

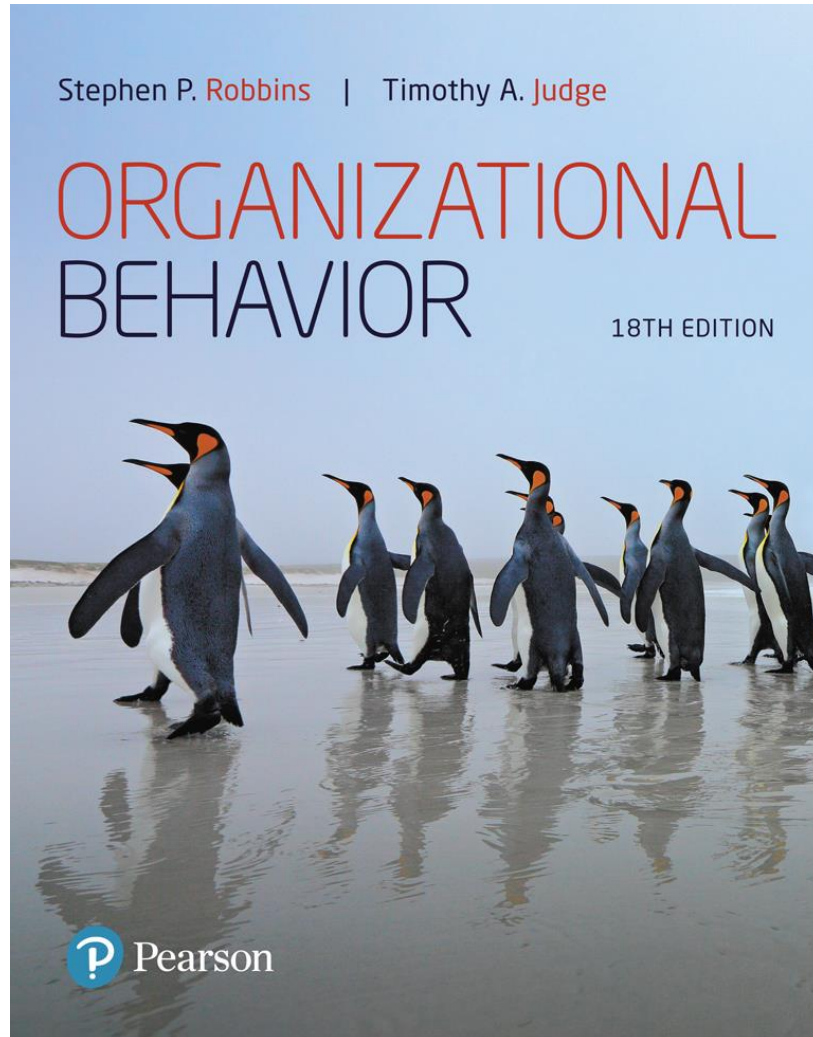
An illustration of several hands of different skin tones reaching towards the center, each holding a piece of a puzzle. The puzzle pieces are in various colors including red, blue, green, and brown. The hands are wearing different watches and bracelets, suggesting a diverse group of people. The background is a light beige color.

LCDB7008 Visions for the Future : Theoretical Perspectives on Management

- Week 11-12
- Organisational Culture
- Dr. Helen Lee

Organizational Behavior

Eighteenth Edition



Chapter 16

Organizational Culture

Learning Objectives

- 16.1** Describe the common characteristics of organizational culture.
- 16.2** Compare the functional and dysfunctional effects of organizational culture on people and the organization.
- 16.3** Identify the factors that create and sustain an organization's culture.
- 16.4** Show how culture is transmitted to employees.
- 16.5** Describe the similarities and differences in creating an ethical culture, a positive culture, and a spiritual culture.
- 16.6** Show how national culture can affect the way organizational culture is transported to another country.



Common Characteristics of Organisational Culture (1 of 6)

- A Definition of Organizational Culture
 - **Organisational culture** refers to a system of shared meaning held by members that distinguishes the organisation from other organisations.



Common Characteristics of Organisational Culture (2 of 6)

- Primary characteristics that capture the essence of an organisation's culture:
 - **Adaptability**
 - **Detail orientation**
 - **Results/Outcome orientation**
 - **People/Customer orientation**
 - **Collaboration/Team orientation**
 - **Integrity**



Common Characteristics of Organisational Culture (4 of 6)

- Culture as a Descriptive Term
 - Organisational culture is concerned with employees' perceptions of the characteristics of the culture
 - Does it encourage teamwork?
 - Does it reward innovation?
 - Does it stifle initiative?
- 

Common Characteristics of Organisational Culture (5 of 6)

- Do Organisations Have Uniform Cultures?
 - Most organizations have a dominant culture and numerous sets of subcultures.
 - The **dominant culture** expresses the **core values** a majority of members share and that give the organisation distinct personality.
 - **Subcultures** tend to develop in large organisations to reflect common problems, situations, or experiences that members face.

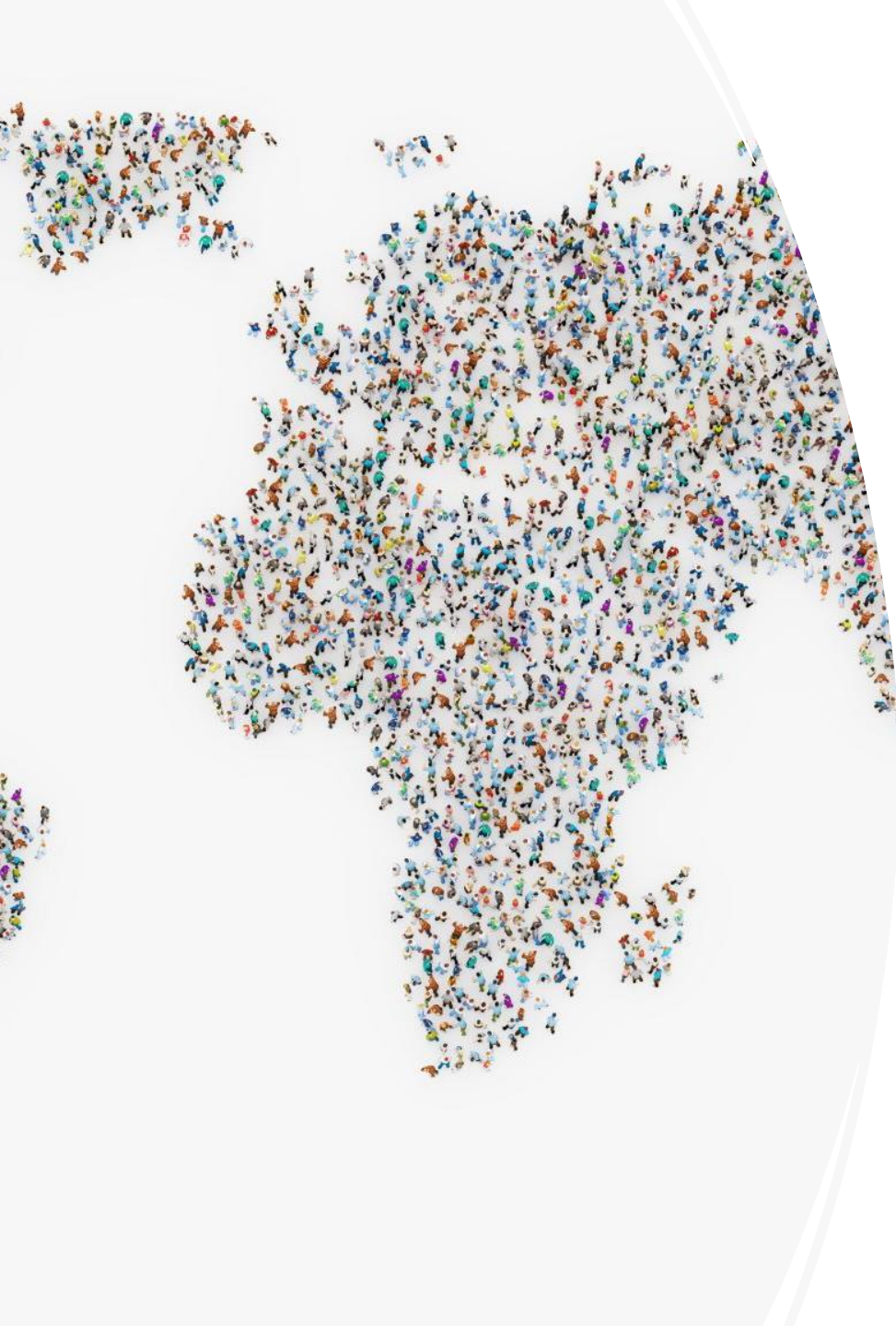


Common Characteristics of Organisational Culture (6 of 6)

- Strong versus Weak Cultures
 - **Strong culture:** core values are intensely held and widely shared.
 - The more members who accept the core values and the greater their commitment, the stronger the culture and the greater its influence on member behavior.

What Do Cultures Do? (1 of 9)

- The Functions of Culture
 - Boundary-defining role.
 - Conveys a **sense of identity** for members.
 - Facilitates the **generation of commitment**.
 - Enhances the stability of the social system.
 - Serves as a sense-making and control mechanism.



What Do Cultures Do?

(2 of 9)

- Culture Creates Climate
 - **Organizational climate** is shared perceptions about the organisation and work environment.
 - Team spirit at the organisational level.
 - Climates can interact with one another to produce behavior.
 - Climate also influences the habits people adopt.

What Do Cultures Do? (3 of 9)

- The Ethical Dimension of Culture
 - Organizational cultures are not neutral in their ethical orientation, even when they are not openly pursuing ethical goals.
 - Over time, the **ethical culture**, or the shared concept of **right and wrong behavior** in that workplace, develops as part of the organizational climate.
 - The ethical climate reflects the true values of the organization and shapes the ethical decision making of its members.

What Do Cultures Do? (4 of 9)

- *Ethical climate theory (ECT)* and the *ethical climate index (ECI)* categorise and measure the ethical dimensions of organisational cultures.
 - Five climate categories: instrumental, caring, independence, law and code, and rules.
 - Each explains the general mindset, expectations, and values of the managers and employees in relationship to their organization.
- Ethical climate powerfully influences the way its individual members feel they should behave.

What Do Cultures Do? (5 of 9)

- Studies of ethical climates and workplace outcomes suggest that some climate categories are likely to be found in certain organisations.
- By measuring the collective levels of moral sensitivity, judgment, motivation, and character of our organisations, we may be able to judge the strength of the influence our ethical climates have on us.

What Do Cultures Do? (6 of 9)

- **Sustainability:** practices that can be maintained over very long periods of time because the tools or structures that support the practices are not damaged by the processes.
 - *Social sustainability* practices.
 - Sustainable management doesn't need to be purely altruistic.
- To create a truly sustainable business, an organisation must develop a long-term culture and put its values into practice.
- Like other cultural practices we've discussed, sustainability needs time and nurturing to grow.

What Do Cultures Do? (7 of 9)

- Culture and Innovation
 - The most innovative companies have open, unconventional, collaborative, vision-driven, and accelerating cultures.
 - Startup firms often have innovative cultures.
 - They are usually small, agile, and focused on solving problems in order to survive and grow.

What Do Cultures Do? (8 of 9)

- Culture as an Asset
 - Culture can significantly contribute to an organization's bottom line in many ways.
 - There are many more cases of business success stories *because of* excellent organisational cultures than there are of success stories *despite* bad cultures, and almost no success stories because of bad ones.

What Do Cultures Do? (9 of 9)

- Culture as a Liability
 - **Institutionalisation**
 - Barriers to Change
 - Barriers to Diversity
 - Toxicity and Dysfunctions
 - Barriers to Acquisitions and Mergers

Creating and Sustaining Culture (1 of 6)

- How a Culture Begins
 - Ultimate source of an organisation's culture is its founders.
 - Founders have the vision of what the organization should be.
 - New organisations are typically small, which facilitates the founders' imparting of their vision on all organisational members.

Creating and Sustaining Culture (2 of 6)

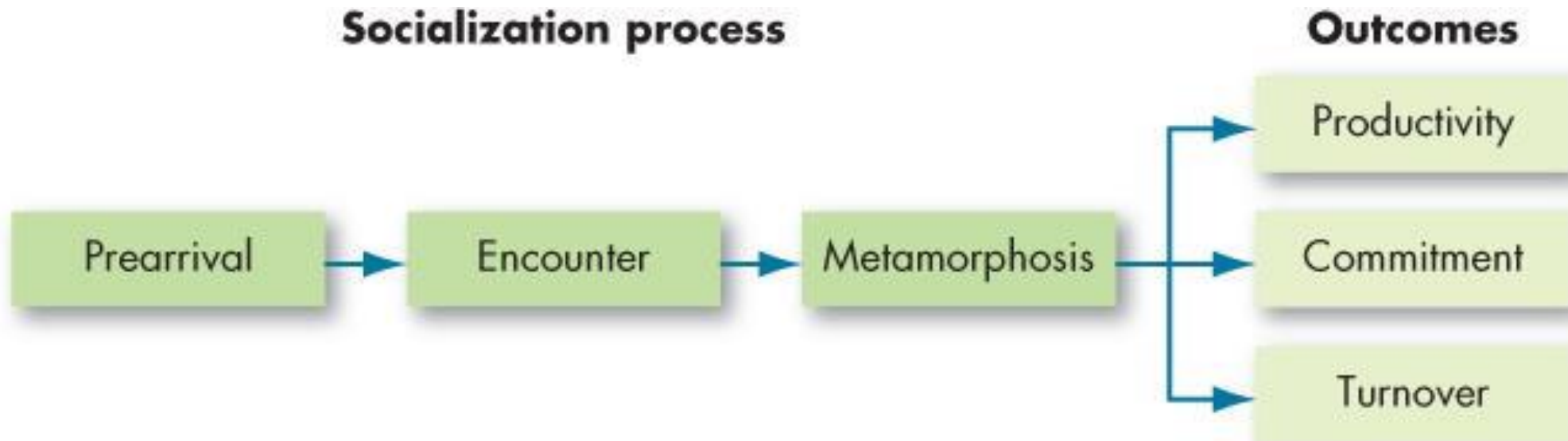
- Culture creation occurs in three ways:
 - Founders hire employees who think and feel the way they do.
 - Employees are indoctrinated and socialised into the founders' way of thinking.
 - Founders' own behavior encourages employees to identify with them and internalise their beliefs, values, and assumptions.

Creating and Sustaining Culture (3 of 6)

- Keeping a Culture Alive
 - Selection
 - Identify and hire individuals with the knowledge, skills, and abilities to perform successfully.
 - Two-way street.
 - Top Management
 - Establish norms of behavior.

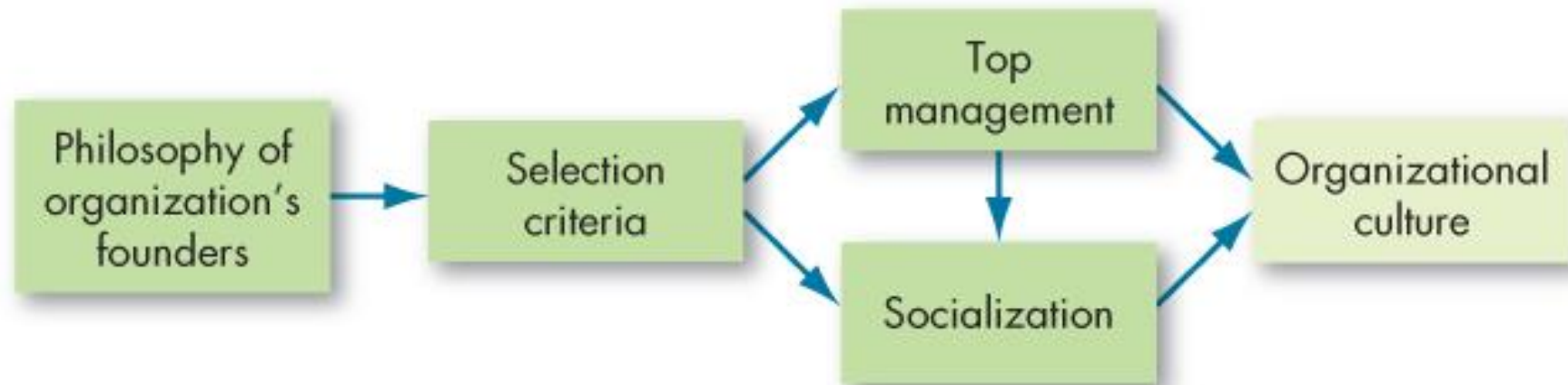
Creating and Sustaining Culture (4 of 6)

Exhibit 16-2 A Socialisation Model



Creating and Sustaining Culture (6 of 6)

Exhibit 16-4 How Organisational Cultures Form



Show How Culture is Transmitted to Employees

- How Employees Learn Culture
 - Culture is transmitted to employees through:
 - Stories
 - **Rituals**
 - Symbols
 - **Material symbols**
 - Language

Hofstede's cultural theory

Five dimensions:

- I. Power Distance
- II. Individualism - Collectivism
- III. Masculinity-Femininity
- IV. Uncertainty Avoidance
- V. Long-/short-term orientation

Source: Hofstede 2001; Hofstede & Hofstede 2005

de Mooij, M., & Hofstede, G. (2010). The Hofstede model: Applications to global branding and advertising strategy and research. *International Journal of Advertising*, 29(1), 85–110.

<https://doi.org/10.2501/S026504870920104X><https://www.tandfonline.com/doi/epdf/10.2501/S026504870920104X?needAccess=true>

What is organisational culture meant to employees?



Work cultures in home town?

Examples :

Malaysia Vs Japan

- [【 Malaysia vs Japan 】 Our Crazy Working Culture 日本とマレーシアの労働環境の違い](#)

- **Japanese work culture (6:26 mins)**

- [Japanese work culture](#)

Japanese work culture 2 (5:45 mins)

- [Japanese work culture 2](#)

Handy 's four level of culture

- **Power culture** - An organization ruled by a power culture has a strong leader influencing behavior and values. The leader also influences ideas and beliefs. This type of culture is very common in small companies, early-stage businesses, and startups.
- **Role culture** - In a role culture, formal systems determine values and beliefs. Government departments, for example, exist in a role culture.
- **Task culture** - In a company with a task culture, employees value task completion and achievements. We often see this type of culture in project teams where time and task resolution are important. In other words, we see this in project teams where getting things done and meeting deadlines are top priorities.
- **Personal culture** - In this type of culture, personal interests, beliefs, and ideologies are important drivers. A professional services company that incorporates a lot of the beliefs and ideas of its own employees, for example, has a personal culture.

Activity

- Share your thoughts / experience on organisational culture at work (e.g. company stories, value, rituals, way of communication, power culture, task culture, role culture.....)
- (It can be from your work experience or from your understanding).

Reflection

Why does organisational culture matter ?

What is workplace culture ? And impacts (2:40)

https://www.youtube.com/watch?v=M_CFwDIV9cl

Influencing an Organisational Culture (1 of 5)

- How can management create a more ethical culture?
 - Be a visible role model.
 - Communicate ethical expectations.
 - Provide ethics training.
 - Visibly reward ethical acts and punish unethical ones.
 - Provide protective mechanisms.

Influencing an Organisational Culture (2 of 5)

- There is a trend today for organizations to attempt to create a **positive organisational culture**:
 - Emphasizes building on employee strengths.
 - Rewards more than it punishes.
 - Emphasizes individual vitality growth.
- Positive culture is not a cure-all.

Influencing an Organisational Culture (3 of 5)

- What Is Spirituality?
 - Workplace spirituality is not about organized religious practices.
 - It is not about God or theology.
 - **Workplace spirituality** recognises that people have an inner life that nourishes and is nourished by meaningful work that takes place in the context of community.

Influencing an Organisational Culture (4 of 5)

Exhibit 16-5 Reasons for the Growing Interest in Spirituality

- | |
|---|
| <ul style="list-style-type: none">• Spirituality can counterbalance the pressures and stress of a turbulent pace of life. Contemporary lifestyles—single-parent families, geographic mobility, the temporary nature of jobs, new technologies that create distance between people—underscore the lack of community many people feel and increase the need for involvement and connection. |
| <ul style="list-style-type: none">• Formalized religion hasn't worked for many people, and they continue to look for anchors to replace lack of faith and to fill a growing feeling of emptiness. |
| <ul style="list-style-type: none">• Job demands have made the workplace dominant in many people's lives, yet they continue to question the meaning of work. |
| <ul style="list-style-type: none">• People want to integrate personal life values with their professional lives. |
| <ul style="list-style-type: none">• An increasing number of people are finding that the pursuit of more material acquisitions leaves them unfulfilled. |

Influencing an Organisational Culture (5 of 5)

- Characteristics of a Spiritual Organisation
 - Cultural characteristics present in spiritual organisations include:
 - Benevolence
 - Strong sense of purpose
 - Trust and respect
 - Open-mindedness

Identify Characteristics of a Spiritual Culture (1 of 2)

- Achieving a Spiritual Organisation
 - Many organisations have grown interested in spirituality but have had difficulty putting its principles into practice.
 - **Leaders** can demonstrate values, attitudes, and behaviors that trigger intrinsic motivation and a sense of calling through work.
 - Encouraging employees to consider how their work provides a sense of purpose through community building also can help achieve a spiritual workplace.

Identify Characteristics of a Spiritual Culture (2 of 2)

- Critics of spirituality in organizations focus on:
 - The question of scientific foundation: what really is workplace spirituality?
 - Are spiritual organizations legitimate? Do organizations have the right to impose spiritual values on their employees?
 - The question of economics: are spirituality and profits compatible?

The Global Context

- Organisational cultures often reflect national culture.
- One of the primary things managers can do is to be **culturally sensitive**.
- The management of ethical behavior is one area where national culture can rub up against corporate culture.

Managerial Implications_(1 of 3)

Exhibit 16-6 How Organisational Cultures Have an Impact on Employee Performance and Satisfaction



Managerial Implications (2 of 3)

- Realise that an organisation's culture is relatively fixed in the short term. To effect change, involve top management and strategize a long-term plan.
- Hire individuals whose values align with those of the organisation; these employees will tend to remain committed and satisfied. Not surprisingly, “misfits” have considerably higher turnover rates.
- Understand that employees' performance and socialisation depend to a considerable degree on their knowing what to do and not do. Train your employees well and keep them informed of changes to their job roles.

Managerial Implications (3 of 3)

- Managers can especially do their part to create an ethical culture and to consider spirituality and its role in creating a positive organisational culture.
- Be aware that your company's organisational culture may not be "transferrable" to other countries. Understand the cultural relevance of your organisation's norms before introducing new plans or initiatives overseas.

Reflection

- Is an organizational culture an asset or a liability in an evolving business environment?
 - Does it encourage teamwork?
 - Does it reward innovation?
 - Does it stifle initiative?

Stephen P. Robbins | Timothy A. Judge

ORGANIZATIONAL BEHAVIOR

18TH EDITION



Copyright



Q&A !



Thank You for your
participation !

Reminder

Assignment Submission due on **7th October 2026**

