Different Methods
For Describing Organisational Culture (2)

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ABSTRACT

The various methods for describing the organisational culture are described in the article except the one (Cultural Web) which is explained in the first article on the topic. Some researchers describe organisational culture on the basis of culture exists in the organisation. Whereas others describe on the basis of factors influence organisational culture. These methods are analysed and their suitability is discussed for describing the organisational culture.

Keywords: Organisational culture, Approaches, Typologies and Classifications,

1.0   Introduction

There appear to be two main ways (other than the one described in first article on the topic) of describing organisational culture in the current literature. Some authors (such as, Handy, 1976; Hofstede, 1980; Deal and Kennedy, 1982; Quinn and McGrath, 1985; Sethia and Von Glinow, 1985; Scholz, 1987; Wiener 1988; and Hofstede, 1991) attempt to describe organisational culture by classifying the organisational culture in one or more ways. Some other researchers describe organisational culture in relation to factors that are recognised as influences on culture. Drennan is one such researcher that describes organisational culture on the basis of influencing factors (Drennan, 1992). A relationship between the typologies and factors that influence organisational culture is given in Section 2.0. The

various approaches/typologies used to describe organisational culture are detailed in Section 3.0. A critical appraisal of existing typologies is given under Section 4.0. The factors that influence organisational culture are described in Section 5.0. Finally, Section 6.0 provides conclusion.

2.0   Relationships Between the Typologies and Factors

Figure 1 summarises the relationships between the typologies and factors views of describing organisational culture. This figure shows that these factors are input for the formation of organisational culture and resulting behaviour, attitudes and beliefs of employees in the organisation are output.
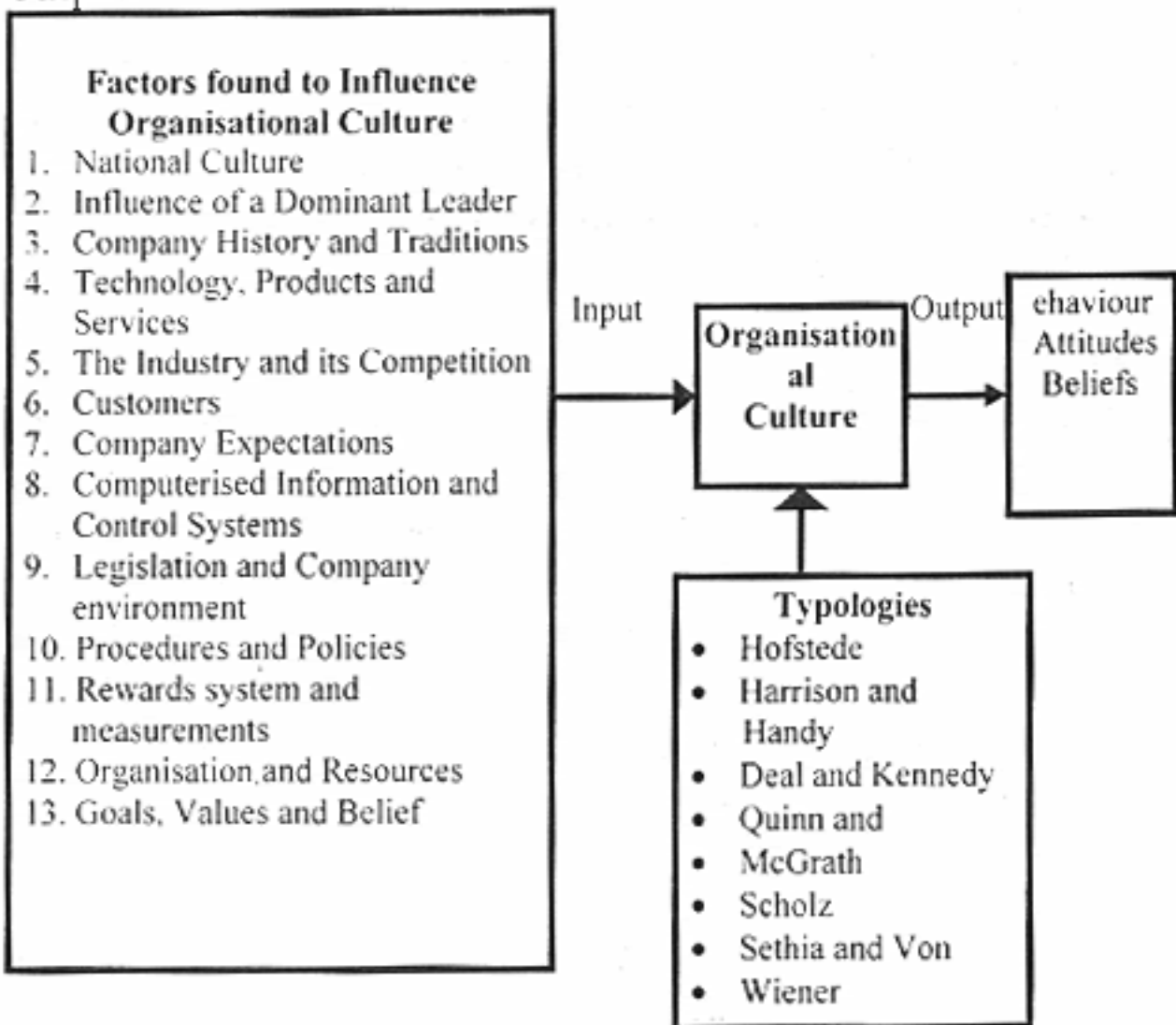
Factors found to Influence Organisational Culture
1. National Culture
2. Influence of a Dominant Leader
3. Company History and Traditions
4. Technology, Products and Services
5. The Industry and its Competition
6. Customers
7. Company Expectations
8. Computerised Information and Control Systems
9. Legislation and Company environment
10. Procedures and Policies
11. Rewards system and measurements
12. Organisation and Resources
13. Goals, Values and Belief

Input →

Organisational Culture

Output →

ehaviour
Attitudes
Beliefs

Typologies
- Hofstede
- Harrison and Handy
- Deal and Kennedy
- Quinn and
- McGrath
- Scholz
- Sethia and Von
- Wiener

Figure I Describing organisational culture: relationships between typological and factors views

However, Johnson and Scholes (1999) have stated a third, albeit a less significant way of describing the organisational culture, that is, "The Cultural Web" (see first article on the topic). Johnson and Scholes (1999, p.73) state "the culture web is a representation of the taken-for-granted assumptions, or paradigm, of an organisation and the physical manifestation of organisational culture" (for detail see first article on the topic).

3.0   Approaches/Typologies of Organisational Culture

This section describes several key typologies of organisational culture that are presented by researchers. During this section the terms "approaches", "typologies", "classifications" and "types of organisational cultures" are used interchangeably. This reflects the loose way in which other authors use these terms, (for example, Deal and Kennedy, 1982; Scholz, 1987; Brown, 1998). Typologies are useful because they give an overview of an organisation's culture and enable simple comparison between the organisational cultures of different organisations. Approaches/typologies are critically evaluated in Section 4.0.

- **The Harrison and Handy Typology**

Harrison (1972) classifies organisational culture as one of four types; power, role, task and person, and Handy (1976), Handy (1993) illustrates these four organisational cultures by using simple pictograms and making reference to Greek mythology (as shown in Figure 2). Later, Handy (1995) describes these four cultures (power, role, task and person)

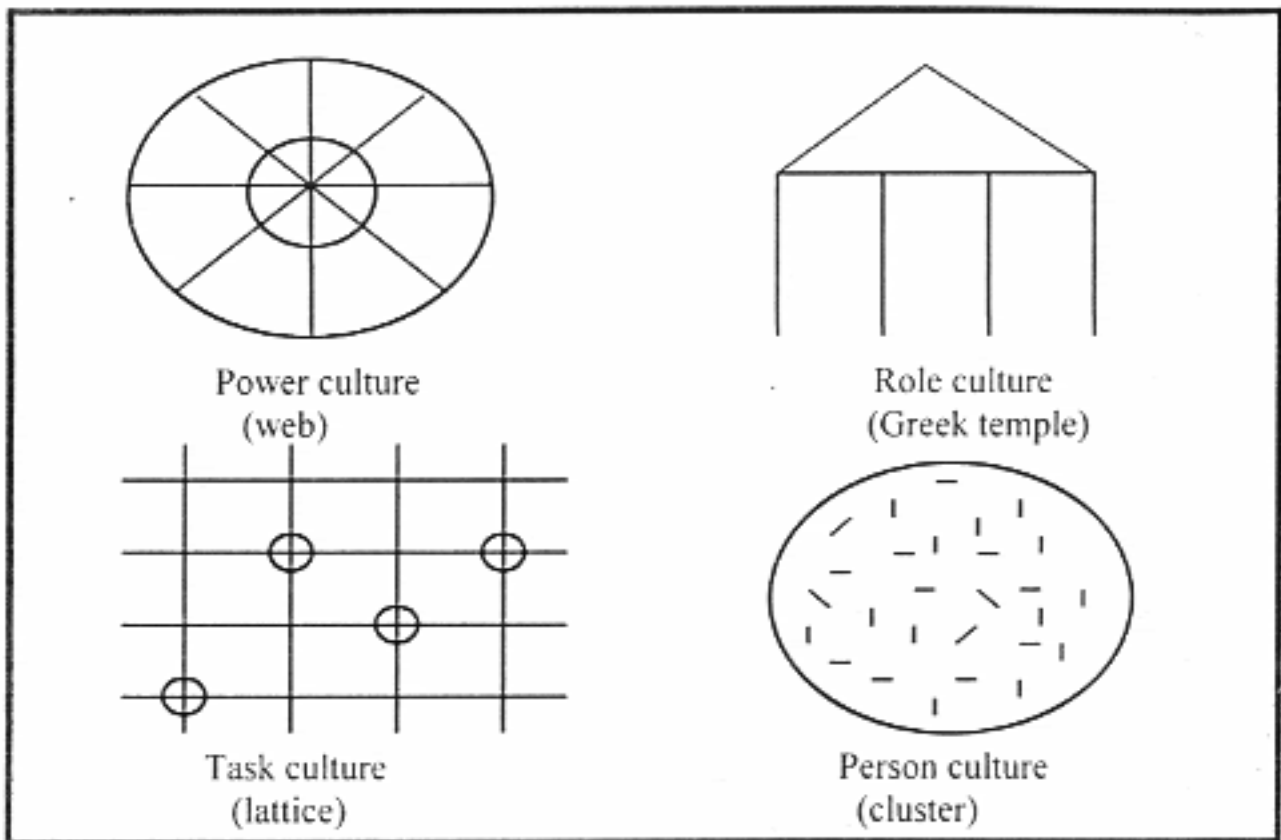by the names of the four Greek gods (Zeus, Apollo, Athena and Dionysus) respectively.

Figure 2 Handy's four organisational cultures
Source: Adopted from Handy (1993)

Examining each culture type in turn, the "Power Culture" depends on a central power figure, with rays of power and influence spreading out from that central figure. (Handy (1993) and Handy (1995) depicts the power culture as a web.) The organisation depends on trust and empathy for its effectiveness, and on disclosure of thoughts and personal conversations for communication. There are few rules and procedures, and little bureaucracy. It is a political organisation, in that decisions are taken largely on the outcome of a balance of influences rather than on procedural or purely logical grounds. This culture, and organisations based on them, are proud and strong. They can move quickly

and can react well to threat or danger. However, whether they do react quickly and/or in the right direction depends greatly on the person or persons at the centre.

Within the so-called "Role Culture", the role, or job description of an organisation's employee is more important than the individual who fills it. Individuals are selected for satisfactory performance of a role, and the role is usually so described that a range of individuals could fill it. Performance over and above the role description is not required, and indeed can be disruptive. Position power is the major power source, and rules and procedures are major methods of influence.

Organisations with role culture will succeed as long as they can operate in a stable environment so that tested organisational rules will continue to work. Where the organisation can control its environment, either by monopoly (exclusive possession or control of the commodity or service) or by oligopoly (limited competition between a few organisations), where the market is either stable or predictable or controllable, or where the product-life is a long one, then this type of culture can thrive. Change is not a priority feature of role cultures. Role cultures therefore offer security and predictability to the individual. The role culture can, however, be frustrating for the individual who is power-orientated or desires control over his or her work, and who is eagerly ambitious or more interested in results than method. Role cultures will be found in organisations where economies of scale are more important than flexibility or where technical expertise and depth of specialisation are more important than product innovation or product cost.

The "Task Culture" is job or project-oriented. It brings together the appropriate resources, and the right people at

the right level of the organisation, and lets them work out the most appropriate activities. Influence is based on expert knowledge rather than on position or personal power. It is team-oriented, where the outcome, the result and the product of team work tend to prevail over individual objectives, and the efficiency and effectiveness of the organisation. Thus, individuals find this culture reflects a high degree of control over work. Flexibility, adaptability and mutual respect, being earned based upon expertise rather than age or status, are the characteristics of this type of culture.

The task culture is appropriate in organisational situations where flexibility and sensitivity to the market or environment are important. Sometimes the task culture does not enable economies of scale or the development of a great depth of expertise because it is a group-oriented and no one puts maximum effort into group tasks (Brown, 1998). The task culture therefore thrives where speed of reaction, integration, sensitivity and creativity are more important than depth of specialisation. The task culture can quickly evolve into a role or power culture with either more emphasis on rules and procedures or an increase in influence from the leader respectively (Brown, 1998). It develops in those organisations that can focus on particular jobs or projects to which teams may be assigned. For example, product groups of marketing departments, general management consultancies, merger, take-over and new venture sections of banks, and advertising agencies, are all places within organisations where task cultures might flourish.

The individual is the central point within the so-called "Person Culture". Individuals only group with others if it serves their own best interests. In the person culture the

individuals themselves decide on their own work allocations, with rules and coordination mechanisms being of minimal significance. Unlike other cultures, the individual has almost complete autonomy, influence is shared, and if power is to be exercised it is usually on the basis of expertise. Barristers' chambers, architects' partnerships, hippy communes, social groups, families, and some small consultancy firms, often exhibit this person culture (Handy, 1993).

- ## The Hofstede Dimensions of National Culture

National Culture influences organisational culture and therefore needs to be included in the review (Drennan, 1992, Maund, 1999). Hofstede (1980) viewed the national culture of a country on the basis of four dimensions, and these dimensions are supported as good descriptors of national culture by several other researchers (for example, Williams et al., 1993; Harvey, 1997; Sethi and Lederer, 1997; Martin, 1998; Brooks, 1999). It should be noted that second edition Hofstede (1984), Hofstede (1991) and Hofstede (1994), Hofstede still utilises the concepts developed in the 1st edition (1980) regarding these four dimensions of national culture.

The first dimension of national culture proposed by Hofstede is Power Distance. This examines the extent to which unequal distribution of power is expected and accepted by the less powerful employees of organisations. In "high-power" distance organisations there is greater reliance by the less powerful employees on those who hold power. Conversely, in "low-power" distance organisations, decentralisation of activities is more likely, and subordinates expect to be consulted by bosses. Greater differences in power are associated with greater differences of rewards, privileges, and opportunities between bosses and

subordinates (Hofstede, 1984). Harrison and Handy's power culture, described earlier, and Hofstede's power distance concept are closely related; the fundamentals of both concepts are related to the unequal distribution of power.

The second of Hofstede's dimensions is Uncertainty Avoidance. This is defined as the extent to which human beings respond to threats they feel from uncertain or unknown situations. (The way in which employees deal with uncertainty in organisations is by following understood and trusted rules.) In a more uncertainty-avoiding environment, employees feel a great need for safety by following rules.

The third dimension, Individualism, describes the relationship between the individuals and society at large. In an individualistic society, people take care of only their immediate families. In contrast, in a collectivist society people care for members of an extended family. The level of individualism in a society influences the level of compliance of an employee with organisational requirements: collectivist societies result in greater emotional dependence of employees on their organisations. In individualistic societies, hiring and promotion decisions should be based on skills and rules, whereas collective societies take the employee's ability in group situations into account (Brown, 1998) when making such decisions.

The fourth and final dimension, Masculinity, centres on differences relating to masculine and feminine traits. According to Hofstede, males are assertive, tough and focused on material success, whereas females are nurturing, modest and concerned with quality of life. In high-masculinity organisations, employees are decisive and

assertive. In such organisations, competition among colleagues and high performance are expected, disputes tend to be resolved by conflicts, and the motto is one of "living in order to work." In contrast, in high-femininity organisations, employees' focus is on equality, solidarity, and quality of life. Conflicts are resolved by compromise and negotiation, and the motto is one of "working in order to live."

In 1991, Hofstede supplemented his original work with a fifth dimension of national culture; Confucian Dynamism. Confucian dynamism examines the extent to which a culture takes a short or long term view of life. This dimension was proposed by Michael Bond, who developed it from the ideas of Chinese philosophers and social scientists in particular countries (Hofstede, 1991). Long-term orientation countries stress the adaptation of traditions to a modern context, place definite limits on respect for social and status obligations, are sparing with resources, stress perseverance and are concerned with "virtue". In contrast, short-term orientation countries have high respect for traditions, emphasise the importance of social and status obligations, approve conspicuous consumption, demand quick results, and are concerned with "truth".

In 1991, Hofstede turned his attention to organisational culture classification. He developed the following six dimensions with which to categorise organisational cultures.

• Process Oriented to Results Oriented
In a process oriented culture, employees avoid taking risks and make only limited (satisfactory) efforts in their jobs. Each day appears pretty much the same as any other. In a results oriented culture, however, employees feel comfortable in unfamiliar situations and put in maximum

effort. Each day appears to bring new challenges for them.

- **Employee Oriented to Job Oriented**

In an employee oriented culture, the organisation takes responsibility for employee welfare, and decisions are taken by groups or committees. In a job oriented culture, however, the organisation is only interested in the work employees do, and not in their personal and family welfare.

- **Parochial to Professional**

In a parochial culture, employees identify with their organisation. The employees feel that in hiring them, the company takes their social and family background into account as much as their job competence. In contrast, in a professional culture, employees feel that the organisation hires solely on the basis of job competence. The parochial type of culture has been often associated with Japanese companies (Hofstede, 1991; Hofstede, 1994).

- **Open Systems to Closed Systems**

In an open systems culture, employees consider both the organisation and its employees open to newcomers and outsiders. New employees take little time to feel at home. In a closed systems culture, however, the organisation and its employees appear closed and secretive, even among insiders. New employees need significant settling in time.

- **Internal Structuring: Loose Control to Tight Control**

In loose control organisations, employees feel that there is no control over costs or punctuality. In contrast, employees are cost-conscious and punctual in tight control organisations.

- **Customer Orientation to Non-customer Orientation**

Customer oriented organisations are market driven. Such organisations emphasise the meeting of customer needs. Results are more important than procedures. In contrast the major emphasis of non-customer oriented organisations is on procedures rather than results.

Hofstede (1991), and Hofstede (1994) relates his dimensions of organisational culture to the dimensions of national culture. He correlates "power distance" with the "process oriented vs. results oriented" dimension, and "high-power distance cultures" with "process orientation" and "low-power distance cultures" with "results orientation". "Uncertainty avoidance" is correlated with the "open systems vs. closed systems" dimension, where "high-uncertainty avoidance" is associated with "closed systems" and "low-uncertainty" avoidance with "open systems". "Individualism" and "masculinity" are associated with the "parochial vs. professional" dimension; "high-individualism" and "high-masculinity" with "professional" and "low-individualism" and "low-masculinity" with "parochial." Interestingly, Hofstede's dimensions of organisational culture have not become visibly popular among researchers of organisational culture, as no references were seen in the existing literature to this work. Rather, researchers have examined organisational culture using Hofstede's national culture dimensions (for example, Williams et al., 1993; Sethi and Lederer, 1997; Harvey, 1997).

- The Deal and Kennedy Typology

As shown in Figure 3, Deal and Kennedy (1982) classified organisational culture into four types on the basis of degree of risk and speed of feedback.

Feedback

	Rapid	Slow
High **Risk**	The tough-guy, macho culture	The bet-your-company culture
Low	The work-hard/play-hard culture	The process culture

Figure 3 An overview of Deal and Kennedy typology

The "Tough-Guy, Macho Culture" prevails in those organisations where individuals have to take high risks, and receive rapid feedback on actions and decisions. A tough attitude towards work and colleagues is a feature of this culture. It is successful in high-risk and quick return environments, but unsuitable for long-term investment (Brown, 1998). Both Deal and Kennedy (1982) and Brown (1998) state that police departments, surgeons, management consulting organisations and the entertainment industry have been associated with this organisational culture.

The "Work-Hard/Play-Hard Culture" prevails in those organisations where risk is low and feedback is quick . The work-hard/play-hard culture is often misled by success, forgetting that today's successes may become tomorrow's failures (Deal and Kennedy, 1982). No individual really makes a difference: the team produces the results. Sales organisations, such as real estate companies, computer sales companies, and consumer companies like McDonald's, are likely examples of this kind of organisational culture (Deal and Kennedy, 1982; Brown, 1998).

The "Bet-Your-Company Culture" prevails in those organisations where risk is high and feedback is slow. It is a

good culture for organisations wanting to produce high quality products and inventions, but slow response times can cause them problems with, for example, cash flow. Large aircraft manufacturing organisations and oil companies have been associated with this organisational culture (Deal and Kennedy, 1982; Brown, 1998), as these types of organisations may invest millions in a project and it may take a long time to ascertain the success or failure of the project.

The "Process Culture" prevails in those organisations where risk is low and feedback is slow. Owing to the slow feedback, employees tend to focus on how they do something rather than what they do (Brown, 1998). There is an emphasis on hierarchy, formality and the importance of the position of power. This culture is effective for known and predictable business environments, but ineffective for situations requiring quick reactions and creativity. Banks, insurance companies and civil service have been used as examples of this kind of organisational culture (Deal and Kennedy, 1982; Brown, 1998).

- **The Quinn and McGrath Typology**

Quinn and McGrath (1985) provided a four-way classification of organisational culture, based on the transactions associated with information exchanges in organisations. These transactions are governed by set of rules or norms which reflect dominance of beliefs. The cultures are summarised in Figure 4, characterised in terms of decision or approaches, authority/power, assessment and leadership style. Further details of each culture is given in turn below.

Culture type	Decision	Authority/power	Assessment	Leadership style
Rational	Decisive	Competency / status	Output	Directive
Ideological	Intuition	Charisma / values	Efforts by indivi-duals / interest in growth	Inventive and risk-oriented
Consensual	Consensus	Members / informal status	Loyalty	Dominant
Hierarchical	Analysis	Rules / technical skill	Agreed criteria	Conservative / Cautious

Figure 4 An overview of Quinn and McGrath typology

Productivity and efficiency are the primary criteria of performance within the Rational Culture. The boss is in charge of òrganisations with this culture, and control is exercised from the top down. The performance of individuals is evaluated by their productivity, and achievements of pre-specified goals. The salient features of the Rational Culture are aggressiveness, diligence and initiative (McDonald and Gandz, 1992).

The Ideological Culture (Adhocracy) supports broad objectives, such as corporate growth and successful resource acquisition. The leaders hold authority on the basis of charisma. The decisions are often taken as a result of intuition, the leaders are risk-oriented and employees are committed to the organisation. The employees are evaluated on their efforts and are interested in personal development rather than achievements. The features of such a culture are adaptability, autonomy, development and experimentation (McDonald and Gandz, 1992).

The Consensual Culture (Clan) measures performance in terms of group cohesion and morale. The members of the organisation are powerful and their status is informal. Decisions are made by consensus. The individuals are evaluated on the basis of the relationships they have with others and their loyalty to the organisation. The features of such a culture are courtesy, fairness, moral integrity, social equality, openness, humour, forgiveness, cooperation, consideration and broad-mindedness (McDonald and Gandz, 1992).

In the Hierarchical Culture (Hierarchy), authority is vested in rules and it is enjoyed by those persons who have technical knowledge. Decisions are made on the basis of factual analysis. The employees are evaluated against agreed criteria. The features of such an organisational culture are formality, logic, obedience, cautiousness, economy and orderliness (McDonald and Gandz, 1992).

■ ### The Scholz Typologies

Scholz (1987) views organisations with respect to three perspectives, and classifies them using each of these perspectives in turn.

● **Evolution-Induced Classification**

This reflects the way in which culture changes over time, in the sense that the organisation's culture is examined after a particular time to see if it exhibits a tendency towards either discontinuity or change. An overview of the evolution-induced cultures characterised in terms of personality, time, risk, slogan and change, is given in Figure 5.

Culture	Personality	Time	Risk	Slogan	Change
Stable	Introvert	Past	Risk averse	"Don't rock the boat"	No change accepted
Reactive	Introvert	Present	Minimum risk	"Roll with the punches"	Minimum change accepted
Anticip-ating	Partially introvert. Partially extrovert.	Present	Familiar risk	"Plan ahead"	Incremental change accepted
Exploring	Extrovert	Present and future	Operates on risk	"Be where the action is"	Accepted radical change
Creative	Extrovert	Future	Prefers unfamiliar risks	"Invent the future"	Seeks novel change

Figure 5 The evolution-induced model
Source: Adopted from Brown (1998)

The stable and reactive cultures are introverted, risk aversive and resistant to change. Alternatively, the exploring and creative cultures are open to new information, new influences, and they welcome and seek change. The anticipating culture falls in between the stable and reactive cultures, and the exploring and creative cultures. It is possible that, at the same time, different departments of an organisation could belong to different types of evolution-induced culture. For example, a production department may have a stable culture, making the same products for many years, and a marketing department may have a creative culture, pioneering new marketing concepts. It is expected that a department's culture will change over time in response to external influences, such as a change in competitor position and numbers.

- **Internally-Induced Classification**

The internally-induced classification is about how the internal circumstances of an organisation affect and then cause a particular type of culture, that is, a production, bureaucratic or professional culture. An overview of this classification in terms of routiness, standardisation, skill requirements (of employees) and property rights is provided in Figure 6. The allocation of transaction costs (that is, the costs of negotiating, monitoring and enforcing the exchanges between employees) for the use of resources are called property rights (Jones, 1983). The culture types are discussed in turn below.

Culture type	Routiness	Standardisation	Skill requirements	Property rights
Production	High	High	Low	Weak
Bureaucratic	Medium	Medium	Medium	Derived from the position
Professional	Low	Low	High	Vested in the person by virtue of skill

Figure 6 The Internally-induced model
Source: Adopted from Brown (1998)

A production culture is the outcome of the specification of property rights designed to economise on transaction costs. In this culture, the production process is routine, skill requirements are low and specialised investment in employees are not necessary. Norms and values of this culture can be seen from a transaction cost prospective.

Figure 6 shows that in a bureaucratic (inflexible) culture property rights are vested in the position of a person. Even

though property rights are vested in the position, they increase the attachment of employees to the organisation and lead to the development of stable and predictable transaction patterns. Since the bureaucratic culture is built on property rights that define authority and status, the attempt to change the distribution or balance of property rights of the employees will lead to resistance (Jones, 1983).

If the production function primarily depends on the skill of specialised personnel then it is called a professional culture. In a professional culture, production requires a specialised skill hence the transaction costs will be high and the task will be non-routine.

- **Externally-Induced Classification**

The externally-induced classification is concerned with how an organisation's environment affects the culture of the organisation. It examines the relationships between the organisation and its environment and the consequences of handling these relationships. For the external-induced classification, Scholz (1987) has adopted the four types of corporate culture which are introduced by Deal and Kennedy (1982).   (See Figure 3 and Subsection for details of Deal and Kennedy typology.)

- **The Sethia and Von Glinow Typology**

Sethia and Von Glinow (1985) have classified organisational culture on the basis of organisational rewards systems. The rewards systems they are interested in are financial reward, job content, career, and status (Sethia and Von Glinow, 1985). Figure 7 summarises the elements of each reward system and the criteria for rewards. From this, four cultures evolve, and these are described below.

1. **Rewards and Their Attributes**
   a. **Kinds of Rewards Available**
      1. Financial: salary, bonuses, stock option, profit sharing, and various benefits
      2. Job content: challenge, responsibility, freedom, feedback, and recognition
      3. Career: Job security, training and development programmes, and Promotion
      4. Status: special facilities and privileges, titles, and committee Memberships
   b. **Attributes of the Rewards Available**
      1. Superior or inferior: salary, benefits, and training
      2. Frequent or infrequent: raises, promotion, and feedback
      3. Optional or standard: benefits, privileges, and training

2. **Criteria for Rewards**
   a. **Performance: Tangible Outcomes or Results**
      Performer: individual, group, and organisation
      Performance: quantity, quality, and timeliness
      Perspective: day-to-day, short-term, long-term
   b. **Performance: Instrumental Action or Behaviour**
      Such as: cooperation vs. competition, risk taking vs. playing it safe, Initiative vs. conformity, innovation vs. compliance, helping vs. hindering, communication vs. secrecy
   c. **Non-Performance: Considerations of Contract or Custom**
      Such as: membership, nature of work, external equity, internal equity, tenure, Hierarchical position, ease of replacement, terms of employment, contractual obligations

Figure 7 Elements of a rewards system
Source: Adopted from Sethia and Von Glinow (1985)

Organisations with an Apathetic Culture show little concern for employees and their performance. The apathetic culture is often governed more by vested interests or political desirability rather than by efficiency and effectiveness (Sethia and Von Glinow, 1985). As described in Figure 8, financial rewards are poor, job content rewards are hardest to find, career rewards regarding job security are low, promotions are uncertain and status rewards are highly visible. Performance is not an important criterion for rewards.

Organisations with a Caring Culture look after their employees but do not impose very high standards of employee performance. In this culture (and as described in Figure 8), financial rewards are average, job content rewards are average, career rewards are good and status rewards are relatively high. Employees are expected to make reasonable efforts in their day-to-day work.

Cultures / Rewards System dimensions	Apathetic	Caring	Exacting	Integrative
1. Kinds of Rewards				
Financial rewards	Poor	Average	Variable	Superior
Job-content rewards	Poor	Average	Good	Superior
Career rewards	Poor	Good	Average	Superior
Status difference	High	High	Moderate	Low
2. Criteria for Rewards				
Performance: Results	Individual success Illusory	Reasonable efforts day-to-day	Individual success short-term	Group/company
Performance: Action and behaviour	Manipulation politicking	Compliance Cooperation	Efficiency competition	Innovation Independence
Non-performance Consideration	Contract patronage	Membership Position	Nature of work Replace ability	Equity Potential

Figure 8 Summary of reward systems in four cultures
Source: Adopted from Sethia and Von Glinow (1985)

Organisations with an Exacting Culture show little sensitivity to employees but are extremely demanding. In this culture (and as described in Figure 8), financial rewards can be very good but highly variable, career rewards are few, job security is heavily dependent on performance, and status rewards vary from organisation to organisation.

Organisations with an Integrative Culture show a high concern for employees as well as having high performance expectations. In this culture (and as described in Figure 8),

financial rewards are superior to the other cultures, job content and career rewards are very attractive, there is high job security, and high quality training is available. Performance is a core value in this culture; the emphasis is on group or company success rather than on individual success. A summary of Sethia's and Glinow's typology, based on the cultures' concern for both people and performance, is provided by Figure 9.

Concern for Performance

	Low	High
Concern **High** **for**	Caring culture	Integrative culture
People **Low**	Apathetic culture	Exacting culture

Figure 9 An overview of the Sethia and Glinow typology
Source: Adopted from Sethia and Von Glinow (1985)

▪ The Wiener Typology

Wiener (1988) classified organisational culture on the basis of shared values, in terms of their focus and source. The two dimensions, focus and source of values, yield four types of value systems. The focus of values is classified into either functional or elitist and the source of values is classified into either organisational tradition or charismatic leadership. The resulting four types of value systems, summarised in Figure 10, are described in turn below.

Source of Values

		Organisational Tradition	Charismatic Leadership
Focus	Functional	Functional Functional-traditional	Functional-charismatic
of			
Values	Elitist	Elitist-traditional	Elitist-charismatic

Figure 10 An overview of Wiener typology
Source: Adopted from Wiener (1988)

- **Functional-Traditional Culture**

This type of culture subscribes to values rooted in tradition; the same or similar values are transferred from the old generation of employees to the new. The values are time-tested hence this gives stability and predictability to organisational functioning. This type of culture deals with the mode of conduct of employees, goals, functions and style of operations. According to Wiener (1988) it deals with issues such as product quality, customer service, and innovation, which may be expressed by such phrases as "the customer is king", "never kill a new idea", and "quality is number one." The existence of this type of system in Japanese companies has been an important factor in their success (Wiener, 1988).

- **Functional-Charismatic Culture**

This type of culture refers to charismatic leadership. Initial phases of culture development are most frequently characterised by a charismatic value system. The functional-

charismatic culture has the potential for effective organisational outcomes. The functional-charismatic system tends to be a transitional phase, ultimately evolving toward a functional-traditional one (Wiener, 1988). A functional-charismatic culture changes into a functional-traditional culture progressively (by the passage of time) as the organisation expands and it needs to establish functions for effective operation. For example, IBM and Walt Disney's productions moved from functional-charismatic to functional-traditional culture after their expansions (Wiener, 1988). This is because the charismatic leaders were no longer able to control all aspects of their organisations' operations.

- **Elitist-Traditional Culture**

This type of culture refers to the status, superiority, and importance of the organisation itself, its products and employees, and is reflected in phrases such as "we are number one", "our product is the best", and "nice guys finish last" (Wiener, 1988). Elitist values generate strong feelings, such as pride (emphasis on organisational supremacy and superiority) within the organisation. As such this value system sustains a stable, long-term, elitist dimension. Organisations having this type of culture tend to focus on a specific organisational purpose, such as to be the dominant player in a particular market.

- **Elitist-Charismatic Culture**

This type of culture is characterised by employees' identification with their leader. This culture is less stable and permanent than traditional ones. The lifespan of such values may not be more than the life of the leader. This type of culture is least likely to result in long-term organisational success because the sudden and dramatic success of an

organisation prevents the leader from effectively responding to the objective demands of the external environment. For example, high-tech companies (in Boston and Silicon valley in California) have encountered a difficult environment to which they have not effectively responded because they possess this organisational culture (Wiener, 1988). This has subsequently resulted in losses, layoffs and closures.

4.0   A Critical Appraisal of the Existing Typologies

A top level overview of the existing typologies in term of their (inter) relationships is shown in Figure 11.
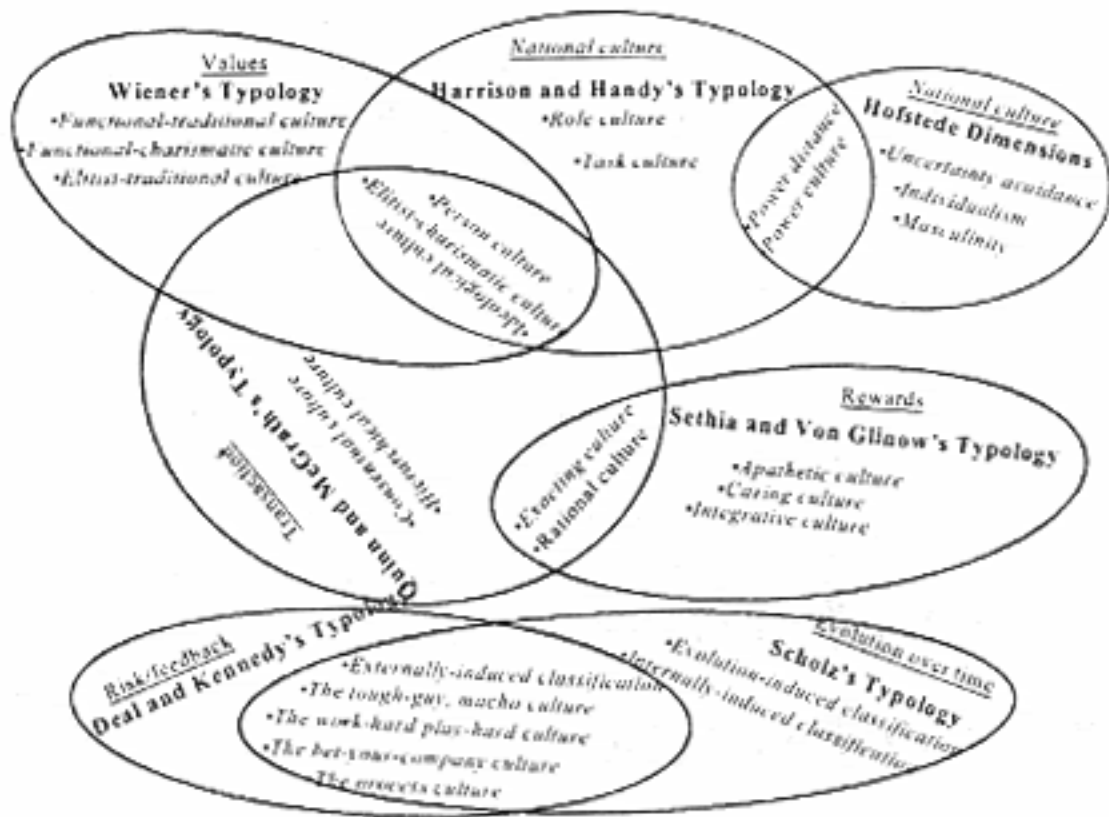

Figure 11 A Venn diagram showing the
relationships among existing typologies

This figure shows that some typologies overlap with each other in certain area(s), whereas other typologies do so in other area(s). (For example, the Harrison and Handy's

typology and Hofstede's dimensions overlap each other on power culture/power distance, which are related to the unequal distribution of power (see second paragraph of Section 3.0), Quinn and McGrath's typology, and the Sethia and Von Glinow's typology overlap on rational/exacting cultures.) The typologies which overlap with each other and not with others are the Deal and Kennedy's and the Scholz's typologies. Figure 11 also shows that the existing typologies describe organisational culture based on different perspectives. For instance, Hofstede, and Harrison and Handy describe organisational culture based on the perspective of "national culture", whereas Wiener describes organisational culture based on the perspective of "values", and Sethia and Von Glinow describe organisational culture based on the perspective of "rewards systems". There is no one typology that covers all perspectives, and therefore, none of these are able, in their current state, to provide a sufficiently complete classification of organisational culture. Furthermore, the existing typologies are criticised on other grounds by several academics. For example, Brown (1998) has criticised the Deal and Kennedy's and the Scholz's typologies. He says that no organisation will precisely fit into any one of the four classifications given in the Deal and Kennedy's typology, and that the classifications given by Scholz (1987) are not new, and hence do not provide an interesting perspective on organisational culture. Wiener (1988) himself realises that it is difficult to precisely fit organisations with weak values into his typology. In 1991, Hofstede gave another (organisational culture) classification in terms of "process oriented to result oriented", "employees oriented to job oriented", "parochial to professional", "open systems to closed systems", "internal structuring (loose control to tight control)", and "customer orientation to non-customer orientation" (see Subsection 3.4.2, organisational culture classification). Brown's (1998, p.44) later work on

organisational culture, Maund (1999, p.346), and Keil et al. (2000, p.306) refer to Hofstede's work in general. However, when analysed in detail, it is found that Hofstede's work on organisational culture is not referenced. In fact, Brown, Maund and Keil et al. do refer to Hofstede's work on the dimensions of national culture. It is therefore concluded that the classification of organisational cultures given by Hofstede (1991) has gained little, if any, popularity among researchers. Indeed, not a single example has been found by this author in the current literature regarding the use of Hofstede's (1991) organisational classification.

To summarise, the appraisal of existing typologies highlights that there is no one typology that will provide a sufficiently complete classification of organisational culture. However, combining these in some way may be possible. The next section looks at another view of organisational culture; that of the factors that influence the nature of organisational culture.

5.0   Drennan's Factors that Influence Organisational Culture

Drennan (1992) stated what he considers to be the twelve most important factors that influence organisational culture. Some other authors, such as Deal and Kennedy (1982), Davis (1985), Handy (1993), Williams et al. (1993), Norton (1994) and Brown, (1995) have also described a subset of these factors. Drennan's factors are analysed as follows.

- **Influence of a Dominant Leader**

The owner or the chief executive can have a great influence in shaping an organisational culture over a period of time

(Drennan, 1992; Williams et al., 1993; Brown, 1998; Harris and Ogbonna, 1999). A simple and common sense influence of the leader will not only continue, but will also be enhanced and developed by succeeding managers and executives.

• Company History and Tradition

Tradition plays an important role in shaping the culture of an organisation. The majority of the employees feel comfortable in a structure, and in a well known environment. They feel threatened if their normal routines are disturbed (Drennan, 1992).

• Technology, Products and Services

Technology, products and services may have a major effect on the culture of an organisation (Drennan, 1992; Williams et al., 1993). This impact may vary from organisation to organisation. For example, in chemical manufacturing organisations, many of the chemicals are dangerous, so, for the safety of the employees, great care and precision is the norm as they handle and process chemical substances. For flying an air force aeroplane, the mental and physical fitness of the pilot, and the fitness of the aircraft, is required to ensure safety, so check-ups of both pilot and aircraft before missions are the norm.

• The Industry and its Competition

The nature of the activities an organisation undertakes may have a profound effect on its culture (Williams et al., 1993; Brown, 1998). For example, in some organisations, rapid change and constant innovations by competitors are normal. In response, employees know that product changes are

expected, and repeated retraining is part of work. This rapid change and innovations vary from organisation to organisation. For example, in electronics manufacturing organisations, rapid change and constant innovations may be more, hence employees are more prepared for product changes and retraining.

- **Customers**

In organisations that depend greatly on one major customer, the organisational culture is greatly influenced by that customer (Drennan, 1992; Williams et al., 1993; Brown, 1998). For example, the suppliers to Marks and Spencer produce garments according to the customer's specifications. The colour, size, quality, stitching of garments, and even the type of machine for stitching, are determined by Marks and Spencer. The suppliers are contracted to sell their entire product mix to Marks and Spencer. Hence they depend greatly on the satisfaction of Mark and Spencer. In this way their culture is greatly influenced by Marks and Spencer. Another example of the customers' influence on organisational culture is service organisations. Customers can typically move their business if they do not like what they get from service organisations. Hence, in such organisations the total focus is on the satisfaction of customers, and their culture is therefore greatly influenced by existing and potential customers.

- **Company Expectations**

A company's expectations have a big influence on employees' behaviour (Drennan, 1992). The employees learn how things are done in the organisation, and through these employees' subsequent work, the expectations of the

organisation become the major factor that influences the culture of that organisation. For example, if the rewards (such as increments and promotion) are given on the quantity of work, then employees will try to satisfy the quantity rather than quality of work leading to an organisational culture which supports quantity rather than quality of work.

• Information and Control Systems

Computerised information and control systems have a great influence on the culture of an organisation (Drennan, 1992). For example, a clerk in an organisation can easily say, "it is somewhere in the computer but, I'm sorry, we don't get a printout until two weeks on Friday." Hence a culture where delays are accepted can flourish if not properly checked by management. In another case computerised information has helped maintenance services to guarantee repair within a short time-scale. The call for repair is automatically forwarded by the computer to the repairman nearest to the customer making the request. The repairman knows the speed of service the customer has contracted for and therefore knows exactly within what time-scale the repair must be completed. Hence a prompt service culture can result from computerised information and control systems.

• Legislation and Company Environment

Legislation and national culture have a great impact on the culture of an organisation. For example, in one country it is easier to take permission for working during holidays than in another country. Hence it can become the culture to work during holidays in those countries where permission can be granted easily. In one country membership of the employees' union may be compulsory whereas it might be

optional in another country. For example, in the USA union membership is not compulsory whereas in Australia it is (Drennan, 1992). Therefore, employees might be more committed to follow the union policies in those countries where membership is compulsory than in those countries where membership is optional.

• Procedures and Policies

Procedures and policies have a prime role in shaping the culture of an organisation, while on the other hand, they can be the major source of employee frustration and alienation (Handy, 1976; Drennan, 1992). Procedures and policies are necessary as guidelines to help employees do a good job for their organisation, but when they are implemented rigidly they deprive employees of the authority to act promptly in difficult situations. Hence slow or delayed actions/services can become the norm within an organisation.

• Rewards Systems and Measurement

If bonuses and promotions are awarded to those who do well then that becomes part of the culture of the organisation. Also, organisations generally measure what is important to them, for example, sales, costs, profit, market share, return on capital, output, and quality. As a result, employees get feedback on their performance. Paying attention to the numbers or quality can, however, become a habit and hence part of the culture.

• Organisation and Resources

The availability of financial resources for completing a specific task can make a crucial difference to employees'

attitudes (Drennan, 1992). With adequate resources employees can gain the self-confidence to perform to their maximum potential. Employees with less than adequate financial resources can only do the best they can, and a mediocre performance can become the norm of that culture.

- **Goals, Values and Beliefs**

According to Deal and Kennedy (1982), Drennan (1992), and Williams et al. (1993), the goals a management sets and the values it truly believes in, have more influence on organisational culture than any other factor. Drennan (1992) gives the example of IBM, claiming that the outstanding success of IBM (in the 80s) was due to its unrivaled customer services rather than to its products. They were not first in the market-place, they did not always have the best products, and their products were often expensive (Drennan, 1992), but they still managed to sell more than anybody else because of their goals and beliefs.

An Analysis of Drennan's Factors

The following amendments are made to Drennan's factors:
- Drennan has placed national culture under the heading legislation and company environment, whereas national culture alone has a great impact on the culture of organisations. Therefore, this important factor (national culture) is taken separately. This amendment reflects the importance national culture plays in the culture of an organisation (Hofstede, 1980; Hofstede, 1984; Harvey, 1997; Brooks, 1999).
- In the explanation of information and control systems, Drennan has discussed computerised information and control systems. Hence the word "computerised" is also

included in the heading to make it more meaningful (see Figure 1).

- Drennan has described his twelve factors as "most important factors that influence organisational culture." Whilst these may be recognised as the most important factors at present, what about the future? If these are the most important factors then there is no room for any other factor(s) over time, whereas it is possible that others may emerge in the future. Therefore, the word "most" is omitted from any reference to Drennan hereafter, and the word "that" is replaced by "found to" to enable future factors to emerge.

Based on the changes, an overview of the factors that have been found to influence organisational culture is given in Figure 12.

Figure 3.14 An overview of the factors found to influence organisational culture

6.0   Conclusion

Classification is a powerful method of understanding culture and identifying associated issues, such as, misalignment. There are several approaches (for example, the Harrison and Handy typology, the Hofstede dimensions of national culture, the Deal and Kennedy typology, the Quinn and McGrath typology, the Sethia and Von Glinow typology, the Sholz typology and the Wiener typology) for the classification of organisational culture, but each one classifies organisational culture from a different perspective (such as, national culture, rewards systems, values, evolution over time, risk/feedback). Hence, it is difficult to portray a sufficiently complete overall picture of an organisational culture with the use of a single approach. A critical appraisal of the existing typologies is also part of this article. Another view of organisational culture (Drennan's factors that influence organisational culture) is also described in the article.

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