

4.10 Key influences on the change process; Culture

What is organisational culture?

The way things are done or operate- The shared values of a business, the beliefs and norms that effect the aspects of working life, behaviours typical of day to day behaviour and the strength of a culture determines how difficult or easy it is to behave in a business.

The culture of a business is reflected in many ways:

How employees are recruited i.e. the cultural factors that make one applicant more suitable than another. The way visitors are looked after. How the working space is organised. The degree of delegation. The personality and styles of the sales force.

Strong Vs Weak Culture

Strong:

- Staff understand and respond to culture
- Little need for policies and procedures
- Consistent behaviour
- Culture is embedded

Weak:

- Little alignment with business values
- Inconsistent behaviour
- Need for extensive bureaucracy and procedures

Samsung Case Study

Samsung have a dominant engineering culture (suggests a production orientation rather than marketing). It is not a creative culture, executives distrust innovation on focus on the selling of products.

Growth in handset sales are slowing as the smartphone market matures, with little to no individuality or USP Samsung will struggle on keeping up and maintaining market share. The culture seems to focus on the short term rather than long term success.

Charles Handy came up with four types of culture:

- Power
Control radiates from the top down, concentrates power among a few, few rules and little bureaucracy, swift decisions are possible.
- Role
Clearly delegated authorities with a highly defined structure, hierarchal bureaucracy, power from a person's position, little scope exists for expert power.
- Task
Teams are formed to solve problems, power derives from expertise, no single power source, matrix organisation, team may develop own objectives.
- Person
People believe themselves to be superior to the business, full of people with similar training, background and expertise, common in firms with professions like lawyers, power lies with the individual.