

THE ORGANIZATION'S CULTURE

Just as individuals have a personality, so, too, do organizations. We refer to an organization's personality as its culture.

Organizational culture is the shared values, principles, traditions, and ways of doing things that influence the way organizational members act. This implies:

- Individuals perceive organizational culture based on what they see, hear, or experience within the organization.
- Organizational culture is shared by individuals within the organization.
- Organizational culture is a descriptive term. It describes,

rather than evaluates. Seven dimensions of an organization's culture have been proposed

- Innovation and risk taking (the degree to which employees are encouraged to be innovative and take risks)
- Attention to detail (the degree to which employees are expected to exhibit precision, analysis, and attention to detail)
- Outcome orientation (degree to which managers focus on results rather than techniques and processes used to achieve those outcomes)
- People orientation (the degree to which management decisions take into consideration the effect on people within the organization)
- Team orientation (the degree to which work activities are organized around teams rather than individuals)
- Aggressiveness (the degree to which people are aggressive and competitive rather than easygoing and cooperative)
- Stability (the degree to which organizational activities emphasize maintaining the status quo in contrast to growth)

Strong versus Weak Cultures

Strong cultures are found in organizations where key values are intensely held and widely shared. Whether a company's culture is strong, weak, or somewhere in between depends on organizational factors such as size, age, employee turnover rate, and intensity of original culture. A culture has increasing impact on what managers do as the culture becomes stronger. Most organizations have moderate-to-strong cultures. In these organizations, high agreement exists about what is important and what defines –good employee behavior. Culture is transmitted and learned by employees principally through stories, rituals, material symbols, and language. An innovative culture should have these characteristics: Challenge &

involvement, Freedom, Trust and openness, Idea time, Playfulness/humor, Conflict resolution, Debates, Risk taking

