

Reading 2.5

Organisational Culture & Leadership Defined Schein, E (2004)

Culture is both a dynamic phenomenon that:

- ▶ Surrounds us at all times.
- ▶ Is being constantly enacted and created by our interactions with others
- ▶ Shaped by leadership behaviour, by the set of structures, routines, rules and norms that guide and constrain behaviour.

Culture to the level of the organisation can be:

- ▶ Created
- ▶ Embedded
- ▶ Evolved
- ▶ Manipulated

However, it can also constrain, stabilise, provide structure and meaning to the group members.

Cultures begin with leaders who impose their own values and assumptions on a group.

A group that is successful and the assumptions taken for granted will create a culture that will define for later generations of members what kinds of leadership are acceptable.

Culture defines leadership, but as the group runs into adaptive difficulties, as its environment changes to the point where some of its assumptions are no longer valid, leadership comes into play once more.

Therefore, leadership is now the ability to step outside the culture that created the leader and to start evolutionary change processes that are more adaptive.

Culture is an abstraction, yet the forces that are created in social and organisational situations that derive from culture are powerful.

Culture: An Empirically Based Abstraction

Researchers have found that cultural “strength” or certain kinds of cultures correlate with economic performance.

Culture as a concept points us to phenomena that is below the surface, that is powerful in impact, but invisible and to a considerable degree unconscious.

Culture is to a group what personality or character is to an individual.

That is, we can see the behaviour that results, but often we cannot see the forces underneath that cause certain kinds of behaviour.

Like a personality, culture can also guide and constrain the behaviour of members of a group through the shared norms that are held within the group.

Culture is within us as individual's and yet constantly evolving as we join and create new groups that eventually create new cultures.

Thus culture as a concept is an abstraction, but its behavioural and attitudinal consequences are very concrete.

Culture & Leadership

Culture norms define how a given nation or organisation will define leadership.

It is the result of a complex group learning process that is only partially influenced by leader behaviour.

However, if the group's survival is threatened because elements of its culture have become maladapted, it is ultimately the function of leadership at all levels of the organization to recognise and do something about this situation.

Therefore, leadership and culture are conceptually intertwined.

Toward a Formal Definition of Culture

The major categories of observables used to describe culture include:

- ▶ Observed behavioural regularities when people interact
- ▶ Group norms
- ▶ Espoused values
- ▶ Formal philosophy
- ▶ Rules of the game
- ▶ Climate
- ▶ Embedded skills
- ▶ Habits of thinking, mental models and linguistic paradigms
- ▶ Shared meanings
- ▶ "Root metaphors"
- ▶ Formal rituals and celebrations

Culture also adds several other critical elements to the concept of sharing:

Structural Stability

Culture implies some level of structural stability in the group.

Once we achieve a sense of group identity, it is our major stabilising force and will not be given up easily.

The culture survives even when some members of the organisation depart.

Depth

Culture is the deepest, often unconscious part of a group and is therefore, less tangible and less visible than other parts.

Breadth

Once culture has developed, it covers all of a group's functioning.

Culture is pervasive and this implies that it influences all aspects of how an organisation deals with its primary task, its various environments and its internal operations.

Patterning or Integration

Culture somehow implies that rituals, climate, values and behaviours tie together into a coherent whole.

This patterning or integration is the essence of what is meant by the term “culture”.

Patterning or integration ultimately derives from the human need to make our environment as sensible and orderly as we can.

Disorder or senselessness makes us anxious, so productivity is increased to reduce that anxiety by developing a more consistent and predictable view of how things are and how they should be.

Therefore, “organisational cultures” like other cultures, develop as groups of people struggle to make sense of and cope with their worlds.

How does Culture Form?

Culture forms in two ways:

The individual founder will initially impose their certain personal visions, goals, beliefs, values and assumptions about how things should be on the group or select members.

Only if the resulting behaviour from the founder leads to “success” and the members feel good about their relationships to each other, then the founder’s beliefs and values will be confirmed, reinforced and recognised as shared.

If on the other hand the founder’s beliefs and values do not lead to success, the group will fail and disappear or will seek other leadership until someone is found whose beliefs and values will lead to success.

The culture formation process will then revolve around that new leader.

With continued reinforcement, the group will become less and less conscious of their previous leaders beliefs and values and the new leader will begin to treat them more and more as non-negotiable assumptions.

The concept of assumptions implies non-negotiability.

So as the groups assumptions come to be taken for granted, they become part of the identity of a new group, they impart their knowledge to newcomers as the way to think, feel, act and if violated, produce discomfort, anxiety, ostracism and eventually excommunication.

Culture Formally Defined

The culture of a group can be defined as a pattern of shared basic assumptions.

These assumptions were learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid.

Therefore, new members are taught how to correctly perceive, think and feel in relation to those problems.

All groups and organisational theories distinguish two major sets of problems that all groups, no matter what their size, must deal with:

1. Survival, growth and adaptation in their environment
2. Internal integration that permits daily functioning and the ability to adapt and learn

The Process of Socialisation

Implies that once a group has a culture, it will pass elements of this culture on to new generations of group members.

However one only learns about the surface aspects of a culture because much of what is at heart of a culture will not be revealed in the rules of behaviour taught to newcomers.

The heart of a culture will only be revealed to members as they gain permanent status and are allowed into the inner circles of the group in which the group secrets are shared.

If a group does not have shared assumptions, the new member's interaction with old members will be a more creative process of building a culture.

Culture becomes a mechanism of social control and can be the basis for explicitly manipulating members into perceiving, thinking and feeling in certain ways.

Behaviour Is Derivative, Not Central

Overt behaviour is determined both by the cultural predisposition – perceptions, thoughts and feelings that are patterned, and by the situational contingencies that arise from the immediate external environment.

For instance, cowering together could be a shared learning experience and therefore a manifestation of deeper shared assumptions.

When we observe behaviour regularities, we do not know whether or not we are dealing with a cultural manifestation.

If leaders do not become conscious of the cultures in which they are embedded, those cultures will manage them.

Cultural understanding is desirable for all of us, but it is essential to leaders if they are to lead.

The Levels of Culture

Artifacts

Artifacts include all phenomena that one sees, hears and feels when one encounters a new group with an unfamiliar culture.

Artifacts include the visible products of the group, such as:

- ▶ Architecture of its physical environment
- ▶ Language
- ▶ Technology and products
- ▶ Artistic creations
- ▶ Style
- ▶ Myths and stories
- ▶ Values
- ▶ Observable rituals and ceremonies

The climate of the group is an artifact of the deeper cultural levels as is the visible behaviour of its members.

Artifacts also includes the organisational processes by which such behaviour is made routine and structural elements such as charters, formal descriptions of how the organisation works and organisation charts.

Espoused Beliefs & Values

All group learning ultimately reflects someone's original beliefs and values, their sense of what ought to be as distinct from what is.

When a group is first created or when it faces a new task, issue, or problem, the first solution proposed to deal with it reflects some individual's own assumptions about what is right or wrong, what will work or not work.

Individuals who prevail and can influence the group to adopt a certain approach to a problem will later be identified as leaders or founders.

However, the group does not yet have any shared knowledge as a group because it has not yet taken a common action in reference to whatever it is supposed to do.

Until the group has taken some joint action and together observed the outcome of that action, there is not as yet a shared basis for determining whether what the leader wants will turn out to be valid.

Only those beliefs and values that can be empirically tested and that continue to work reliably in solving the group's problems will become transformed into assumptions.

Social validation implies that certain values are confirmed only by the shared social experience of a group.

It also applies to those broader values that are not testable, such as ethics and aesthetics.

Beliefs and values at a conscious level predict much of the behaviour that can be observed at an artefacts level.

According to Argyris and Schon (1978), if the beliefs and values are not based on prior learning, they may only be "espoused theories". That is, they predict what people will say in a variety of situations, but which may be out of line with what they will actually do in situations in which the beliefs and values should be functioning.

Espoused beliefs and values often leave large areas of behaviour unexplained, leaving us with a feeling that we understand a piece of the culture, but still do not have the culture as such in hand.

Basic Underlying Assumptions

Basic assumptions are "theories-in-use" that guide behaviour that tell group members how to perceive, think about, and feel about things.

Basic assumptions tend to be non-confrontable and non-debatable and are difficult to change.

Hence, to learn something new in this realm requires us to resurrect, re-examine and possibly change some of the most stable portions of our cognitive structure.

Culture as a set of assumptions defines for us what to pay attention to, what things mean, how to react emotionally to what is going on and what actions to take in various kinds of situations.

To understand a group's culture, one must attempt to get at its shared basic assumptions and one must understand the learning process by which such basic assumptions come to be.

It is perceived that culture is that of a group's DNA, so if new learning or growth is required, the genes have to be there to make such growth possible and the autoimmune system has to be neutralized to sustain new growth.

Therefore, the two keys to successful culture change are:

1. The management of the large amounts of anxiety that accompany any relearning at this level.
2. The assessment of whether the genetic potential for the new learning is even present.

The power of culture comes about through the fact that the assumptions are shared and therefore mutually reinforced.

This implies that the very essence of a culture lies in the pattern of basic underlying assumptions and once one understands those, one can easily understand the other more surface levels and deal appropriately with them.

Leaders therefore need to learn how to get at the deeper levels of a culture, how to assess the functionality of the assumptions made at that level and how to deal with the anxiety that is unleashed when those levels are challenged.