

Models of organisational culture management essay



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The research will present literature of various models of organisational culture. The research will concentrate on models of organisational culture by Schein, Hofstede, Denison and competing value framework models. This model will be presented to give a framework for organisational culture. The models of organisational culture are very important to the study as they explore the various perspectives of authors and how they are applied in organisational setting. The study will focus on the Denison model of organisational culture.

2. 2. 1 Schein (1992) discusses the levels of culture namely; artefact, espoused value, basic underlying assumption.

2. 2. 2 Artefacts

Artefacts deal with organisational attribute that can be perceived, felt and heard as new members join the organisation, they are difficult to measure. According to Du Toit (2002), artefacts are visible, obvious expressions of culture. They are the tangible and audible demonstration of behaviour supported by organisational norms, values and assumptions. They range from aspects such as architecture, office design, language, rituals and celebrations.

2. 2. 3 Espoused Values

This level deals with espoused goals, norms, standard, morals and principle, and it is measureable. It is the value from the foundation as to what is acceptable and what is not acceptable. They represent what is considered as right and wrong and forms an ethical code of the organisation.

Norms relate to value that indicate the expectancy amongst members in the organisation. Norms offers the organisation with unwritten rules that shows the expectations in terms of actions appropriate to certain situation. Norms and values support the artefact of a culture (Du Toit, 2002).

2. 2. 4 Basic Underlying Assumption

This level is the basis of the culture of an organisation. Basic assumptions are unconscious and are often taken for granted, but they are often how employees feel in an organisation. The basic assumptions are often taken for granted to the degree that there is little variation within culture unit. They serve as a guiding behaviour that tell people how to think, feel and perceive work, performance goals relationships and performance of co-workers. (Du Toit, 2002)

Figure 1 Schein's Model of organisational Culture

Source: Schein, E. H. organisational culture and leadership, Jossey-Bass, San Francisco, 1992, figure 9.

2. 3 Hofstede's Model of organisational Culture

Hofstede's four levels of culture are symbols, heroes, rituals, and values. This cultural model was for the relationship between organisational culture and local cultures. .

2. 3. 1 Symbols

Symbols is the first level of this cultural model. Symbols convey a specific meaning within a culture, (Davidson, 2004). According to Denison (1990), symbols are the most obvious elements of culture, presenting the gestures,

objects or words, which are acknowledged by those who belong to the same organisational culture.

2. 3. 2 Heroes

Heroes according to Davidson (2004) are people who are recognised to have characteristics that are highly valued and most times are 'winners' in the organisation. They function as models of behaviour within the organisation (Hofstede, 1985).

2. 3. 3 Rituals

Rituals represent a number of activities in the culture that are extra but are considered socially vital. According to Hofstede (1985), symbols, heroes and rituals can be termed as practices, because they can be seen and observe.

2. 3. 4 Values

According to Hofstede, the essential aspect of culture is formed by values, which are broad propensities to have a preference of certain state to others which are the deepest level of culture (Denison, 1990).

Figure 2 Hofstede organisational culture model

Source Adapted from Davidson (2004, p. 47)

2. 4 Competing Value Framework Model

The competing value framework consists of two dimensions which have been encompassed into four groups. The first dimension is allied to organisational focus, from an internal emphasis on the well-being and development of individuals in the organisation and to an external emphasis on the well-being and development of the organisation itself. The second dimension

distinguishes organisational preference for structure and signifies the difference between stability, control, flexibility and change. The two dimensions form the four quadrants of the model (Cameron and Quinn, 2006).

2. 4. 1 Clan Model

The clan model in the upper left quadrant places a great importance on the flexibility and internal focus, and stresses on cohesion, moral and human resource development as standard for effectiveness. This model focuses on friendly working environment, like one big family where individuals have a lot in common and share things among themselves. Leaders are seen as mentor, and they represent a parental symbol. What keeps the organisation together is loyalty, custom and teamwork. The organisation focuses on long-run remunerations of individual's development with a sense of high unity and morale being important, whilst commitment becomes very high (Cameron & Ettington, 1988). Accordingly, Cameron and Quinn (1991) argued that clannish organisations place importance on attachment, affiliation and membership support. The definition of achievement at this level is in terms of thoughtfulness to clients and concern for people, exceptional focus is on teamwork, involvement and harmony in the organisation (Cameron & Quinn, 2006).

2. 4. 2 Adhocracy model

The Adhocracy model is located in the upper right quadrant emphasising on flexibility and external focus, and highlight on readiness, growth, resource, acquisition and external support. The organisation is measured as a vigorous, enterprising, and resourceful workplace, where employees stick
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their necks out to take risks for the organisation. Leaders are ambitious, productive and risk-oriented. The organisation is held together by commitment to experiment and invention. The focus is being at the foremost edge of work knowledge, products and other services. Willingness for change and meeting new challenges are significant. The organisation's long-run emphasis is on fast growth and obtaining new resources. Denison and Spreitzer (1991) argued that, the resources are predicted to cultivate innovation and cutting-edge output. Behaviours come from members' creativity, self-determination and adaptability (Cameron and Quinn, 2006).

2. 4. 3 Market model

This model is located in the lower right quadrant with emphasis on control. It has internal focus, and stresses on the role of information management, communication, stability and control. The most important attention is for work to done. Leaders become motivating creators, directors, and contestants. Leaders are tough and demanding. The bond that holds the organisation together is on importance on winning. The long-run concern is on competitive movements and achieving strategic goals and targets. The style of the organisation is striving on competitiveness (Cameron and Quinn, 2006).

2. 4. 4 Hierarchy model

Hierarchy model is in the lower left quadrant. This model emphasises on control. It has external focus, and views planning, goal setting, productivity and efficiency as effective. It is branded as a formal and organized place to work. Measures and well define practice govern what people do. Leaders in the organisation are good coordinators, planners, and efficient experts. The <https://assignbuster.com/models-of-organisational-culture-management-essay/>

long-run of the organisation are constancy, expectedness and efficiency. Official guidelines and policies hold the organisation together (Cameron & Quinn 2006). Behaviours that affect these values consist of conformity and predictability. Denison and Spreitzer (1991) argued that these values, in turn, promote efficiency, timeliness, and smooth functioning.

Figure 3 Competing Value Framework

Source from Cameron and Quinn (1999)

2. 5 The Denison Organisational Culture Model.

Denison (1990) established four basic views of organisational culture traits namely; mission, consistency, involvement and adaptability

2. 5. 1Mission

Denison (1990) postulates that, culture that offers a shared definition of the role and purpose of the organisation is not only positively linked with putting in their efforts in the interests of the organisation, but also helps in finding the direction and goals which makes it easier to select appropriate course of action for the organisation. A sense of mission permits an organisation to shape present behaviours by predicting a desired future state. Being able to adopt and recognise with an organisation's mission contributes both short and long-term commitment to the organisation.

Organisations that have low mission scores usually have top executives who concentrate on controlling their organisation, second-guess their direct report and make thorough decisions about products, people and resources. Also, organisation with low mission scores respond to competitors who have

redefined the rules, goals and not very understanding to many employees and the long term drive of the organisation is not very motivating.

The mission model has three divisions;

2. 5. 1a. Strategic Direction and Intent

A clear strategy intention communicates the organisation's purpose and has a clear indication on how everyone in organisation can contribute and make an impact in the organisation (Denison et al., 2006). This affirms the argument by (Baker., 2002) that strategic planning and identification are very important for maintaining organisational culture (Baker., 2002).

2. 5. 1b Goals and Objectives

According to Denison et al (2006), a clear set goals and objective can be associated to the mission, vision and strategy and this give a clear direction to employees in an organisation.

To be able to function effectively an organisation should be able to plan future course of action and also have a well-defined understanding of where they are going and the strategy to get there.

2. 5. 1c Vision

Denison et al (2006) posit that, the organisation has a shared view of preferred future and it stands for core values and apprehends the heart and minds of the members of the organisation, whiles giving guiding principle and direction. Mobley et al (2005) discovered from a study when assessing a

global office furniture firm that, high score on vision may be indicative to people in the organisation having a clear idea as to the vision of the organisation.

Denison and Fey (2006) argued that mission is the most significant cultural characteristics for the organisations concentrating on sales growth.

2. 5. 2 Consistency

Denison (1990) suggests that, a reliable procedure for exchanging information is communication because it brings about an agreement on the meaning of words, actions and other symbols and further argued that organisational members will enhance their internal co-ordination and stimulate meaning and a sense of identification when they have a common perspective, shared beliefs and communal values. Organisations are effective when they are consistent and well incorporated (Safford, 1998). To back this view, Denison, 2006; Gordon and Ditomaso, 1992; Schein, 1992; argued that, behaviour is rooted in the set of core value, that leaders and followers are capable in agreeing and including various points of view and that the organisation's activities are well coordinated and integrates. A consistent organisation cultivates an idea and produce organisational systems that build an essential system of authority based on consensual support.

2. 5. 2a Core Value

Members of organisations often share a set of values which generates a sense of identity and a clear set of expectation. A research in Russia,

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conducted by Denison and Fey (2006) indicated that employees viewed core values to be important. The response of employees showed that the main purpose of the firm is to uphold the integrity of the current authority structure.

2. 5. 2b Agreement

When members of organisations are able to reach agreement on critical issues, there is an agreement. This involves the fundamental level of agreement and the capacity to settle the differences as they happen (Denison et al., 2006). A study conducted on the effect of organisational practices on individual attitudes and behaviour by Fisher and Alford (2000) discovered that it is important to establish if agreement within the organisation is about the main organisational practices. Agreement will build up the impact of organisational practices of individual work behaviour. Disagreement on the other hand will weaken the connection between organisational practices and work attitude and behaviour.

2. 5. 2c Co-ordination and Integration

Different departments of organisation are able to work together to accomplish a common goal while organisational boundaries do not affect getting the work done (Denison et al., 2006). The Wyandotte city council did a research to determine ways to decrease operational cost and to enhance customer service. The Denison culture survey was administered and the outcome was low consistency scores which point out that the city council should enhance integration and co-ordination in order to increase operational effectiveness, (Buno and Bowditch, 1998).

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Organisations that have low consistency score most of the times have customers who get unsatisfied for the reason that no one seems to be able to speak for the whole organisation.

According to Rondeau and Wagner (1999), strong consistency cultures which highlight adherence to formal roles, rules and regulation and traditions, were discovered to be usually less likely to use systematic approaches when reacting to change.

2. 5. 3 Involvement

Involvement incorporates the significance that the organisation places on building the capabilities of its professional and administrative employees. The value that the organisation has on team orientation against individual accomplishment and the feeling of ownership is created by the high level involvement. According to Denison, Jonovics Young and Cho (2006), employees are committed to their work when they feel a strong sense of ownership. They indicated that, people at all levels believe that they have some contribution into decisions that will affect their work and will make them believe that their work is directly connected to the organisational goals. The involvement view on organisational culture postulates that, the role of organisational effectiveness is the level of involvement of organisations members' participation. A sense of ownership and responsibility is created by a high level of involvement and participation. This ownership produces a high level of commitment to the organisation and an increasing ability to operate under circumstances of ambiguity. The outcome is an increase in the level of employee commitment to the organisation

which tends to reduce the needs for formal systems of control in organisation and leading to performance improvement (Denison, 1990).

Organisation with a high level of involvement depends on informal, voluntary and implicit control system instead of formal, explicit, bureaucratic control systems. On the other hand, organisation with low involvement generally shows an organisation whose employees are detached from their work, ignorant of its importance and its link to the rest of the organisation, reluctant to accept greater responsibility and are tentative about working with people who are not from their immediate circle (Denison et al., 2006)

The involvement part of the Denison model has three divisions.

2. 5. 3a Empowerment

According to Denison et al (2006), people have the authority, initiative and aptitude to manage their own work. This produces a sense of ownership and responsibility to the organisation. Greastey, Bryman, Dairity, Prince, Soetanto and King (2005) did an investigation on how empowerment is perceived by employees in a construction firm and discovered that the strict regulations and rules under which construction workers operate, hinder their freedom to impact the work that they do. Additional discoveries suggest that the role of the employees' direct supervisor has a strong impact on the diffusion of empowerment. To concur this view, findings of an investigation done by Benko (2001) perceived that if employees were not constrained by rules, regulation and limitations, they were able work more efficiently, promptly and effectively.

2. 5. 3b Team Orientation

Denison et al (2006) postulate that, organisation depends on team effort to get work done as value is placed on working together towards a common goal for which every employee feel jointly responsible. Scott et al (2003) conducted a research on team orientation; they found out that, group association and teamwork have been linked with greater implementation of continuous quality development practice.

2. 5. 3c Capability Development

According to Denison et al (2006), capability development of the organisation is the continuously investment in the development of employees skills to enable the organisation to stay competitive and meet on-going business demands. Managers and employees must learn how they can work well in a market economy, so an organisational culture that place importance on training and capability development of workers is very essential, (Puffer, 1992).

Research point out those effective organisations empowers and engages their employees, build their organisation around teams and develop human skill at all levels (Block, 1991; Buckingham & Coffman, 1999; Lawler, 1996; Spreitzer, 1995). Fey and Denison (2006) discovered that involvement is the most key dimension of organisational culture for organisation whose primary aim is employees' satisfaction.

To harmonise this view, research conducted examining organisational culture in a hospital setting found that strong involvement cultures were

possible to increase employee participation, increase employee training and development expenditure, and increase use of self-managed work teams (Rondeau and Wagner, 1999).

2. 5. 4 Adaptability

Denison and Mishra (1995) argue that organisation which has a strong adaptability generally experience sales and growth market share.

Organisations which have low adaptability score generally have an internal focus and struggle to respond to competitors, customers and employees with new ideas. Low adaptability organisations operate on apathy and their past accomplishment may possibly create barriers for future success. Top managers in these organisations devote their time responding to results of standard operating procedures, controlling the organisation and managing short-term performance, instead of leading change or long-term thinking (Denison et al., 2006).

2. 5. 4a Creating Change

Denison et al (2006) argued that, an organisation is able to create adaptive ways to meet changing needs. It is also able to read the business environment to react quickly to trends and predict future changes.

A research conducted by Price (2003) in assessing organisational culture in a manufacturing firm, discovered that most employees showed that they were not rewarded or respected for discovering new and better ways of doing things, and they are not able to quickly adapt, change is met with opposition and the organisation is not taking the initiative. Areas that need

improvement were identified in order for the organisation to adapt to the external environment.

2. 5. 4b Customer Focus

Customer focus mirrors the extent to which the organisation is motivated by a concern to satisfy its customers. The organisation recognises and responds to their customers and predicts their future needs (Denison et al., 2006).

Price (2003) when assessing the organisational culture of the manufacturing firm reached that most employees felt that they were meeting the needs and expectations of the customers.

2. 5. 4c. Organisational Learning

The organisation obtains, interpret indicators from the environment into opportunities. The opportunities serve as a means to inspire innovation, gain knowledge and develop competences (Denison et al., 2006). Rondeau and Wagner (1999) from the study they conducted reported that strong adaptability cultures emphasis employees' innovation, risk-taking, internal flexibility and entrepreneurialism. Also according to Doherty and Hardy (1996) adaptability to the environment is an essential element in ensuring innovative success.

Figure 4: Denison organisational culture model

Adapted from [www. denisonconsulting. com](http://www.denisonconsulting.com)

2. 6 ORGANISATIONAL COMMIMENT

The idea of organisational commitment has increase in the literature on industrial and organisational psychology (Cohen, 2003). The theory of organisational commitment is a concept different from other concepts such as job satisfaction, job involvement, career salience, occupational commitment, turnover intentions and work group attachment (Cohen, 1993; Mathieu & Farr, 1991; Meyer et al., 1993; Morrow & McElroy, 1986; Mueller et al; 1992). Apart from being a different concept, organisational commitment adds exclusively to the forecast of important outcome variables such as performance, turnover and withdrawal behaviours (Mathieu and Zajac, 1990; Meyer et al, 1993; Tett and Meyer, 1993). Research has emphasised that commitment has a great impact on the successful performance of an organisation. A highly committed employee in an organisation will identify with the goals, objectives and values of the organisation and will have a strong desire of being associated with the organisation.

2. 6. 1 Definition of organisational commitment.

The concept of organisational commitment was defined by Mowday et al (1982, p. 27) as, the relative strength of an individual's identification with and involvement in a particular organisation. O'Reilly and Chatman (1986, p. 493), defined organisational commitment as the psychological attachment felt by the person for the organisation; it will reflect the degree to which the individual internalises or adopts characteristics or perspective of the organisation.

Organisational commitment has been defined as a psychological state that binds the individuals to the organisation (Allen and Meyers, 1990, p. 14).
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Mathieu and Zajac, (1990, p. 171) also defines organisational commitment as a bond or link between the individual and the organisation. However, Steers (1977) defined organisational commitment as a comparative strength of an employee's identification and participation with an organisation.

According to Mowday, (1992), commitment consists of three components, it is identification with the goal's and values of the organisation, a desire to belong to the organisation and willingness to display effort on organisation's behalf. Researchers suggest that commitment impacts behaviour independently of other motives or attitudes and, might lead to the persistence in a course of action even in the face of conflicting motives or attitudes. Thus, commitment can lead individuals to behave in a way that, from the perspective of neutral observers, might seem in contrast to their own self-interest, e. g. a temporary employee who is productive despite having no job security (Meyer and Herscovitch, 2001, p. 301).

For the purpose of this research, the definition and components given by Allen and Meyer (1990) will be used.

2. 6. 2 Models of organisational commitment

The research will present literature of various models of organisational commitment. The research will concentrate on the Morrow's model, O'Reilly & Chatman's model, Etzioni's model, and Allen and Meyer model. These models will be presented to give a framework for organisational culture. The models of organisational commitment are very important to the study as they explore the various perspectives of authors and how they are applied in

organisational setting. The study will focus on the Allen and Meyer's model of organisational commitment.

2. 6. 3 O'Reilly and Chatman's model of commitment

The model of commitment by O'Reilly and Chatman according to Herscovitch and Meyer (2001), was based on the theory that commitment signifies a frame of mind towards an organisation, and that there are different ways through which attitude can be cultivated. O'Reilly and Chatman (1986) argued that commitment takes three different forms, established on Kelman's work on attitude and behaviour change. The three commitment forms are as follows:

Compliance Commitment, which is the instrumental involvement for specific extrinsic rewards.

Identification commitment, which involves attachment based on a desired for affiliation with the organisation

Internalisation commitment which involves envisaged on congruence between the individual and the organisational values.

2. 6. 4 Morrow's model of commitment

Morrow (1983) gives five different forms of organisational commitment. The forms of commitment are divided into two broad categories.

The first category looks at commitment that impact work attitude with no association to organisation where one is working. These are Protestant work

ethic (Mirels and Garret, 1971), Career commitment (Greenhaus, 1971) and Job commitment.

The second category looks at commitment that are impacted by the organisation where one is working, these are continuance and affective organisational commitment (Allen and Meyers, 1993)

2. 6. 4a Protestant Work ETHIC (PWE)

Protestant work ethic (PWE) according to Aaron Cohen (1999), determining factor are felt to be a principally a function of personality and secondarily a function of culture (Morrow, 1983). The character connection is based on the observation that ethical authorization with stable personality and demographic traits. Power work ethical is related to work experience variables or to work outcomes (Morrow, 1983).

2. 6. 4b Job Commitment

Job commitment according to Aaron Cohen is a function of personality or individual difference and the work situation (Morrow, 1993). Thus demographic and work experiences are expected to relate to job involvement (Blau and Boal, 1989).

2. 6. 4c Career Commitment

Blau(1985) suggest that the principal determinants in career commitment are; individual differences and situational characteristics. Therefore, for the demography variables, the same pattern of relationship is expected for career commitment with the job involvement.

2. 6. 4d Affective Commitment

Affective organisational commitment was discovered to be related to a wide variety of literatures. Affective commitment is related to both demographic characteristics and work experience. (Mowday, Porter and Steers, 1982; Morrow, 1993)

2. 6. 4e Continuance Commitment

Continuance commitment, which reflects the recognition of costs associated with leaving the organisation, should be related to anything that increases perceived costs. Direct or indirect investments in the organisation, side bets, represents such costs bets, represents such cost best, and were operationalized mainly by variables like age, education and tenure (Becker, 1960). Morrow (1983) posits that career commitment is linked to continuance and affective commitment to the organisation. Also continuance commitment to the organisation relates to affective commitment, both of these commitment influence job involvement. Morrow further argued that there is a reciprocal between the different levels of commitment.

2. 6. 5 Etzioni's model of commitment

The Etzioni's model of commitment has three different forms, namely Moral commitment, Calculative commitment and Alternative commitment.

2. 6. 5a Moral Commitment

Moral commitment is classified Etinio's (1961) originate from a symbolic compliance structure which can epitomise one of the two affective commitment. Moral commitment is categorised by positive affective attachment and internalisation of organisational goals and values based on

an agreement structure that stresses on material or symbolic reward, shared norms and personal dedication (Etzioni's 1975; Penley and Gould, 1988) cited in Hornung (2010). Moral commitment is categorised by its identification with organisational goals (Patchen, 1970). Hall (1970) argued that moral commitment can be seen as a kind of organisational identification. To concur this, Wiener (1982) argued by presenting moral commitment as a form of affective organisational attachment commitment. He aligned it with the commitment work of Porter and his colleagues (Porter, Steers, Mowday & Boulian, 1974; Steers 1977). Therefore, arguments such as Hall (1970), and Porter (1974) are presently intended to operationalize affective scopes of commitment, similar to Etzioni's (1961) moral involvement.

2. 6. 5b Calculative commitment

The calculative commitment is established on employee getting incentives to their match contributions. According to Etzioni (1996), this type of attachment to the organisation as typical agreement systems based on exchange. It is theoretically embedded in the theory of Barnard (1938) and the theory of March and Simon (1958). Calculative commitment needs not to be decreased to willingness to keep organisational members. It may be seen in a wider terms of contributory attachment. The traditional perception of calculative commitment retention of organisational members may be more closely linked to the affective form of organisational commitment.

2. 6. 5b Alienative commitment

The alienative commitment is characterised by a negative form of

attachment in light of being forced to a course of action by environmental
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pressure, experienced loss of control and lack of alternative (Hornung, 2010). According to Etzioni (1975), alienative commitment is emblematic of a prison which a force compliance system is prevalent. Alienative commitment can be regarded as a foundation for organisational commitment if one thinks of organisational members' commitment to the organisation as a result of lack of control over the internal organisational environment and recognised absence of substitutes for organisational commitment (Etzioni, 1961)

The word alienation was acquired from Karl Max who gave alienation its classic meaning, a lack of control. To the alienative committed employee, rewards and punishment may be seen accidental instead of lack of alternatives for organisational commitment (Etzioni, 1961). The worker may see the random

2. 6. 6 Allen and Meyer's model of commitment

However, Allen and Meyer (1991) also give three forms of organisational commitment has made the biggest contribution to organisational commitment literature. Their three models will be chosen because it has gone through a wide empirical evaluation to date. Allen and Meyers argued the belief that commitment binds people to an organisation, thus decrease the probability of turnover. The main alteration is in the mind-sets assumed to categorise the commitment. These reproduced the three different types of commitment:

2. 6. 6a Affective Commitment

Affective Commitment is the employee emotional attachment and identification to the organisation. Affective commitment is also the individual's emotional connection to, acknowledgment with and partaking in the organisation, (Allen and Meyer, 1997). Employees who are affectively committed to the organisation will possibly continue working for it for the reason that they want to (Allen and Meyer, 1991). Employees who are dedicated at an emotional l