way in which people relate to one another. Undoubtedly, the most profound cultural dimension is language. The extent to which organizational members can participate in the discourse of the major languages will determine the extent to which efforts focus inwardly or contribute to regional and global agendas. Understanding the national/regional/local values contribute a lot towards learning an organization and how the members of that organization behave. For example, what is the relative priority placed on contract research in partnership with local clients, e.g. testing products and procedures with indigenous populations, as opposed to sharing information with academic peers internationally, or generating biostatistician data that will shape national or regional policy? Arriving at these priorities involves culture-based decisions.

2.7 Stakeholder Environment

All institutions are dependent for their survival on various groups of stakeholders. The stakeholder environment consists of those people and organizations external to the organization who are directly concerned with the organization and its performance. Examples of stakeholders are suppliers, clients, sponsors, donors, potential target groups, and other institutions doing similar or complementary work. An organizational analysis seeks to learn the identity of these groups in order to assess their potential impact on the organization. Organizations rely on the relationships with various stakeholders, and this needs to be understood. Thus formal and de facto relationships should be known in terms of the needs and wants of the stakeholders. The knowledge will dictate the culture that the organization will adapt when dealing with each of its stakeholders. Influences
from these multiple environmental contexts can become major facilitating or constricting forces on the institution as it works to accomplish its mission. In the extreme, these forces can keep an institution alive artificially; conversely, they can thwart organizational survival.

### 3.0 HOW TO DECIPHER CULTURE FOR INSIDERS AND REPORT CULTURE TO OUTSIDERS

Culture for High Performance will automatically be communicated directly or indirectly to the outsiders. The items below have been identified as areas where a culture change might bring about improved organizational effectiveness. The purpose here is to present a framework that can be used to raise awareness and encourage dialogue across the organization on this important subject. Any shift to a high performance culture can incorporate a planned and/or emergent approach to organizational change that, in either case, would include these critical action steps for moving forward:

1. Identify the one or two cultural attributes that are most essential for long-term success and focus attention on them. As progress is made in that area, attention can be turned to other cultural attributes. This is not to minimize the necessity of being successful in all areas, but a recognition that employees cannot cope with the stress and confusion of too many changes at one time. In this way, the cultural aspects which are positive in nature will find their roots to the outsiders.

2. Communicate the vision of the desired culture in all available communication mediums including the informal channels. In this way the organization’s cultural image will definitely reach the insiders and outsiders.

3. Establish structural enablers of behavior consistent with the desired culture. At the same time identify and remove barriers that are preventing such behavior from occurring. The insiders will be able to report positive culture attributes to the outsiders.

4. Establish structural barriers for behaviors that are associated with the undesirable culture. Communicate the same to the organization and use media to transmit the same to then outsiders.

5. Assess progress towards the desired culture and refine the above actions. It is important to clearly understand how good culture can be practiced within the organization and how it can be transmitted to outsiders. The following questions should be understood within the organization’s context:

1. **Who** sets the style and pace? Leaders should set the style and pace concerning the kind of culture which should be emulated. The other questions which should guide the leaders are: What kind of **Role Model** are they? "Do as we do" or "Do as we say?"

2. **What behavior** is rewarded, condemned or ignored within the organization? Is **feedback** constant, intermittent, at job completion, or never? Are improper or unethical practices condoned through silence?

3. **What information** is shared? (needed vs. desired information) Is upward information flow constrained?

4. **How is superior performance encouraged?** What type of performance appraisal system is used? How are the best qualified people recruited? Is training and development offered to everyone?

5. Are values backed up by time and money?

6. **What is the relative importance of bottom line results?** Saving face? and power building?
4.0 MANAGERS’ ROLE IN CULTURE CHANGE

The role of the managers in cultural change is very critical to an organization that if this is overlooked then the organization cannot achieve high performance and compete effectively with other organizations. The following areas are very important to be observed as the role of the managers in culture change:

4.1 Cultural differences

Closely associated with a global orientation are cultural differences. Many of these differences are centered on consensus building versus expeditious achievement from individual effort, which is tied to the decision-making. Other aspects of consensus building are related to dealing with conflict. A manager seeking to avoid direct conflict is likely to favor indirect communication mediums, which is seen as rude by a culture that favors airing differences face-to-face. A further cultural difference lies in time perception, not only in its importance to the culture, but the degree to which scenario planning is top-of-mind in how work is approached. These differences are neither right nor wrong since different situations may benefit from different cultural approaches.

However, problems do occur when such differences are in play, but not recognized by the manager and the employee. This creates a potential for misunderstandings that are not often articulated, but left to simmer as hurt feelings and erosion of trust. While beneficial, a short workshop is insufficient to fully recognize and internalize these differences. Such understanding only arises through dialogue and reflection, which can be encouraged through consciously cultivating narrative, such as story telling. Without the use of specific examples, it is difficult to break through established paradigms that appear to support the situation when examined on the surface. Progress can be tracked with various cultural assessment tools.

4.2 Employee empowerment

This refers to attitude towards employee empowerment in culture change. Managers must believe the best in people and that people can change if encouraged to do so and given the necessary support. This is fundamental to employee development. Aspects of two-way trust are also involved. This is moving toward more employee and supervisor control over business processes without tight controls from management or corporate services. As such, cultural attributes of micro-managing and bureaucracy come into play when control is a dominant feature in the culture. Questions and statements of agreement to track progress in this area include:

- Sufficient effort is made to get the opinions and thinking of people who work within the organization.
- I am given a real opportunity to improve my skills.
- How satisfied are you with your involvement in decisions that affect your work?
- I have the authority to make decisions that improve the quality of my work.
- My manager encourages me to take appropriate action without waiting for approval or review.

4.3 Openness (Transparency)

Increased openness (transparency) of organizational processes requires greater cross-organization discussion of the information and constraints that are driving decisions. This includes organizational integrity to openly explain the rationale for actions taken or not taken. Inconsistencies would be exceptions that are understood by everyone involved. To a large extent this cultural attribute needs to build on a foundation of employee empowerment and trust. Questions and statements of agreement to track progress in this area include:
• “How satisfied are you with the information you receive from management on what’s going on in the company?”

• “I receive ongoing feedback that helps me improve my performance.”

• “My department has a climate in which diverse perspectives are valued.”

• “Company policies are applied consistently across the organization.”

• “I feel I understand the reasoning behind the decisions made.”

4.4 Diversity
Diversity needs to go beyond racial and gender issues and be understood as diversity of mental models. While not to diminish the importance of regulatory compliance, diversity needs to be seen as a human development issue that is the result of prior cultural experiences. Developing within different ethnic and gender backgrounds greatly influences not only past experiences, but attitudes toward others. But developmental pressures come from many more areas than those covered by government regulations.

Virtually, every experience somehow shapes each person as an individual thereby creating a unique reservoir of knowledge and opinions that might be applied to common business issues. The need for different ways of thinking is also related to the innovation required for meeting business challenges. Organization managers therefore see the need to nurture diverse ways of thinking about business issues and how they are to be approached so that a wide range of ideas are consistently being generated.

On the other hand, others are more prone to place a value on existing relationships and consensus among those involved. However, such relationships are likely to be influenced by social compatibility, which runs counter to promoting diversity. In both cases, special effort is necessary to purposefully seek others with different mental outlooks and try to understand the value in different points of view. Questions and statements of agreement to track progress in this area can be found in diversity and organizational learning surveys as well as general organizational culture assessments.

4.5 Technical Analysis
Adoption of more rigorous technical analysis to support decision-making is important to the managers in the culture change. One management style values industry knowledge and the quick application of that knowledge in decision-making, which was reflected in a more intuitive approach to business problems. Another approaches decision-making more methodically with an analytical foundation being used to obtain consensus prior to taking action. This change will require not only an appreciation for alternate decision making processes, but the addition of new skills in analytical techniques.

4.6 Customer focus
This is in regard to the customer focus that extends beyond the external customer to also include the wide range of internal customers that exist in cross-organization business relationships. While a strong customer focus exists toward external customers, this attitude has often remained outward directed and not fully incorporated into the numerous ways internal business processes might be improved.
In addition to the above points, managers should undertake to do the following as regards culture within the organization:

- Explain why the organization and its employees must have a culture change
- Identify who is responsible for specific tasks and ensure that he or she has the requisite skills, information and resources.
- Communicate exactly what changes are needed in order to foster strategy implementation.
- Provide clarity on the consequences and rewards for behaviors that support the strategy and make sure these are followed through.
- Provide the information and feedback on both corporate and individual performance against the organization’s strategic objectives.
- Encourage a focus on the future in every meeting, and dodge the short-term pull of operational concerns. Strive to embody attributes of culture which will help strategy thrive and produce good results.
- Work with the top team to ensure that the process of defining strategically aligned objectives for culture and performance management is as disciplined as every other aspect of implementing the strategy. The power of the top management to effect successful strategy implementation through leadership and role modeling has been admirably exploited by all organizations.
- Obtain the ownership and commitment of every employee to basic believes and other aspects of cultural mix. Be prepared to debate, listen and modify the content of the message being passed to the employees in the quest of understanding the implementation process. Communicate effectively to obtain ownership throughout the organization.
- Decide on how to use the organization’s cultural heritage to support its strategic vision. If the manager has risen through the organization to that position, it is likely that the manager will understand the culture that has currently emerged and which may harm the implementation process. If the manager has risen within other organizations, it will take such a manager a very long time to understand the culture within that organization.
- Promote action affecting every component of the performance system. Champion the development of people in accordance with strategically aligned expectations. Communicate the organization’s intent continuously, so that strategically aligned behaviors are clearly defined. Make a firm commitment to seeing that the organization’s reward systems foster desired behaviors, and ensure that the consequences are in balance throughout the organization.

4.7 Integrating cultural and structural interventions

The manager has a role to integrate culture with structural interventions. Structure is the chain of command, roles and responsibilities, functions, processes, and information channels that are the vehicles for organizational operation and performance. Values-based change initiatives such as TQM have strong effects both on the structures and culture of an organization. At the same time, the success or failure of the implementation may rest on combined cultural and structural forces that make up the status quo.
Managers can use a framework for integrating cultural inquiry by using a general approach to systemic change management. This approach, whose structure is adapted from Checkland and Scholes (1990), seeks to provide theory-based intervention in both cultural and structural systems, and it seeks to integrate both streams of intervention into a unified, logical whole.

In this approach, once the manager has formed a change team, the general steps might include:

1. Development of a rich picture of the organization’s situation, including customers, causal loops, and dependencies, key people, groups, processes, technology, and so forth.

2. Renew of the Values, Vision, and Mission of the organization.

3. Perform cultural intervention and structural intervention as illustrated in Table 1 below:

<table>
<thead>
<tr>
<th>Cultural Intervention</th>
<th>Structural Intervention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning with artifacts, analyze three levels of culture.</td>
<td>Perform stakeholder analysis, including Customers’ needs.</td>
</tr>
<tr>
<td>Clarify existing espoused values.</td>
<td>Determine goals and objectives for structural change initiatives.</td>
</tr>
<tr>
<td>Check to see if existing culture is consistent with espoused values</td>
<td>Establish performance criteria</td>
</tr>
<tr>
<td>If inconsistent, propose learning program for culture redesign.</td>
<td>Develop alternative structural process designs, compare, and evaluate.</td>
</tr>
<tr>
<td>Engage learning to bring behavior into sync with espoused values, or reevaluate espoused values, assumptions</td>
<td>Propose change or implementation which optimizes performance criteria and is culturally feasible given the result of the cultural intervention.</td>
</tr>
</tbody>
</table>

Checkland and Scholes (1990)

4. Decide on a particular design for the change program.

5. Plan and take action: implement change program

6. Monitor and improve the change program, cycle back through the process

Note that cultural work begins before and continues after a decision to change is taken.

4.8 Schein’s guidelines

Schein has five guidelines for the managers as leaders in culture change:

1. Managers should not oversimplify culture or confuse it with climate, values, or corporate philosophy. Culture underlies and largely determines these other variables. Trying to change values or climate without getting at the underlying culture will be a futile effort.
2. Managers should not label culture as solely a human resources aspect of an organization, affecting only its human side. The impact of culture goes far beyond the human side of the organization to affect and influence its basic mission and goals.

3. Managers should assume that the leader can manipulate culture as he or she can control many other aspects of the organization. Culture, because it is largely determined and controlled by the members of the organization, not the leaders, is different. Culture may end up controlling the leader rather than being controlled by him or her.

4. Managers should not assume that there is a "correct" culture, or that a strong culture is better than a weak one. It should be apparent that different cultures may fit different organizations and their environments, and that the desirability of a strong culture depends on how well it supports the organization's strategic goals and objectives.

5. Managers should not assume that all the aspects of an organization's culture are important, or will have a major impact on the functioning of the organization. Some elements of an organization's culture may have little impact on its functioning, and the leader must distinguish which elements are important, and focus on those.

5.0 CONCLUSION ON CULTURE

An understanding of culture, and how to transform it, is a crucial skill for leaders trying to achieve strategic outcomes. Strategic leaders have the best perspective, because of their position in the organization, to see the dynamics of the culture, what should remain, and what needs to transformation. This is the essence of strategic success. Managers should understand the environmental factors which may affect culture change and manage or adjust to such accordingly.

REFERENCES

Argyris, Chris, and Donald Schön (1974), Theory in Practice. San Francisco: Jossey-

Argyris, Chris. (1990), Overcoming Organizational Defenses. Boston:


Checkland, Peter, and Jim Scholes (1990), Soft Systems Methodology in Action. New

