

Management Final

Chapter 9

9.1

Objectives:

1. Understand the nature of organizational culture
2. Recognize how organizations support and achieve innovation
3. Describe how managers lead the process of organizational change

IN CLASS EXAMPLE:

Zappos and Culture—CEO Tony Hsieh

- Foundation is about their culture and core values
 - 10 Core Values: Be humble, passionate opened-minded, etc ...
- “Culture is a mindset”

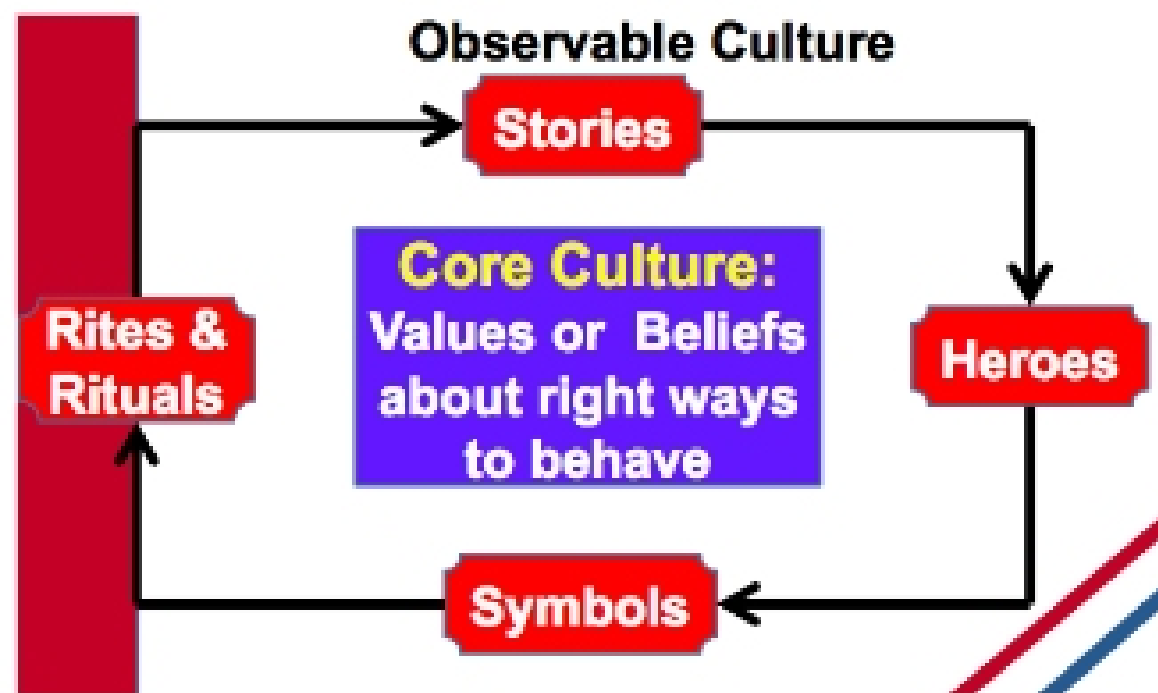
Managers Must:

- Develop **Culture**
- Encourage **Innovation**
- Manage **Change**

Organizational Culture

- Culture—a system of shared beliefs and values guiding behavior (internal) and set of signals of what is considered appropriate and inappropriate (external)
 - “The way we do things around here”
 - Helps set its moral character and performance tone
- Culture is Personal—Snoop Dog, TSwift, Beyonce all share culture because of their industry even though they focus on different genres
- Culture is Organizational—IBM CEO Ginni Rometty gets job; all CEOs of this company are usually added to Augusta National Golf Club but it is an all male club; “Men’s culture only;” She has yet to be invited to join however two women CEOs have been admitted
- Organizational culture helps to set values, shape attitudes, reinforce beliefs, direct behavior, and establish performance expectations and the motivation to fulfill them
- Culture is Corporate—
 - Shape attitudes
 - Reinforce beliefs
 - Direct behaviors
 - Set expectations
 - Disney Traditions--At Disney employees are called “cast members,” they go through a training/orientation in which Mickey comes and helps show the huge impact he has on the image of Disney;

- Culture is Global—use maps to show/display culture (color coordinate etc)
 - Wall Street Culture John Reed → “self select culture”
- Strong Cultures—clear, well defined, and widely shared among organization members
 - Strong cultures are created by leaders who then set the tone; socialization also helps reinforce the strength of an organization’s culture
- Socialization—the process through which new members learn the culture of an organization
- 4 Different Culture Types:
 - Hierarchical Culture—emphasize authority, tradition, and clear roles
 - Rational Culture—emphasize process, efficiency, and slow change
 - Entrepreneurial Culture—emphasize change, growth, creativity, and competition
 - Team Culture—emphasize teamwork, collaboration, and trust
- Observable Culture—what you see and hear when walking around an organization
 - Observable things represent, communicate, and carry the culture over time, keeping it visible and clear in all members’ eyes
 - Portrayed through work attire, office arrangements, behaviors toward one another, and treatment towards customers
 - Also portrayed through stories, heroes, rituals, and symbols that are part of daily organizational life
- Core Culture—underlying assumptions and beliefs, that shape and guide people’s behaviors
 - This is an organization’s second and deeper level of organizational culture
 - Ex: excellence, innovation, social responsibility, integrity
 - Usually found in values statements, mission statements, and executive speeches



- Cultural Benefits of Heroes, symbols, rites and rituals, and stories:
 - Heroes—shared knowledge of hero stories; establish or represent core values
 - Rites and Rituals—creates connections---ppl and org; builds morale and engagement; shared hands on experiences
 - Pixar and culture—staff meetings involve spontaneous meetings and a fun environment for creativity
 - Symbols—common understanding of culture; easy to recognize (you and others)
 - Thurl—voice of frosted flakes—“They’re greeeeatt” and lion are symbols
 - Stories—easily remembered and passed on; instills deeper cultural understanding
 - Wegman’s “best place” to work—offers opportunities to employees; where performance and culture intersect; EXAM Q—successful employees, customers, and leaders stories are great and help drive culture of the business
- Edgar Schein's Levels of Culture—Corporate Culture Levels**exam q