

Corporate and organisational culture

It is widely recognised that different organisations have distinctive cultures. A commonly used definition of organisational culture is 'the way we see and do things around here'. Through tradition, history and structure, organisations build up their own culture. Culture therefore gives an organisation a sense of identity - 'who we are', 'what we stand for', 'what we do'. It determines, through the organisation's legends, rituals, beliefs, meanings, values, norms and language, the way in which 'things are done around here'.

An organisations' culture encapsulates what it has been good at and what has worked in the past. These values can often be accepted without question by long-serving members of an organisation.

One of the first things a new employee learns is some of the organisation's legends - perhaps how the founder worked long hours and despised formal educational and training qualifications. Legends can stay with an organisation and become part of the established way of doing things. Perhaps the founder's views about the importance of education and training will stay current; in the course of time there may be a 'culture shift' as new managers move into the organisation and change the old ways. However, a number of legends continue to be important determinants of 'the way we do things around here'.

Culture

Over time the organisation will develop 'norms' ie. established (normal) expected behaviour patterns within the organisation.

A norm is an established behaviour pattern that is part of a culture.

A number of organisational culture types have been identified by researchers.

1. A power culture is one based on the dominance of one or a small number of individuals within an organisation. They make the key decisions for the organisation. This sort of power culture may exist in a small business or part of a larger business.

2. A role culture exists in large hierarchical organisations in which individuals have clear roles (jobs) to perform which are closely specified. Individuals tend to work closely to their job description, and tend to follow the rules rather than to operate in a creative way.

3. In contrast **task cultures** exist when teams are formed to complete particular tasks. A distinct team culture develops, and because the team is empowered to make decisions, task cultures can be creative.

4. A person culture is the most individualistic form of culture and exists when individuals are fully allowed to express themselves and make decisions for themselves. A person culture can only exist in a very loose form of organisation eg. an overseas sales person working on their own for a company, allowed to make their own decisions.

Culture change involves moving an organisation on from one form of culture to another, usually through a culture change programme.