

An analysis of the culture of an organisation



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Organisational culture is a place or community and sometimes is called as workplace environment on which the growth of the employees or the people is relied that is important for the growth of the company itself. The culture should be encouraging and based on the organizational policies, values and set of business ethics as well so that the people working within the organizational working environment can find things to keep in ethical standards and also according to the way the business organization wants to keep. This will benefit both the business organization as well as the people working for the organization as well. This report is based on the title of “ *An analysis of the culture of an organisation* ” and for accomplishing the key objectives of this assignment, we are to use the case of Nestle. Nestle is a big global business organization and it has been serving the world food industry for the last 150 years of successful business operations as cited by (“ About us”, 2016). The culture of Nestle is a big matter of discussion when the company is much health and safety as well as environment concern providing best food products to the people in more than 189 countries of the world. It employs more than 3, 35, 000 employees having operated more than 2, 000 brands of it in the international food market as highlighted by (“ At a glance”, 2016). Nestle has a good culture practicing growth for its employees and improving their abilities and skills continuously within the organizational community through performance improvement and reward systems as well. The culture of Nestle is based on better performance that the employees are always encouraged to be better than the past as noted by (“ Performance culture”, 2016).

Organization and the culture of the organization is significant as evaluated by the employees or the people who work there. It is significant in the sense that if the organization cannot ensure and provide the culture or the minimum working environment to the employees where the employees will have the growth opportunities. If they can't get the opportunity to Put into their potentials in the company and the opportunity to prove themselves then, employees will not find interest for working there anymore. This report will cover the culture of Nestle and how it assists its employee to keep themselves align with its mission and objectives while giving them the opportunities and benefits for working better and nurturing the culture of it. In order to discuss the facts related to the evolution of the culture of Nestle, we will demonstrate how different theoretical framework or models can be applied to the case of nestle. Also, an analysis will take place on using and evaluating a particular and relevant cultural theoretical model to the selected organization along with some evaluative recommendations for the company to better design the culture of it.

This report will be prepared basing on the fact of equality of rights for both male and female employees and balancing gender in the workplace environment. Nestle is trying to enhance some systematic changes and trying to bring some improvements in the workplace environment in order to enhance as well as develop the culture of the organization throughout all of the offices of Nestle. Also, maintaining standards in all of the departments and offices throughout the word is another goal of Nestle through focusing on some key changes such as eliminating child labor, ensuring better safety in the workplace, improving supply chain, using environment friendly

production and distribution system and many more issues as cited by (“Creating Shared Value”, 2016).

So, we are to focus on the issue of “balancing gender or, enhancing balance in gender in Nestle” as this is one of the issues that is presently confronted and tried to be settled at Nestle.

Culture of a business organization or company needs to be understood and evaluated by the managers or strategists of the particular business organization. The analysis on the culture of a particular business organization by its key planners or managerial personnel will provide the opportunity to enhance the productivity of the employees as well as the people working in the company through developing their skill within the standardize system of the culture set by the managers (Al Mehairi & Zakaria, 2014). But, evaluating as well as understanding the workplace environmental characteristics or the elements of the culture to know about the nature of the culture of a particular organization needs to use some models or theories to analyze the key elements of the work environment or the culture of the company. Here, we are to discuss about two models of culture related to analyzing the culture of a business organization so that the issue that is currently facing by Nestle can be evaluated and analyzed to oversee how the company is confronting and overcoming the challenges or the issue. Among various models of organizational culture, we are to discuss here on the Hofstede’s model of culture and the Handy’s model of culture. In the following paragraphs these two model of organizational culture are to be discussed brief.

Hofstede's model of culture

Geert Hofstede is a psychologist who had provided with a model showing the variables or dimensions that a society or a culture of the society or culture of any organization as well as company might possess (" Geert Hofstede", 2016). The model of cultural dimensions was provided by Geert Hofstede in the year of 1970 which was invented basing on a research project by Geert Hofstede (Hofstede, 2009). The research project was conducted on fifty different countries of the world involving the workers or people working in the IBM and he differentiated one culture from another as cited by (" Research – Geert Hofstede", 2016). Through conducting this research project, Geert Hofstede provided four dimensions and later on, he added two more dimensions of culture that are now used by the organizational researchers to understand differences among the culture of each country from other business organizations. Strategists or managerial personnel use this model of culture to analyze various differences in the culture of a particular business organization in order to settle the issues faced by the company to overcome cultural problems. Moreover, the model of cultural dimension by Hofstede is used for understanding cultural differences between or among societies or cultures of business organizations as well.

Geert Hofstede suggested six dimensions of organizational or societal culture. According to (Hofstede, Pedersen, & Hofstede, 2012), these six cultural dimensions of culture can place value within the organization if the variables or dimensions can be properly balanced and managed by the managers. The six cultural dimensions by Hofstede are described below in brief.

Power distance: Power distance index is a measurement of power distribution that shows how the power within a society or business organization or company is distributed to the people of the particular institution or company. This index consists two sides from which one is high power distance and another is low power distance. The two sides reflect two kinds of nature of a culture of a business organization along with the nature of the authority and management possessed by the managers of a particular business organization. The business organization which has people with high in power distance that means that people have more power than the people living without zero or very low power than the higher class people in the society or in the organization. The organization having high in power distance index follows an authoritarian management philosophy and the employees working there do not have the rights such as flexibility of work, right of making decisions or giving opinions etc. But, low power distance index of an organization has a balance in the power that people have in the working environment or company. Managers follow democratic leadership and managerial style involving others in making key organizational decisions as well as cited by (“ Organisational Culture – Geert Hofstede”, 2016).

Individualistic vs collectivistic: Business organizations may also have the nature of individualism or collectivism in its organizational culture or working environment. Individualistic business organizational culture doesn't inspire people to work for the shared goals as prescribed by the business organization. But, collectivist organizational culture of a business organization promotes common values and goals as well of the organization to be achieved through group or team efforts by the people working within

the organization. This dimension shows whether a business organization has a culture of community sharing common objectives or a culture having interest for achieving personal rather than organizational goals.

High and low uncertainty avoidance: Companies that are high in the uncertainty avoidance have a culture involving systems, regulations, guidelines to follow without coping with the changes due to the change of the business environment, change in the economy or change in the other variables that might influence the decisions taken by the company. These organizations do not change over time and believe that changes might cause problems whether, the organizations in low uncertainty avoidance index update their systems and implement improvements in the strategies or plans as well to innovate and to increase the feasibility and validity of the organizational policies.

Masculinity and femininity: This index shows the attitude that a culture of a business organization possess. The high in the index shows that the organization is such ambitious, competitive and there is more difference in gender beyond equality between male and female employees. The low index value shows femininity attitudes within the culture of an organization of high in gender balance and focusing on relationship building with others in the organization to provide greater value for the organization together.

Short term and long term orientation: Organization may have an orientation of short term which involves the organization to rely upon traditional systems followed by the company and also having the view that future will be handled in future without having any planning at present. Taking any

action in the business is not made basing on future. On the other hand, having the long term orientation companies implement long term plans taking the value of time and analyzing the past, they take actions at present to improve the organizational situation in the long term.

Indulgence versus restraint: Organization focusing more on indulgence or having high score in the index of indulgence versus restraint has a culture of rewarding employees toward a happier personal as well as work life. But, low in the index represents the culture of a business organization to involve rigid and structured organizational framework with no optimism of wellbeing of the employees.

Handy's model of culture

Charles Handy is an Irish Philosopher who is a specialist of culture of business organization (" Charles Handy", 2009). Charles Handy provided his model of organizational culture which involves four types of culture that the business organization may follow. This model of culture identifying the four types of culture of a business organization will make someone understand why employee feel comfortable working in a particular business organization. According to Charles Handy, the four types or classes of culture of the business organization are described in brief in the following paragraphs as highlighted by (CRAINER, 2010).

The power culture: The business organization that involves the power culture follows the leadership style as well as the management style of autocracy. Business organization having such power culture centralizes all the power of the organization to some of the person in the high level of the organizational

hierarchy or structure. Key decisions or any types of decisions taken within the organization are done by them without giving any right of opinion giving to the employees as cited by (“ Charles Handy Model of Organization Culture”, 2016). So, Employees do not enjoy working in such type of organization and also this type of culture ensures nothing equal on any issue for the betterment of the people working under the autocratic managers.

Task culture: The business organizations or companies having or following the culture of accomplishing tasks through making team efforts are more objectives achieving oriented. According to (Bailey, 2007), the task culture emphasizes on sharing common goals and business objectives. In this type of culture, the employees are motivated to work as teams.

Person culture: The Company in which people working there do not bother about whether the objectives or purposes of the organization are met or not and primarily and only their personal desires are their focal points possesses a person culture. When there is nothing that the employees have to expect any kind of betterment working hard for the company, this type of culture takes place in the business organization. Employees just come to the company for their salary and accomplishing their personal interest.

Role culture: Organization possessing this type of culture where the employees are given the right combination of duties and authority aligning with their job position in the organization and basing on their qualifications and experience as well (“ Management Theory of Charles Handy”, 2011). Employees within this type of culture are empowered with the authority

given to them for choosing their own ways to solve any issue or accomplishing any task as well.

Comparison between Hofstede's and Handy's models of culture

The two models of organizational culture describe two issues relating to the culture of a particular work environment or company. The first one provides six types of dimensions on which the nature of culture is understood but the later one describes types of culture that a company might possess either of them.

The objective of these two models are also different. For example, the Hofstede's model is used to understand the culture of a particular organization through analyzing six sets of attributes discussed in the previous task. But, Handy's model of culture is used for knowing why an employee is working within a particular business organization as highlighted by ("Types of Organizational Culture", 2016).

Also, according to Hofstede a culture can be measured positive or negative analyzing the score in the six indices accomplished by the particular business organization as cited by (Hofstede, Hofstede, & Minkov, 2010). But, Handy's model of culture analyzes which type of culture does the business organization specifically possess at present.

We have selected a single issue- "enhancing gender balance in Nestle" to apply any of the cultural model within the Organizational culture of Nestle to overcome the challenges of confronting the issue. The Hofstede's model of culture doesn't involve any dimension relating to gender equality in the

workplace environment where the Handy's model of culture presents the role culture types which only focuses on qualification and education of the employee beyond gender disparity. So, we will utilize the Handy's model of culture and apply this on the issue facing by Nestle at present.

According to Charles Handy, there are four types of cultures from which any one of these types of culture can be seen in a particular business organization. Among these four types of culture described in the previous part of this report such as power, role, task and person culture, we are to use the role culture in case of Nestle. Because, we are responding to the issue of enhancement of gender balance within Nestle and we will emphasize on this type of culture to give some recommendations that the company might follow to adopt in order to confront the issue as well.

The role culture as provided by Handy is focused on the empowerment of the employees working in the business organization ("NCSL Modular Curriculum", 2016). As Nestle is directed toward improving its working environment balancing the role and power of the workforce through enhancing the balance in gender. Male as well as female employees are to be given equal opportunities and this is to be ensured for balancing in gender in Nestle and in any organization as well. The main objective under the issue of enhancing gender balance in the company is to increase the number of female in the higher or managerial positions of the company. This needs to be given the female workers or employee equal opportunities to grow and also to encourage and motivate them to work closely with the male employees so that the synergic calculation of the effort by both genders equals to more than the sum of them. The role culture needs to be adopted

by Nestle because, this culture imposes equal rights, responsibilities, power to all the employee's according to their qualification and skill as well as according to their job position without considering which gender they possess. So, adopting such practices and the "role culture" in the business organization will support Nestle to accomplish its objective of enhancing balance in gender.

Nestle should implement the role culture that will ensure the empowerment with right combination of authority and responsibility of all the employees and eliminating the gender disparity within the business organization.

Organizational culture needs to be set up according to its shared objectives and values so that the employees can be managed within the controlled organizational environment toward organizational goals achieving. Through implementing such a shared culture will improve business processes for enhancing of opportunities for the betterment of the employees as well company.

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