

Organisation cultures



**ASSIGN
BUSTER**

Compare and contrast Handy's cultures and Deal & Kennedy's cultures. In your opinion, which is a more realistic representation of organisational culture? Justify and explain your answer. Organisational culture is a shared value belief which binds the people of an organisation together to achieve a particular objective. " In the early 1980s organisational culture became increasingly considered as both an obstacle to change and a vital ingredient of organisational success or failure" (Ian Brooks, 2003). Handy culture has social approach and focuses on the social factors.

Whereas, Deal and Kennedy's culture has management approach and focuses on what the managers want from a business, where managers find problems in cultural field, they may take structural or personnel changes in an attempt to change the organisational culture for the organisational goals to be accomplished. This paper will contrast and compare Deal and Kennedy's with Handy culture by stating which one is more realistic. According to Mullins (2007), Deal and Kennedy examined hundreds of business organisations and their environments and then identified four generic cultures.

Capon (2009) agrees with this and adds that these cultures are identified by two factors in the marketplace and they are the Degree of risk associated with the organisations activities and the speed at which organisations and employees receive feedback on the success of the decisions or strategies and their performance. The suggested four types of generic cultures are described as follows - Tough-guy Macho - Mullins (2007) describes touch guy macho culture as an organisation that frequently takes higher risks and receives quick feedback on the right and wrong of their actions.

Furthermore, Capon (2009) also suggests that the consequences of this type of culture are that burn out is common and failure is harshly condemned, often by dismissal. Organisations such as police departments, surgeons, construction, cosmetics, management consulting and the entertainment industry all exhibit tough-guy macho culture. Work hard/play hard – Capon (2009) describes this type of culture as being used by companies having low risk and quick feedback on performance.

In comparison, Mullins (2007) suggests that this type of organisations tend to be highly dynamic and the primary value focuses on customer and their needs. Business organisations like Manufacturing and service companies such as fast food and service companies are some of the examples that use this type of culture. Bet your company – Capon (2007) suggests that bet your company culture takes high risks and waits a long time for the feedback to their actions and decisions.

Consequently, Mullins (2007) suggests that the result of using this culture in organisations is that there are high quality innovations and scientific discoveries. However, he also argues that this makes such companies vulnerable in an economy. And for example, Business Organisations such as oil companies, investment banks use this type of culture. Process – Capon (2009) suggests that process culture is a low risk and slow feedback culture or sometimes no feedback. This type of culture takes a long time for actions and decisions.

Capon also adds that the employees who survive best in such a culture are methodical and punctual. Banks, insurance companies, financial services and the civil service are usually seen using this type of culture. Handy's culture is

described as structural view of culture which relies more upon how roles are structured in an organisation. An example of this is the work of Charles Handy (1989), adapted from Harrison (1972), on culture. (Brooks 2006). The four types of cultures are based on structural design feature. Four cultures are Power Culture, Task Culture, Person Culture and Role Culture.

Charles Handy suggest that power cultures are found in small entrepreneurial firms , which relies on central power, informal communication and trust; role culture in larger bureaucratic organisations , this culture is characterised by high levels of bureaucracy and formality; task cultures dominate in matrix-type organisations, where power lies at the intersection of responsibilities , and person cultures are common where the individual is the key element and individuals come together because they see benefits ensuing.

Handy identifies the factors which influence the type of culture found in an organisations, some of which such as organisational size , locus of power , type and levels of technology and characteristics of the business environment, will already be familiar to you. Similarly both theories believe that there are four types of cultures but they have different approach as Deal & Kennedy's culture is about four generic cultures that are found in (Mullins 2010, p. 741) which argues the risk involved in an organisation activities and the speed which employees receive feedback on the success of decision and what a manager want from a business.

On the other hand, Handy cultures have social approach which seeks to analysis the critical influence that an organisation might have. However organisation might not be able to change people values and believes but

organisation can set clear direction to their employees about aims and objectives of the business which employees need to obey. On the one hand, Handy links organisational structure to organisational culture. In addition, he argues that most likely the simple structure is found in the power culture, the functional and divisional structures in the role culture and the matrix structure in the task culture.

However, Deal and Kennedy divide the organisation cultures deepening on degree of risk and feedback which can be noticed between Process culture (Deal and Kennedy) and the Role culture (Handy). These types of cultures are well organised, predictable, have a stable environment and are not adaptive to change. The focus is on how a task is done not what the task is since feedback is not shown (Mullins, 2007) also the employees have a specific job title which gives a great importance and well-defined tasks.

According to us, both of the cultures are represented in a realistic way and both aim to enhance the organisational relations in the business. However Deal & Kennedy's culture has a system of rules which signifies to people exactly what is required from them and makes it easier for employees to know how to manage in various situations which provides a better place for individuals to work and to improve their organisational performance (Capon 2009).

To conclude, both of these types show that cultures can be managed in different ways to improve the organisational performance. "One of the early influential works suggested that strong cultures had a positive effect on organisational performance (Deal& Kennedy 1982)", (Brooks, 2009). This paper has stated the differences and similarities between Deal and

Kennedy's culture and Handy culture and presented with the realistic representation of organisational culture.