

Developing a New Organizational Culture: Framework, Process and Outcomes

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Thesis Summary

The study entitled "Developing a New Organizational Culture: Framework, Process and Outcomes" is a longitudinal study spread over two and a half years, undertaken with the specific purpose of finding answers to certain questions such as: 'can culture be managed?', 'does culture impact corporate performance?', 'will culture become dysfunctional if no conscious effort is made to develop it?' etc. It is mainly an ethnographic account, which is interspersed with field experimentation in order to do justice to the research questions.

The study proposes a comprehensive conceptual framework including various factors determining organizational culture, and establishes a linkage between culture and performance. In addition, the study proposes a process model outlining various stages that an organization would need to go through in order to succeed in its attempt to develop a desired culture.

The study was conducted in the live setting of two units of a start-up venture of an umbrella organization in the information technology industry. In one unit (experimental group), a conscious effort was made to develop the desired culture, whereas no such effort was made in the other unit (control group).

A number of interventions were designed and implemented in order to develop a strategically appropriate culture. The interventions were planned for different stages of the culture development process viz. conceptualization, concretisation, articulation, indoctrination, internalization and institutionalization. These interventions were mainly based on communication, training/facilitation and involvement through participation, which did not necessitate the hiring of an external 'change agent'. While the concerned organization, where this study was carried out, successfully went through the first five of the suggested six stages, the last stage of institutionalization fell outside its scope due to the requirement of a much longer time frame than what was available for the study.

The study has followed a triangulation approach towards data collection using a mix of qualitative and quantitative methods, such as observation, interview, analysis of documents and

reports, informal and formal feedback, and questionnaire administration at different points of time. The use of multiple methods, which include quantitative methods, has helped in introducing a certain degree of 'positivism' in an otherwise social constructionist approach, thereby enhancing the acceptability of findings by a wider section of researchers and practitioners. Alexander's Organizational Norms Opinionnaire (1978) with added dimensions of core value orientation and quality orientation was adopted as a measure of organizational culture. Employee satisfaction questionnaire, three-minute checklist, and communication evaluation questionnaire were also administered. Performance measures included revenue earned, attrition rate, cost control (administrative costs as well as price of non-conformance) and employee satisfaction.

Findings revealed significant differences in responses on employees of experimental and control group on various dimensions of organizational norms Opinionnaire as well as on various dimensions of employee satisfaction questionnaire. Before-after comparisons clearly established the change in organizational culture over the period of study. Performance measures also showed differences in before-after comparison, as well as experimental-control group comparison.

Findings clearly support the view that organizational culture acts as an independent variable and can be managed by planned interventions. Findings also establish a positive relationship between culture, and performance measures like revenue, retention rate, cost control and employee satisfaction. The last question, viz. 'will culture become dysfunctional if left on its own', could not be conclusively answered for want of sufficient data. The non-interventionistic approach however, showed no or non-significant improvement on the desired cultural attributes and performance measures in the control group.

Besides attempting to answer specific questions, the study also highlights the importance of a suitable reward system to reinforce the desired cultural attributes, the need to have immediate supervisors' commitment in addition to top management commitment, and the importance of symbolic action in order to develop the desired culture. At the same time, the study has cautioned against the danger of overvocalization as well as the risk associated with not taking the desired

culture into account during recruitment. The study has also brought to light the influence of the parent company on an organization's endeavor to shape its culture.

With the focus on developing a strategically appropriate culture right from the inception stage of the organization, this study stands apart from the typical change management exercises normally undertaken in various organizations. It attempts to avoid the expensive exercise of first unlearning a culture that is not strategically appropriate before relearning the desired culture.

Thus, as far as the academic world is concerned, the study adds to the repertoire of knowledge, not only through its proposed conceptual framework and the processual model, but also by its experimental validation of the same. As far as the corporate world is concerned, besides the obvious learnings derived through the course of the study period in an actual organizational setting, the managers can realize that developing a desired culture is not something that requires the hiring of expensive external 'change masters'. It is an exercise that can be undertaken by themselves – provided they are committed towards the desired goal.