

Organizational cultures in canadian

[Business](#), [Organization](#)



This research paper seeks to identify the extent by which leaders can influence, change and even manipulate organizational culture for the sake of organizational development and achieving organizational goals. This research paper will fulfill this objective by putting Nexen Incorporated in the limelight. The organizational structure and the culture that comes along with organizational structure will be used in this research paper as vital details in portraying the picture of how different organizational elements (culture and leadership) interact and affect each other.

Furthermore, this research paper will exert all possible efforts to draw out an interrelated analysis of these parts to the status of Nexen, Inc. in both Canada and Yemen offices. Nexen, Inc. is one of the most successful corporations able to integrate international joint ventures in its business plan. The expansion of Nexen, Inc. as a Calgary based company highlighted the financial and business sectors' progresses and achievements in the twenty first century (Reference for Business, 2010). The successes of Nexen cannot be all tackled in this research paper since they are both numerous and complex.

As for this research paper, the success of Nexen, Inc. in establishing its Yemen operations will be specifically used to measure the influence that leaders can have in the formation process of organizational culture.

Introduction: What is Nexen? Nexen, Inc. or the Canadian Nexen Petroleum is the fourth largest oil and gas company in Canada that was able to establish its operations in the Yemen, Canada, Gulf of Mexico, and off shore West Africa (Reference for Business, 2010). Canadian Nexen Petroleum represents

itself through its successes such as the multibillion dollars total earnings since its time of establishment.

Canadian Nexen Petroleum's stock price increased even amidst the economic struggle due to the recent recessions indicates the sturdy management of the company in mitigating the effects of even the most dreaded financial crunches (Walcoff, 2010). This undeniable success moves this research paper to take a look in the internal organizational culture of Canadian Nexen Petroleum; not just for the sake of assessment but also for the sake of uncovering the management scheme of such as successful company. Nexen, Inc.

as established earlier is one of the most successful corporations in establishing itself in the international business arena, as seen in its international joint ventures in Yemen and Africa. However, amidst the company's involvement in the global business arena its management remains to be centralized and hierarchical in nature. In its main office in Calgary, Canada, Marvin Romanow leads Canadian Nexen Petroleum as its President and CEO (Nexen Inc. , 2010). Kevin Reinhart assists Romanow through his position of Executive Vice President and Chief Financial Officer (Nexen Inc.

, 2010). These two key figures represent the highest managerial positions in Nexen, Inc. 's operations. Romanow as mandated in the bylaws of Canadian Nexen Petroleum have the power and prerogative to set the “ tone” in the leadership and management of the whole corporation (Nexen Inc. , 2010). As the highest voted officer in the whole company, the whole Nexen Company deems that Romanow provides the most effective type of leadership through

professional corporate management and governance practices (Nexen Inc. , 2010).

Kevin Reinhart complements the leadership of Romanow through the strategic and financially focused management practices that the Canadian Nexen Petroleum's bylaws mandate Reinhart with (Nexen Inc. , 2010). The expertise and support of the other officers of Canadian Nexen Petroleum complements the leadership of Romanow and Reinhart. The observable demarcations between offices and departments indicate the high level of bureaucratization in this company. The organizational structure of Nexen, Inc. paved the way for the establishment of supervisory positions in its local offices such as in Yemen.

Gregor Mawhinney leads Canadian Nexen Petroleum Yemen's operations as its President and General Manager with the assistance of Ali Sohaiki as the Executive Director of Canadian Nexen Petroleum Yemen. The same can be said with the Canadian Nexen Petroleum Yemen, offices are specifically mandated and designed to cater to specific company needs. The only distinction between the two offices can be seen in the demographical difference of the markets of these offices. The leadership of Romanow and Reinhart is in context with the birthplace of the company with employees sharing the same culture as its management.

On the other hand, the Canadian Nexen Petroleum Yemen's management under Mawhinney and Sohaili constantly needs to find a level ground with its employees to avoid conflicts that result from the cultural disparities of the two sides. It can be generalized, that the situations that the Canada based leadership and Yemen based leadership find themselves are not only their

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difference of context, but may also be the defining factor of their leadership strategy difference that would be established in the latter parts of this research paper.

Organizational Culture: Definition Defining organizational culture leads to two particularly distinct polarities in the paradigm of organizational studies. First, organizational culture is the collective consciousness, which naturally results from the evolution of social groups such as the formation of communities and civilizations (National Defense University, 2010). On the other hand, organizational culture is also defined as the social product of everyday interactions among members of a certain group.

These tools are fuelled by the application of tools such as organizational structures. In this second definition, organizational culture arises within the context and setting provided by the structure per se of the organization (National Defense University, 2010). The second definition's recognition that organizational culture can be created outside the organization makes it the viable definition for this research study.

The second definition provides the leeway needed for the establishment that leaders as part of the organizational structure can create or manipulate the organizational culture for the holistic benefits of their organization (National Defense University, 2010). Ultimately, both definitions require the collective understanding of the members of the group. Members of the group should be able to recognize and comprehend the parts of their group's organizational culture such as its history, ethical considerations, value formations and conventions for the sake of truly being a part of the group (Driskill, 2005, p.

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3). There are different levels of analysis in organizational culture- behavior and artifacts, values and assumptions and beliefs (National Defense University, 2010). Behavior and artifacts level represents the most observable manifestation of organizational culture (National Defense University, 2010). The behavior and artifacts present in organizations can be seen in common workplace conventions such as maintaining order and even the simple compliance to the workplace's dress code (National Defense University, 2010).

Values level on the other hand may not be as observable as the level of behavior and artifacts (National Defense University, 2010). The values level of organizational culture may depend on the organization's statement of acceptable values or it may become the underlying unannounced behavior of the employee's individual predisposition (National Defense University, 2010). Finally, assumptions and beliefs are considered to be the deepest aspect of organizational culture (National Defense University, 2010).

According to the experts of organizational culture, assumptions and beliefs only come into being when members of the group become accustomed with the first two levels of organizational culture (National Defense University, 2010). In this level, organizational culture embodies unconscious thoughts from the member of the group that equally comply to the prescriptions of the first two levels of organizational culture (National Defense University, 2010). Prominent organizational studies attribute to these levels the full appreciation of organizational culture.

In line with this, this research paper will follow the same predisposition. Organizational culture is not the only convention present in organizations;

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organizational subcultures are also present in some organizations such as companies and corporations (National Defense University, 2010). These types of organizations are usually formal and require conventional practices; organizational subcultures in this setting are seen as the acclimatizing elements of a new member to the existing and relatively bigger organizational culture (National Defense University, 2010).

Organizational subcultures also assist those who refused to believe that a holistic organizational culture is always present. In reality, there are those that contest the existence of organizational culture. Organizational Culture: Alterations and Changes Discussing organizational culture leads to the fact that organizational culture is not permanent, especially in cases where organizational culture impedes organizational development and progress (Banksinternational. net, 2005).

If leaders are true and worthy of their positions they should be able to easily detect situations that would require changes in the organizational culture of their organization (National Defense University, 2010). Even if knowing that there is a need to change is dramatically different from knowing what to change in organizational culture, leaders should be up to the task of having the imperative to start necessary changes for the benefit of the whole organization (Schein, 2004, p. 317).

There are two common situations where changes in organizational culture are necessities. First, leaders must immediately alter some parts if not the whole organizational culture in situations where the culture appears to be dysfunctional and counterproductive to organization as a whole (Schein, 2004, p. 317). The second situation will be in during situations where there

are integrated new members that have their very own assumptions and beliefs, values and behavior and artifacts (Schein, 2004, p. 317).

These situations can easily trigger negative effects toward the organization such as resistance to cooperation, which can result to malfunction of organizational structures and even to the reinforcement of counterproductive culture based conflicts. In situations like these, organizational leaders such as with the leaders of Canadian Nexen Petroleum and Canadian Nexen Petroleum Yemen should confront the problems right away even if it may mean the need to scrap the whole organizational culture of the company.

A direct confrontation on organizational culture problems will not only mitigate the problem; it will also allow the whole organization to create a new organizational culture that would provide a better fit for all the members through compromise. Organizational changes can be seen as attempts to create harmony in organizations with members who are unaccustomed to the existing organizational culture- such as the case of Yemen based Nexen. There are undeniable differences between Canada and Yemen contextualized organizational cultures; those differences will be further explored in this research paper.

The Differences in Organizational Culture of Different Offices under one Company: the Case of Canadian Nexen Petroleum and Canadian Nexen Petroleum Yemen This research paper will identify the extent of manipulation of organizational leaders in creating organizational culture by comparing the differences in the organizational cultures of Canadian Nexen Petroleum and Canadian Nexen Petroleum Yemen offices. There are no written materials
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that specifically draw out the differences of the organizational cultures of these offices.

Due to this, this research paper would use cultural differences in Canada and Yemen. The Canadian and Yemeni cultural differences in this research paper will be classified according to the three levels of organizational cultures that are established earlier. Canadian Nexen Petroleum's Organizational Culture-Canada As a Calgary based company, Canadian Nexen Petroleum is almost able to hire employees that are born and raised in Canada. The citizenship of employees is noted because it gives a comparative advantage in understanding what appears to be as the shared culture in the Canadian Nexen Petroleum.

In terms of beliefs and artifacts, Canadian Nexen Petroleum's organizational conduct is similar to other conventions in terms of addressing supervisors and observing the dress code in the workplace. The dress code in Canadian Nexen Petroleum is observed and followed at a certain level of formality and even convenience (Centre for Intercultural Learning, 2009). Those who are deemed to have more workloads usually dress up with less formal attire to improve movement convenience in the workplace. On the other hand, those who assume higher positions in the company observe strict formal dress codes.

In terms of addressing colleagues, the Canadian Nexen Petroleum's organizational culture dictates that colleagues under the same status in the company can address each other on the first name basis; while supervisors and managers are addressed with title affixes in their names (Centre for Intercultural Learning, 2009). Values in the organizational culture of <https://assignbuster.com/organizational-cultures-in-canadian/>

Canadian Nexen Petroleum usually resides with the importance that individual employees put in the establishment of healthy relationship with their colleagues (Centre for Intercultural Learning, 2009).

Canadian Nexen Petroleum's management favors those that exert effort in establishing relationships in the workplace because harmonious relationships are usually attributed with productivity and effectiveness (Centre for Intercultural Learning, 2009). The same can be said for supervisors and managers, Canadian Nexen Petroleum seeks to provide mechanisms that would constantly allow their high position employees to check how those of the lower positions deem the effectiveness of their leadership styles (Centre for Intercultural Learning, 2009).

It can be generalized that employees of Canadian Nexen Petroleum use the company's mandate and personal dispositions to justify their attempts in establishing workplace bonds. The values system in Canadian Nexen Petroleum manifests itself through the assumptions and beliefs established in the workplace. Fully inculcating the value of building relationships in the workplace became an assumption and a belief in the Canadian Nexen Petroleum's organizational culture.

The statistics that eighty-three percent of Canadian supervisors and managers believe that cultural fit is more important as compared to competencies proves the previous assumption (Waterstone Human Capital, 2010). Due to this, applicants with a foreseeable chance of being included in the workplace relationship have subjective advantage in the Canadian Nexen Petroleum's hiring program. The company's dedication in building workplace-

based relationships for the company's improvement led their hiring department to opt in adapting such hiring schemes.

Canadian Nexen Petroleum's Organizational Culture- Yemen Parts of Nexen Petroleum's organizational culture in Canada are similar to the dominant organizational culture in Canadian Nexen Petroleum Yemen; but it is worth it to note some differences between the two organizational cultures. In terms of beliefs and artifacts, Canadian Nexen Petroleum Yemen's organization culture dictates that everyday office clothes should be made of lightweight fabrics to insure comfort and convenience, given that the climate in Yemen is hot (Centre for Intercultural Learning, 2009).

The lightweight design of the everyday clothes of Yemeni employees is still required to comply the norm of conservativeness in dressing, which means that majority of body parts should be covered (Centre for Intercultural Learning, 2009). The manner of addressing colleagues is similar to that of the Canadian office. However, when addressing superiors proper titles are always observed in Yemen such as Sheikh and Excellency (Centre for Intercultural Learning, 2009).

The Canadian office and Yemen office differs in the workplace environment that their beliefs and artifacts built. The Canadian office displays a highly professional working environment; while the Yemen office is dominantly laid back due to the lax attitude of the Yemeni employees (Centre for Intercultural Learning, 2009). The norm that the Yemen office of Canadian Nexen Petroleum exemplifies productivity and output reliance even while being less stressed and more relaxed as

compared to their Canadian counterpart (Centre for Intercultural Learning, 2009).

In terms of values, the Canadian Nexen Petroleum Yemen's organizational culture prescribes that social relationships should be established and maintained in harmony (Centre for Intercultural Learning, 2009). In the Yemeni concept of social networks, friendships no matter how casual or professional in orientation should be taken care of because these relationships can determine the successes and failures of a company (Centre for Intercultural Learning, 2009). Yemenis expresses courtesy through constant contact such as the use of telephone, this makes the use of communication utilities widely used (Centre for Intercultural Learning, 2009).

Religion, gender, class and ethnicity are other factors that contribute to the values formation of the Yemen office of Canadian Nexen Petroleum. The gender roles in Yemeni context is constraining and limiting in the female sex. Even if there are drastic improvements in the abolishment of gender roles, male superiority is still observable in managerial positions (Centre for Intercultural Learning, 2009). Religion and everything else that come along with it are treated with utmost value in the Yemeni context.

The religiousness of Yemenis even moved the management of Canadian Nexen Petroleum to allow prayers and religious rites that are time sensitive to be conducted even in the workplaces (Centre for Intercultural Learning, 2009). Class and ethnicity are vital in the organizational culture of the Yemen office of Canadian Nexen Petroleum primarily because Yemen is a

tribal country. Ethnic and tribal affiliations play a large part in determining the future of any employee (Centre for Intercultural Learning, 2009).

Tribal affiliations can determine bias and favoritism among the managers in almost the same weight as productivity and output. Finally, the assumptions and beliefs in the Canadian Nexen Petroleum Yemen's organizational culture revolve around the deeper implications of their values, artifacts and behavior. The importance that Yemenis put on the relationships they are able to establish makes privileges and favoritism common in workplaces (Centre for Intercultural Learning, 2009).

Yemeni managers are commonly founded to be guilty in giving privileges and granting favoritism request due to the strong notion of friendship and relationship (Centre for Intercultural Learning, 2009). This part of the Canadian Nexen Petroleum Yemen's organizational culture is so strong that there are cases where foreigner managers are put into key positions to avoid the invocation of relationship-based favoritism and privileges (Centre for Intercultural Learning, 2009).

The importance of social relationships can also be seen in the assumptions and beliefs level of Canadian Nexen Petroleum Yemen's organizational culture through the manner of confronting conflicts. Conflict resolution is usually conducted in secrecy or at least in a private forum to avoid being noted as offensive and insulting (Centre for Intercultural Learning, 2009). Issues needed to be addressed in the Canada and Yemen offices of Canadian Nexen Petroleum International Joint Venture.

Canadian Nexen Petroleum's choice to expand its operation in Yemen comes along with difficulties not just simply in terms of logistics and finance. The company's move to create the Canadian Nexen Petroleum Yemen came along with the same prerequisites such as that of an international joint venture. Technically speaking, Canadian Nexen Petroleum Yemen is not a joint venture since the Yemen based company simply serves as an annex of the company's operations; this is different from the conventional definitions of an international joint venture.

International joint venture is a collaboration of two or more companies or corporations that decided to conjoin their operations for the sake of company growth and success (Li, Xin, & Pillutla, 2002, p. 320). However, it is inevitable to observe that organizational problems that international joint ventures experience are also similar to the problems faced by the Canadian Nexen in their expansion to Yemen. The cultural barriers among the members of the collaborating parties impede effective communication among the members resulting to the failure of the whole venture (Li, Xin, & Pillutla, 2002, p. 321).

Two sides of the World. It should be constantly noted that in the subjects of this research paper has a default difference due to the basic fact that Canada and Yemen are from different spheres of the world. Since the start of organizational studies, Western biases supersede other contexts such as that of the Arab world (Ali, 1996, p. 5). Organizational Security in Nexen Organizations including Canadian Nexen Petroleum and Canadian Nexen Petroleum Yemen are conscious of organizational security.

Organizational security represents the overall readiness of organizational structures to insure the development of the organization and of its members.

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Tools such as education of employees, security policies and collaborated management-grass root initiatives are some example of organizational security. As for the case of the two Nexen offices, organizational security practices are seen in the scholarship program in Yemen and the Integrity Program launched in Canada. These programs became structural tools that aid Romanow, Reinhart, Mawhinney and Sohaiki in leading Nexen.

As a foreign organization seeking to be integrated in a foreign land, Canadian Nexen Petroleum Yemen confronts the tasks and challenges of the cultural disparity between Canada and Yemen. The management opted to confront the problem but also decided not to be aggressive about it. Instead of generalizing work standards with that of the Canadian organizational culture, the Calgary-based company tried to get the trust and support of the local citizens of Yemen. Canadian Nexen Petroleum launched their scholarship program that specifically caters to Yemeni students who would want to pursue a career in Nexen (Nexen Inc. , 2010).

This scholarship program as a form of organizational security utilizes the culture and education exchanges that the students experience in Canada to insure a younger generation that fully appreciates the importance of the tie up of Yemen and Canadian Nexen Petroleum. So far, the scholarship program created young Yemeni professionals with the ample skills needed in operating with Canadian Nexen Petroleum offices. Canadian Nexen Petroleum launched its Integrity Program as early as 1997, which is mandatory to all of its employees including top ranked officials and even the new hires (Singer, 2009).

The Integrity Program seeks to integrate ethicality and proper conscientious conduct in Canadian Nexen Petroleum's employees (Treasury Board of Canada Secretariat, 2010). This program launched with a series of workshop that teach participants on basic proper workplace conduct, the need for joining productivity and ethicality and even individual accountability. As an organizational security tool, this program was able to get its needed support from managerial positions up to the grass root employees of Canadian Nexen Petroleum, including the Yemen office. Conclusion

The organizational cultures in the Canada-based and Yemen-based offices of Canadian Nexen Petroleum are similar in many aspects. The two offices share the organizational culture in the level of behavior and artifacts, some parts of the values level and almost no part of the assumptions and beliefs level. What does this difference imply in relation to the whole research paper? The differences between the leadership of the two geographically and demographically different offices prove that leaders would go out of their way to change the organization's culture for the sake of insuring productivity.

The default difference between Canada based and Yemen based workplaces of Canadian Nexen Petroleum pushes its leaders to create organizational security tools and inter cultural leadership tools that would modify the organizational culture of these offices toward single goal- productivity. The scholarship program was launched not just to create Yemeni professionals; it was also launched to create professionals that can lead the Yemeni office without the tensions that a foreign manager could bring.

Canadian Nexen Petroleum is smart enough to integrate itself to the existing organizational culture in Yemen. It was able to mitigate the probable tensions and difficulties of operating foreign. The Integrity program was also introduced to insure that workplaces emanate a general attitude towards productivity. This program created a sense of security for the employees of Nexen; this allows them to work in a more productive pace. Taking note of all of these, it can be said that leaders would modify organizational cultures for the sake of productivity.

In fact, the leaders of Canadian Nexen Petroleum would not be leaders at all of they are unable to find ways of improving organizational culture for the company's growth, as well as the employees' benefits. Bibliography Ali, A. J. (1996). Organizational Development in the Arab World. *Journal of Management Development* 15(5), 4-21. Banksinternational. net. (2005, December). The Banks Report: Culture Change? 5WH . Retrieved August 17, 2010, from [www. banksinternational. net: http://banksinternational. net/newsletter/pdf/dec05. pdf](http://www.banksinternational.net/newsletter/pdf/dec05.pdf) Centre for Intercultural Learning. (2009, October 15).

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