Factors influencing organisational change

1 The Major Factors Influencing Organisational Change

The following section describes the documented key factors that have

influenced organisational change:

1. 1 History and Ownership

The one-person organisation, the family organisation, the small-group

entrepreneur will determine influence, power, style which is due to its

centralized ownership.

1. 2 Size

As the organisations grow and expand, tight ownership and control may

dwindle and other outside forces will start having an influencing effect on

their style and culture.

1. 3 Technology

High cost, high-tech, high touch, fast changing technologies like

telecommunications require a more flexible culture than those technologies

that are expensive (machinery) where a more formal, well-structured culture

is required.

1. 4 Leadership and Mission

It is a well known fact that individuals and their values have an impact on the

culture of an organisation through various ways, which are explained by the

use of the cultural web

The cultural web is a method that can be used to analyse the elements of an

organisations culture in terms of the following:

- How is the culture of the organisation made up?

- Who are the decision makers within the organisation?

- What are the types of control systems that are in place?

- What are the routines and norms within the organisation?

1. 5 Analysing Organisational Culture

Mosby argues, " The workplace environment portrays much more of the organisations culture than what are generally believed, pub versus top class restaurant)."

The physical setting is a silent language that express the culture of the space, the behavioural norms and the framework for relating the physical work environment impacts on the company, culture, how people behave and relate" (2001 Mosby)

- The working environment should not only be client-friendly, employee friendly but that its space must enhance and support its intended message.

- Mosby asks the question why employees still come into the office when they can work virtually. The answer lies in an organisations culture. " They become to belong, to be part of a group, to exchange ideas and information i. e. to connect in person.

- The workplace (environment) has evolved dramatically since the Second World War and so has work.

" We are all communal beings; want to live and work in a community" (2001 Mosby).

The workplace and the work content need to encourage the building of the community spirit and therefore culture.

The same principle applies to organisations, but an important factor to recognise is that " culture and this includes organisational culture, is not all that easy to define and even more difficult to change" (2000 McLauglin)

Another key factor in organisational culture is associated with its values. (Holmes 2000) argues that " values are the building blocks of corporate character, and corporate character is the foundation on which reputation is built. Simply put, reputation is driven by behaviour. Where behaviour is driven by character; character is driven by values".

Stories:	What employees talk about, what matters, what is meant by either success or failure.
Routines:	What is the normal way of doing things, procedures and associated practices?
Rituals:	What does the organisation highlight, long service, quality, performance and

	innovation?
Symbols:	Symbols like office size, size or type of car.
Control System:	Formal, informal or bureaucratic.
Organisation al structure:	Who reports to whom on a formal basis and who have informal relationships?
Power structures:	Who makes the decisions, who influences the decisions, and how and when?

Table 1 Organisational Paradigms

This proves amongst other things the varied nature of organisational culture, its complexity, internal dynamics and above all its importance.

- If an organisation pledges commitment to quality, but the product falls apart the moment it leaves the assembly line can the company survive?

- If the organisation preaches a client focus and a client friendly

  approach, but doesn't provide any after sales service can it prosper?

- If the organisation is concerned about the well being of its employees,

  but this is not reflected in the workplace environment, its values,

  benefits, communication policies, staff development programmes then

  possibly staff turnover and dissent will become common place.

It is therefore imperative to manage the known organisational culture and for

the senior management to foster and enhance an organisational culture that

will lead to the following:

- Excellence.

- Growth.

- People and communal development

- Capacity building.

- Internalising positive values.

- Positive job orientation.

1. 6 Understanding the Concept of Organisational Culture

Lynch explains " it's a set of beliefs, values and learned ways of managing

and this is reflected in its structures, system and approach to the

development of corporate strategy. Its culture derives from its past, its

present, its current people, technology and physical resources and from the

aims, objectives and values of those who work in the organisation "(Lynch

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An important factor in analysing organisational culture is to look for the

details, as they provide evidence of the type of culture that is in place.

It is almost like a guide on a hunting trip, its is no use knowing what a tiger looks like, its imperative to know the footprint of the tiger, look for the broken twig, look for evidence of the resting place and establish whether the tiger is alone or not.

There is a need to analyse the detail. " Analysis is important because culture influences every aspect of the organisation and has an impact on the performance of organisations". (Brown in Lynch).

In view of the above the following framework for analysing organisational culture can be utilised.

1. 6. 1 External Environment
The following section identifies the external influences that have an effect on organisational culture:

- The political dimension.

- The economic dimension.

- The social dimension.

- The religious dimension.

- The educational dimension.

- The international dimension.

- The reigning ideologies.

1. 6. 2 Internal Environment
The following section identifies the internal influences that have an effect on organisational culture:

- The types of people employed in terms of age, male/female, language and community, religious beliefs, race, composition.

- The workplace environment in which the employees work.

- The types of labour policies that are in place within the organisation, for example a highly unionised labour force.

- The rate at which technology in the form of computers and automation has or is being deployed.

- The types of resources and resource policies that are employed.

- The history and ownership of the organisation.

- The values and beliefs, in particular the rituals of the organisation.

- The management style in place, such as bureaucratic and structured, to malleable and change orientated.

The perception of people of a product or a company and even a country's industrial and technological competency is dependant almost entirely on the leaders of industries and their ability to direct restructure and mould the kind of organisational culture that will promote the following:

- Excellence in all that it does.

- The creation of a benchmarking culture, whereby good practice is taken from other industries and installed into their own.

- The ability to build on the existing capability of the organisations that they control, thus increasing the capacity building capability.

- The quality of both the product and services that they provide to both to external and internal customers.

- The development and enhancement of the employees within the organisation.

- The ability to intervene in the capacity building process, evaluation, productivity assessments, company audits, data cleansing and staff development, without damaging both the external and internal reputation of the organisation.

As can be seen, without a thorough analysis and assessment of the present and real organisational culture, it is extremely hard to ensure progress and a valid and sustainable programme for future success.

This is because organisational culture provides the building blocks if not the cornerstone on which excellence, quality and progress is built and developed.

If quality and progress is not a recognised and respected value in the hearts and minds of the entire workforce, then all the abovementioned actions might be in vain.

The following summary is based entirely on work by Lynch:

1. 7 The Power Culture
" The organisation revolves around and is dominated by an individual or a small group" (Lynch).

Most of the initiatives, programmes previously introduced have referred back to the central control of an organisation, which in turn dominated the work styles, beliefs, and even working practices.

A problem with these kinds of initiatives are that they became increasingly difficult for the centre to keep control and manage as the organisation grows and expands, even if subgroups of managers develop their plans and

initiatives, it ultimately reflects the preferences of the top or centre of the organisation who are deemed to be the real power brokers.

1. 8 The Role Culture

" This organisation relies on committees, structures, logic and analysis" (Lynch).

In this context a small group of managers or leaders will make the final decision, they will rely on procedures, systems and well-defined roles of communication.

In this environment the management of change is often a problem and difficult to achieve, especially in an unstable environment where the managers often do not see the changes coming and do not know how to manage them.

1. 9 The Task Culture

" The organisation is geared to tackle identified projects or tasks. Work is undertaken in teams that are flexible and tackle identified issues". (Lynch).

In this type of organisation controls rest with a select team and experts are utilized to facilitate group decisions.

The major problem with this kind of culture is that it is less capable of large-scale work and control relies largely on the efficiency of the team and top management is obliged to allow the group day-to-day autonomy.

1. 10 The Personal Culture

" The individual works and exists purely for her or himself. The organisation is tolerated as the way to structure and order the environment to certain useful purposes, but the prime area of interest is the individual." (Lynch).

An obvious problem with this kind of culture is that each individual feels little loyalty to the organisation and is therefore difficult to manage.

1. 11 Conclusions on the Four Types of Culture

Lynch comes up with the following conclusion on the four types of culture. Lynch applies three criteria related to cooperative strategy to analyse the strategic implications of the four cultures.

The three criteria are:

- Fit with prescription or emergent strategic routes.
- Delivery of competitive advantage.
- Ability to cope with strategic change.

	Prescriptive or emergent strategy	Delivery of competitive advantage	Ability to cope with strategic change
Power culture	Prescriptive	Enhanced but individua	Depends on individu

		Is may miss competitive moves	al or group at centre
Role culture	Prescriptive	Solid, slow and substantive	Slow, will resist change
Task culture	Emergent	Good where flexibility is important	Accepted and welcomed
Personal culture	Possible emergent	Depends on individual	Depends on individual

Table 2 Types of Culture

However he does add three important qualifications:

- Organisations change over time, which if so desired allows for the

  movement from one culture to another possible.

- Several types of culture usually exist in the same organisation, without it being fully realised.
- Different cultures may predominate, pending on the centralisation in the company.

1. 12 Testing the Strategic Fit with Current Thinking

From previous discussions, it is clear that there are not only different cultures, but they can all impact differently on the various types of organisation.

" Kreitner and Kinicki" identified four functions of a progressive organisational culture which are as follows:

- They give employees an organisational identity, whereby they attract, develop and keep talented people. They serve as a magnet and create a feeling of belonging amongst their employees.
- They facilitate collective commitment, whereby people own the company, are prepared to work to achieve the desired aims and salaries, dividends and productivity is high.
- They promote social system stability, strict standards, and tight controls; more than just discipline are a mystique, low turnover and above all a passionate commitment to work, thus developing a strong identification with the company.
- They shape behaviour, by helping employees to make sense of their surroundings i. e. the social glue.

The above are just a few, as there are many more functions of organisational culture. The fact is, it needs to be recognised by senior management teams

and further more must be carefully managed and aligned with the goals and strategy of the organisation as well as being directed correctly, thus ensuring a constructive and effective functioning of the overall organisation.

Messmer for example states, " In addition to traditional financial compensation there's something else employees are looking for in their jobs an element that could well turn out to be the most pivotal of all. A company's corporate culture, especially the way it treats, values and trusts, its employees, is typically the deciding factor in whether a worker stays or moves on." (Messmer 2001)

A number of fortune 100 executives questioned in a survey commissioned by Robert Half International Inc. (RHI) placed a positive work environment at the top of their list of considerations for keeping employees happy." It is clear that the positive work environment referred to here is but the tip of the iceberg, the reality of organisation culture is much more complex, dynamic and consequential."