



Organizational Culture

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Culture is a combination of factors that are learned through our interaction with the environment during our development and growth years. Culture is the set of important understanding that members of a community share in common. It implies the sense of values, beliefs, customs and traditions that is learnt from other members of the society.

The organizational culture is a system of shared beliefs and attitudes that develop within the organization and guides the behaviour of its members

Features of Organizational Culture

- Every organization has its own personality and culture.
- Organizational culture defines the internal environment of an organization and their expected code of conduct outside the organization.
- It stresses on sharing of norms and values that guide the organization members.
- It differentiates an organization from others.
- It is relatively stable over a long period of time.
- It exercises significant influence on the attitude, behaviour and performance of organization members.

Importance of Organizational Culture

- It decides the way employees interact at their workplace.
- It brings all the employees on common platform.
- It promotes healthy relationship amongst employees.
- It define certain predefined policies which guide the employees and give them a sense of direction at workplace.
- The social recognition of organizational culture makes the organization grow and develop.
- It creates the boundary behind which the employees are not permitted to go.

Determinants of Organizational Culture

Internal Factors

- Founders values and Beliefs
- Organization mission, goals, polices ,rules and regulations
- Organizational Structure
- Leadership process and styles
- Wage and reward structure
- Physical Environment

External Factors

- Economic Conditions
- Industry Standards
- Technology
- Legal environment

Developing Organizational Culture

- According to Edgar Schein, Culture exists on three levels

Artifacts

Beliefs and Values

Assumptions

Developing organizational culture- Levels

- **Artifacts** Visual organizational structures and processes that are visible and are felt by individuals collectively. Like behaviour of top management, leadership styles, ceremonies, dress code, myths, stories, symbols, language and many more.
- **Shared Beliefs and Values.** Values and beliefs play vital role in shaping organizational culture. It reflects what members of organization actually think and what values and beliefs are shared by most of the members.
- **Assumptions** They act as the basis of creation of shared values. Assumptions are non observable elements of culture but play a vital role in deciding organization culture.

Elements of Organizational Culture

- The degree of responsibility, freedom and opportunities that individual have within the organization.
- The degree to which organization creates clear objectives, performance expectations and authority relationship.
- The degree to which management provides clear communication, assistance and support to their subordinates.
- The degree to which members identify themselves with the organization as a whole.
- The degree to which reward system in organization works.
- The degree to which employees innovate and take risk.
- The degree to which organization manages conflicts.

How to Maintain Organizational Culture

Once the culture has been created the following practices help to keep it alive

- **Selection of Employees;** Selection of employees who can match with organizational Culture
- **Actions of Top Management;** Senior management establishes norms like what they say, what they do and how they behave that filter down throughout the organization.
- **Socialization;** It is the process of adaptation by which new employees are made to understand the basic values and norms for becoming accepted members of the organization.

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Thanks
Dr Renu Aggarwal