A LIST OF QUESTIONS FOR ASSESSING AND COMPARING ORGANIZATIONAL CULTURES

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Abstract

Organizational culture is an important aspect of organizational performance and this articles provides a list of questions and categories that organizational leaders, both executives and managers, can use to identify key issues associated with organizational culture so that they can be explored and actions can be taken to either strengthen and reinforce desired cultural characteristics or initiate changes that will hopefully lead to greater member satisfaction and enhanced organizational performance.

When the discussion turns to "organizational culture", or "corporate culture", most people have some sense or recognition of what the concept means, at least to them. A fairly simply definition, or explanation, is "the way we do things around here". However, not surprisingly, there is no generally accepted definition of "culture", organizational or otherwise, and scholars and researchers from various academic disciplines have added their own nuances when suggesting a definition of culture. The general consensus seems to be that culture is a complex web of tacit beliefs, understandings, assumptions, boundaries, common language and shared expectations that have been developed and maintained over time by the members of an identifiable group and which influence the behaviors of those members. Culture is implicit in social life and emerges over extended periods of time as individuals interact with one another and begin to organize themselves as identifiable social groups (e.g., tribes, communities, companies, non-profit organizations, states and countries).

In an attempt to make organizational culture more meaningful and tangible for researchers and managers, the "dimensions approach" that has become so popular in the study of societal culture has been introduced into the field of organizational culture. A

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large group of researchers has attempted to develop models for empirically measuring organizational culture along various bipolar scales, which are referred to as "dimensions". The most widely available and utilized models of the dimensions of organizational culture are based on a wide array of assumptions and varied amount of actual empirical data. Some of the models of organizational culture are prescriptive and come with data claiming to indicate that certain cultures are more "effective" than others in achieving various desired indicators of performance, such as profitability, productivity and customer satisfaction. For example, it has been suggested that organizations should strive for "adaptability" and focus on "listening to the marketplace" in order to identify appropriate changes to their behaviors and processes that will make them more responsive to customer needs. The challenge for organizational leaders, both executives and managers, is to develop a list of questions and categories that can be used to identify key issues associated with "organizational culture" so that they can be explored and actions can be taken to either strengthen and reinforce desired cultural characteristics or initiate changes that will hopefully lead to greater member satisfaction and enhanced organizational performance.

A review of the research and literature suggests that such a list should touch on both "ways of looking at the world" (i.e., time orientation and relationship to the environment) and "practices" (i.e., control systems and other elements commonly associated with organizational structure) and should include both internal integration (i.e., "how things work inside the company") and external adaptation (i.e., "how the company perceives and interacts with its customers and other key external stakeholders") values. Such an approach recognizes the disparate influences on organizational culture that include societal culture, industry characteristics and the nature of the necessary tasks and role of technology. Entries on such a list suggested by the models include the following:

- *Organizational Mission and Purpose:* Do all of the organizational members have a clear understanding of the mission and purpose of the organization and their roles and responsibilities in achieving organizational goals? Is there a clear vision of where the organization is headed that is shared and understood by all members?
- *Control Systems and Process Orientation:* What "control" mechanisms are used within the organization and are they "tight" (e.g., formal rules with small tolerances) or "loose"? To what extent does the technology used by the organization influence its control systems? Is there more focus throughout the organization on the "process" of completing necessary activities, which typically leads to more formalization and reliance on the use of elaborate rules and procedures, or is the primary focus on simply achieving the desired result or outcome, a situation in which less emphasis is placed on the process and organizational members are given more freedom in deciding how best to get their jobs done.
- *Organizational Responsibilities to Members:* What is the accepted and expected scope of the organization's responsibilities toward its members? Are those responsibilities limited to matters directly influencing job performance or do they extend further to include responsibilities for the overall well-being of organizational members (i.e., a more "humane orientation")? What is the perceived (and actual) role of the organizational leader in the lives of subordinates?

- *Organizational Identification and Commitment:* Do organizational members have a strong level of identity with, and commitment to, the organization or is their level of commitment divided between the organization and other strong group affiliations, such as allegiances to professional cultures (e.g., science and engineering)? A related question is the level of responsibility that organizational members feel toward the organization, which influences the degree to which they will act in a conscientious manner in discharging their duties and responsibilities.

- *Communication Style:* What styles are used by organizational members for internal and external communications (e.g., assertive/aggressive versus cordial/tender) and how easy is it for outsiders and newcomers, such as new employees, to be admitted and integrated into the organization? Communication also includes the effectiveness of communication and the degree to which accurate information is shared throughout the organization.

- *Internal Governance Systems:* Has the organization developed an internal set of governance systems that contribute to a continuous sense of integration and coordination among organizational members? These systems include core values and established norms, rituals, rules and standardized procedures to avoid uncertainty, reduce ambiguity and help everyone in making consistent decisions and behaving in a consistent manner.

- *Strategies for Coping with External Environment:* Is the organization pragmatic (i.e., flexible and adaptable) in dealing with its external environment, particularly its customers (i.e., a "customer orientation"), or is the approach more rigid? To what extent do organizational members expect that it is possible to change and manage the relationship of the organization with its external environment in order to advance and achieve organizational goals and objectives (i.e., is it believed that the organization can "master" its environment through detailed planning processes or should it simply accept the environment as it comes and strive for "harmony" with it)?

- *External Adaptation:* What is the level of results- and outcome-orientation (i.e., quality and efficiency) within the organization? Does the organizational culture emphasize customer satisfaction and continuous innovation to meet the changing demands of the marketplace? External adaptation is determined by a variety of factors including the external competitive and technological environment in which the organization operates.

- *Power, Status and Participation:* What are the expectations of organizational members regarding the distribution of power and status within the organization and opportunities for all members to participate in decision making regarding organizational goals and objective? Organizations with higher "power distance" are more hierarchical, accepting more stratification among members with regard to power and wealth and more authoritarianism with respect to decision making, while organizations with lower power distance are more egalitarian and deploy flatter organizational structures. The type and quality of the leader-subordinate relationship should also be considered.

- *Individualism/Collectivism:* What is the relative importance of individual accomplishment or autonomy versus group dependent accomplishment within the organization? This can be measured by looking to see how important team and group activities are in the organizational structure and processes, how rewards are allocated to members of the organization for their actions and the extent to which people work well together and help each other with difficulties.

- *Gender Equality and Diversity:* To what extent do organizational leaders and organizational practices promote gender equality and minimization of gender role differences? Do all of the various employment-related practices within the organization reflect acceptance of diversity and valuing of all people regardless of race, gender, sexual orientation, religion and age?

- *Time Orientation:* What balance does the organization strike, particularly in its reward systems, between future oriented behaviors, such as planning and long-term investment, and short-term planning and projects?

- *Encouragement and Support of Individual Development:* To what extent does the organization encourage and reward members for improving their skills and performance and for setting and achieving challenging goals with respect to excellence and quality? Factors to consider include the level of training offered to organizational members, acceptance and encouragement of "entrepreneurship" and "reasonable risk taking" in areas such as product and process development, respect for individual dignity and provisions of a good and safe working environment.

Many of the issues and practices raised by these questions are, of course, interrelated. For example, opportunities to participate in decision making increase the level of engagement of organizational members and ultimately contributes to enhanced commitment of those members to organizational goals and objectives due to their heightened sense of ownership and responsibility for their part in the overall organizational plan. At the same time, however, organizations must be mindful that the process of involving organizational members in decisions can be time consuming and may sometimes inhibit the ability of the organization to set and maintain a strong mission and focus or quickly implement changes deemed necessary to respond in a timely fashion to unforeseen developments in the marketplace. There are also common themes that are continuous emphasized among researchers in the field of organizational culture. For example, there is always great interest in the balance between equality and hierarchy; people-orientation versus task-orientation; flexibility and stability; and "internal focus" and integration and "external focus" and differentiation. The bases for control within the organization is another important indicator of organizational culture and options range from informal controls based primarily on peer pressure to formal procedures and systems and, finally, direct and constant oversight by the founder and/or senior organizational leaders.