Managing People & Performance
Managing in context
Internal context *(3)*
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Organizational culture

Price, A (2004)Organizational culture

The Deal & Kennedy model of corporate culture

1. Business environment
   - lead to corporate culture
2. Values
   - heart of a company
   - shared beliefs and concepts
3. Heroes
   e.g. Richard Branson
   - = Personification of organizations values
   - vision driven
   - role models
4. Rites & rituals
   - reinforce culture
5. The cultural network
   - = carrier of gossips and rumours
   - Gossip
     - have a factual basis
   - Rumour
     - unsubstantiated

The Deal & Kennedy types of culture

- Tough guy culture
  IT startups
  - entrepreneurial
  - high risk taking
  - quick feedback
- Work hard, play hard
  Sales companies
  - work is fun
  - plenty of work
  - quick feedback
- Bet your company
  Aerospace
  - high risk
  - long term
- Process culture
  - low risk
  - low feedback
  - task is in centre
  - titles etc. paramount

Handy (1993) corporate culture & organization types

- The club culture
  - small company
  - focus on owner
- Role culture
  - roles more important than individuals
  - managed and NOT led
  - stable
- Task culture
  - projects driven
  - trust & respect
  - no security
- The person culture
  - professionals who are self-managing
  - almost "no" supervision
  - focus on expertise NOT management

Hofstedes cultural dimensions

cited in Price, A (2004)Organizational culture or http://www.clearlycultural.com/geert-hofstede-cultural-dimensions/

1. Power distance
   - "Hofstede's Power distance Index measures the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This represents inequality (more versus less), but defined from below, not from above. It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders."
2. Collectivism vs. individualism
   - Collectivism
     - effort over ability
     - Unterthema
   - Individualism
     - ability over effort
     - Self-care
     - personal success, responsibility
3. Masculinity vs. feminity
   - = aggressivensess of a culture
   - Masculin
     e.g. Japan
     - High earnings
     - recognition
     - advancement
   - Feminin
     e.g. Holland
     - work relationship
     - cooperation
     - employment security
   - problematic in recruitment or meeting
4. Uncertainty avoidance
   - = measure how people react to unusal situations
   - weak avoidance
     e.g. UK, USA
     - feel uncomfortable with rigid rules
     - flexible
   - strong avoidance
     e.g. Latin world
     - need rules
     - not flexible

dimension mix

- mix the dimensions
  structure according to prevalent culture
  - high power distance / high uncertainty avoidance etc etc...

Cultural shock is one of the most important reason why people "fail" --> often ignored in recruiting