

# How the social class shapes organizational thought, actions and culture



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## **INTRODUCTION**

**Social class is defined as a group of people that placed into a hierarchical social group. This group can be categorized in terms of wealth, social status, culture, generation and profession to name a few. The term class, however, is derived from the Latin word classis which was used to categorized people wealth to determine one's obligation to the military service. It was then used in the late 18<sup>th</sup> century to further categorize and distinguish ranks by importance. As these ranks started to decline, new social groups started developing in urban working class and were defined by the economic category you belonged to. Although, the term class can be applicable to numerous societal categories, such as city-state, feudal societies and early empires, the general definition of it never changes. It is a division based on societal preferences, culture, economic status and generation, there are some social classes you can choose to belong to and there are others you cannot.**

**When referring to social class most people tend to associate it with an economic status, but social class is any social group you are a part of, or classified with. But what most people do not think about is how their social class affects the world around them, what impact are they having and is it a positive impact or a negative impact. Your social class can affect the schools you attend, the treatment you receive by the police, the jobs that will be available to you and numerous other reasons. But the focus of this paper is to explore the social classes that are present at organizations and show the impact they have, whether positive or negative, and the effects it has on the work culture and employees, the transformation that is occurring and what the lies ahead. The social classes that have the most effect on an organization are categorized in terms of education, generation, technical and cultural just to name a few. And the changes that we see within organizations are a fast growing trend that mainly stems from people wanting a chance and stepping away from what is considered the norm by creating a new definition for the social classes within an organization.**

## **ORGANIZATIONAL RELEVANCE AND FOCUS**

**In recent years companies have been find ways to fuse their culture with the culture of its customers, employees and stakeholders. They are increasingly finding the ability to adapt and strategically transform to relate to more bases. In a Wall Street Journal article, the editor articulated that leaders need to openly discuss the change they envision throughout the company so that the employees can understand the opportunities as well as the challenges a cultural change can bring. He goes on to state, “ As employees start to recognize that their leaders are talking about new business outcomes – innovation instead of quarterly earnings, for example – they will begin to behave differently themselves, creating a positive feedback loop.”(Wladawsky-Berger, 2018). This change also came about because of people wanting something more, wanting to close the social economic gap, wanting to feel like they are apart of something, wanting to promote diversity.**

**Wladawsky-Berger goes on to ask, “ But what happens if a company finds out that the culture that has helped guide it through years or decades of change is not quite suitable for the challenges that lie ahead? The cultures that developed within an organization are always reinforced with the strong elements that put the organization in a positive light. Theses social classes and cultures emerge and can only reflect the environment from which it came. Some of the ways companies are reinforcing these cultural changes are, as previously stated, using their own company opportunities, issues and challenges to educate the employees in understating why a change is needed. Also, the leaders are the ones who initiate the changes within a company, therefore it is important for the organization to choose a leader whose social classes fall within the image and direction the company has or would like to have.**

**With the shift in power by generation, more and more millennia’s in leadership positions have been trying to adopt an inclusive environment in their organization. This is changing the organizational culture from working less but strict hours for low pay to working longer but flexible hours for moderate pay. And with the added expenses of families and student loans, more millennia are choosing to get married, live at home or room with friends to make ends meet.**

**One of the ironies of modern Western societies, with their emphasis on meritocratic values that promote the notion that people can achieve what they want if they have enough talent and are prepared to work hard, is that the divisions between social classes are becoming wider, not narrower(Manstead, 2018). Manstead believes the materialistic way that we are growing is directly impacting and influencing the way we view the social environment, behavior and classes around us. We know that belonging to a certain social classes such as working-class , educated and demographic determines the way society see and treats you. Therefore the change comes from wanting to belong to a social class that receives respect and admiration from all other social classes. But as I have stated before, some social classes you can choose to belong to and others you cannot, so the leaders that we currently have determined that the tradition methods are not working. Great ideas stem from the dramatic decline that the working class, in the traditional sense, has had most people identify as working class because self-identification is what's most important.**

## **KEY RESEARCH FINDINGS AND DEVELOPMENTS**

In recent years' studies have shown that social classes are increasing in popularity when employers are searching for the ideal candidate for their company. Employers are using education, income, and other demographics to measure the social class of a potential employee. The results produced two types if thought used that can be examined, the realist and the nominalist. The realists believe that a social class does not exist unless the

people that are categorized into such class are conscious of it, while the nominalist believe the social class is what the observer determine it to be, not taking into to account the thought and behavior of the people classified in that particular social class.

This can be further broken down into three different methods that are used to measure and determine one's social class; these methods are objective, reputational and subjective. Object, meaning that the individual has to identify with the social class that they are categorized into it uses objective criteria such as one's income. Reputational method is based on the perception of other people that classify which social class they believe one belongs to. It is based on the reputation of the individual and shows how socially divided people within a community see themselves. The subjective method is where people are asked which social class they classify themselves as. It is the most inaccurate approach because may categorize themselves into to social class they dream/ hope that they belong to, and comes off as a bit egotistical as most may not actually belong to the group they classify themselves into. This then translates into the individual that consider themselves a part of social group to work towards actually belonging to such groups



**Throughout history, the class you belong to has been closely related to the treatment you receive amongst your peers and the rest of society. In today's world, a lot of the changes in an organization are due to the increasing demand for higher qualified candidates, shifting the economic foundation. Belonging to an educational social group, in general, is seen as beneficial to a company because the levels of skills are increased. These skills include interpersonal skills, critical thinking and communicating; essential traits need to perform any job. The percentage of adults with a bachelor's degree, or higher, rose from 17% in 1980 to 33% in 2015. Naturally, this number is expected to double in the next 25 years, prompting another shift in an organization's societal definition. The number of educated people is on the rise thereby raising the level for qualified candidates for a job. With the number of employees with training and experience increasing from 49 million in 1980 to over 83 million in 2015. This rise in education is affected by and closely tied to other social classes observed in the workplace.**

**Another social class that is shifting the work culture, the social classes associated by generation in recent class article it was found that for the first time in history 4-5 generations can be found working together in teams across all organization and across all departments. This, along with the technological changes most companies has had to endure, changes the way we interact with other team members and support staff whether locally or internationally. As the article stated, the change in the organizational culture, through generation, stems from each generation adding their personal values to the compSome characteristics that should be passed on are being taught to newer hires while other characteristics that are new are taught to the older hires. Processes that were used within the company for the past few decades have now been modernized to have the same effect and quality as it did before the existence of technology. Because of these technological changes, the skills required have also transformed changing the cultural views.**

## **YOUR ORIGINAL PERSPECTIVE**

I chose this topic because social classes are continuously evolving and the structure and dynamics of the core is continuously changing. The social classes mentioned in this paper, (educational, generational and economical) are changing the workplace and are having both a positive, as well as a negative impact on employees and potential candidates. All social classes are interrelated, they direct impact the next. As we have seen, more people are choosing to get an education in an effort to afford better living conditions for themselves and their families. The technological era grew, because of this increased knowledge in society, forcing people to again increase their

existing knowledge to learn new processes where millennials, (social class by generation) are now at the forefront of the increase of the processes and rules at organization changing the rules as they go. All of this is interpreted as a boost in the socioeconomic world, where although education is required, the job that you are qualified for will allow you to earn a decent living. I say a decent living because unfortunately the number of people over 65 that are still in the work force are on the rise, leading one to believe the wages are not increasing as fast as the skill sets are increasing.

The need for education will continue to increase because the skills to maintain the technology that is ever growing. There are new jobs have been created through technology that didn't exist before, and there will be new jobs in the future that will be created also off of the increased technological advances we as a society have made. The knowledge that we have gained as a society is continuously built upon generation after generation. Pretty soon, the educational institutes may need to create new degrees and new degree levels because the future generations will be more intelligent than we are. Due to this, the culture in organizations will again change to suit the needs and standards of the current social classes.

To say the least, the shift in the economic status and the change in the generational workforce have a lot to do with the changes seen in organizations today. As a millennial, things are better for me when my parents were my age, granted they had 3, and I am without. Like most in my generation, I grew up with both parents working yet still struggling to make ends meet. For this reason, I believe my generation is determined to create

a work environment that allows the flexibility to work while still being able to spend quality time with their families.

This shift in power by generation has also sparked the increased need for diversity in the workplace, due to technology it has become much easier to learn about other cultures. Diversity is seen as the different cultural background the individual has experienced in their life. This diversity stems from numerous other socially classed groups by definition of religion, race/ethnicity and sexual preferences, amongst others. The views that society, American and internationally has had, has changed drastically. More and more people are learning to be more considerate and respectful of people from different social classes and backgrounds. Also, this has prompted the organizational leaders to place more power into the hands of the employee and to be more transparent about the issues that the upper management has to deal with. Leadership is changing the culture by opening up to employees about what is going on at the executive level within company can be beneficial because the solution may come from an average employee. For example, once a month the leaders of my company hold a mass conference call and encourage those who want to know what going on with the company to listen in on topics related to something they may have overheard. It puts to rest unnecessary rumors that may initiate from not knowing the truth and at the end they offer a Q&A with hopes to address and concern anyone may have. A culture of openness and communication is a culture I am happy to help nurture and develop.

## **CONCLUSION**

**All in all, the world is becoming more and more educated because technology has allowed us easy access to all types of information. Therefore, as each generation progresses the knowledge obtained is transferred unto the younger generation who continues to build upon it. This translates into a change in the way social classes interact with other social classes, a change in view or standards, and the change that overflows into our personal and professional lives. In the articles I read, most companies are using training to instill and reinforce the company's ever-changing cultural beliefs. The key is to arm the employee with the knowledge needed to understand the differences and help build upon it to positively contribute to the growth of the organization. Also, the current leaders are the ones that choose the next step and the direction they hope for the company to take. Therefore, the shape that an organization will take in the future depends on the social class of its leaders.**

**Social class can be perceived by the individual through subjective methods, objective methods and reputational methods. These methods help determine the social class one may or may think they belong to and because of this, it changes the definition of the people associated with that social class. The core definition of a social may always stay the same but the standards and value which they hold will continue to transform generation after generation. Each generation has had different cultural experiences so the views will change over time. As with the power shifting in organizations to Generation Y' and Millennia's, they views of those generations are what's being applied to organizations in an effort to promote more power to the employees while opening up and communicating more about things that the older generations did not speak about.**

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