

EDGAR H SCHEIN: CAREERS, CULTURE AND ORGANISATIONAL LEARNING.

Thinker 045

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INTRODUCTION



Edgar H Schein (1928-) pioneered the concept of corporate culture with his landmark book *Organizational Culture and Leadership* (1985), which sparked off much research into organisational culture. Schein also coined the now familiar phrases 'Psychological Contract' and 'Career Anchor'.

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LIFE AND CAREER

Professor Schein had a long and distinguished academic career and he made a strong contribution to the 'helping' professions, mainly in the areas of organisation development, career development, and organisational culture.

After starting his studies at the University of Chicago, Schein went on to receive a master's degree in psychology from Stanford University in 1949 and a Ph.D in Social Psychology from Harvard University in 1952. In 1956 Douglas McGregor invited Schein to MIT after the latter's post-war work on the repatriation of POWs following the end of the Korean War. This work strongly influenced Schein's whole career, and re-emerged forcefully in the article on brainwashing and organisational persuasion *techniques Empowerment, coercive persuasion and organizational learning: do they connect?*

Schein and McGregor collaborated at MIT over a number of years and in 1964 Schein was made a professor of Organisational Psychology and Management. During the late 50s and the 60s Schein also worked at the National Training Laboratories where he met Chris Argyris. In 1978 Schein was named Sloan Fellows' Professor of Management, a title he held until 1990. Schein retired from MIT

in 2006, and now holds the title of Sloan Professor of Management Emeritus. However, he has remained active in his field, continuing to consult, teach and write about subjects which have interested him throughout his life and exploring new aspects of organisational psychology such as communication.

A prolific researcher, writer, teacher and consultant, Schein has focused throughout his career on the factors which influence individual and organisational performance. The main themes underlying his work are the identification of culture(s) in the organisation; the relationship between organisational culture and individual behaviour; the importance of organisational culture for organisational learning; career dynamics; and the relationship between leadership and corporate cultural dynamics.

In recent years, Schein has received a number of awards including the Distinguished Scholar-Practitioner Award of the Academy of Management in 2009 and the Life Time Achievement Award from the International Leadership Association in 2012.

» KEY THEORIES

Corporate Culture

Early in his career, Schein found traditional approaches to understanding work behaviour and motivation, firstly, too simplistic to explain the range of experiences of individuals in organisations; and secondly, too restrictive, as human and organisational needs vary widely from person to person, place to place and time to time. In *Organizational Culture and Leadership* (1985), he became the first management theorist to define corporate culture and suggest ways in which culture acts as a dominant force within an organisation. In his view, culture is a mix of many different factors, such as:

- › observed behavioural regularities when people interact
- › norms that evolve in working groups
- › dominant values pushed by the organisation
- › philosophy guiding the attitudes of senior management to staff and customers
- › organisational rules, procedures and processes
- › the feeling or climate that is conveyed without a word being spoken.

In *Organizational Culture and Leadership*, Schein identifies three levels of culture:

- › **artifacts** or surface manifestations of culture, for example organisational structures and processes
- › **espoused values** - shared philosophies and beliefs
- › **basic underlying assumptions** – invisible perceptions and perspectives which are unconsciously held or taken for granted.

Schein goes on to discuss how these assumptions fall into five, often oppositional, categories:

1. **Humanity's relationship to nature** - some organisations seem want to dominate the external environment, while others accept its domination.
2. **The nature of reality and truth** - the ways and means by which organisations arrive at the 'truth'.
3. **The nature of human nature** - some people seem to avoid work if they possibly can, while others embrace it as a way of fulfilling their potential, to the benefit of both themselves and their organisations.
4. **The nature of human activity** - a focus on the completion of tasks on the one hand, and on self-fulfilment and personal development on the other.

5. **The nature of human relationships** - some organisations seem to facilitate social interaction, others regard it as an unnecessary distraction.

Organisational socialisation

Schein's thoughts on organisational socialisation were triggered when, after arriving at MIT, he asked McGregor for guidance in the form of previous outlines and notes for a course he was preparing. McGregor politely refused, saying there was no need to rely on history and that Schein should make up his own mind. This lesson in acclimatising to MIT led Schein to argue that companies should be conversant with their socialisation practices, and recognise the conflicts they can create for new recruits.

In the article *Organizational socialisation and the profession of management*, Schein discusses how, when a new recruit enters the organisation, a process of socialisation, - adaptation or 'fit' - takes place. He argues that this process has more to do with recruits' past experience and values than their qualifications or formal training.

Usually, Schein suggested, organisations create a series of events that work to undo the new recruit's old values to some extent, so that he or she is more open to learning new values. This process of 'undoing' or 'unfreezing' can be unpleasant, and its success may therefore depend upon either a recruit's strong motivation to endure it, or the organisation's perseverance in making recruits endure it. There are three basic responses to this socialisation process: **rebellion** - outright rejection of the organisation's norms and values; **creative individualism** - selective adoption of key values and norms; or **conformity** - acceptance of the organisation's norms and values.

Noting similarities between brainwashing experienced by servicemen captured during the Korean War and the socialisation of executives on programmes at MIT, Schein argues that many forms of organisational development involve restructuring and change, and have serious implications for the way people work and the relationship they have with management.

Schein likens such OD processes to a form of coercive persuasion, or brainwashing, giving people little choice but to abandon, for example, older norms and values that fit badly with the new learning. If we are in tune with the new goals and values this will not be a problem, but if we dislike the values, we are likely to disapprove of the 'brainwashing'. Schein concludes that, because the very concept of organisation involves some restriction of individual freedom to achieve a joint purpose, and since creativity and learning are related to individual freedom and growth the concept of a continually learning, innovative organisation is something of a paradox.

Organisational learning

Organisational learning, Schein considers, needs to be fast in order to cope with growing market pressures, yet seems to be obstructed by a fear of, or anxiety about, facing change, particularly on the part of senior executives. This feeling is associated with reluctance to learn what is new, because it appears too difficult or disruptive. Schein argues that only a new anxiety greater than the existing one can overcome this fear. His concept of 'anxiety' is the fear, shame or guilt associated with not learning anything new.

Schein emphasises the need for people to feel psychologically safe, if change is to happen. Achieving organisational learning and transformation therefore depend upon creating a feeling of safety, and overcoming the negative effects of past incentives and past punishments - especially the latter. To learn, people need to feel motivated and free to try out new things.

Psychological contract and career anchors

In *Organizational Psychology* Schein highlights a 'psychological contract', (attributing the original concept to Chris Argyris) which he defines as an unwritten set of expectations operating between employees and

employing managers and others in an organisation. He stresses how essential it is that both parties' expectations of a contract should match, if a long-term relationship that will benefit both parties is to develop.

Closely linked to the notion of the psychological contract is the concept of the Career Anchor, which describes a guiding force that influences individuals' career choices and is based on their self perceptions. Schein proposes that, from their varying aspirations and motivations, individuals - perhaps unconsciously - develop one underlying career anchor, which they are unwilling to surrender. On the basis of 44 cases, he distinguishes career anchor groups such as technical/functional competence, managerial competence, creativity, security or stability and autonomy.

The three cultures of management

Rather than a single culture, Schein identifies three cultures (or communities of interest) within an organisation that often conflict rather than work in harmony: the **operator culture**, which evolves locally within organisations and within operational units; the **engineering culture** of technicians in search of 'people-free' solutions; and the **executive culture**, which is focused on financial survival. For example, while the executive culture would require systems and reporting relationships for evidence that operations are on track, the engineering culture would attempt to design systems that cut across lines of control and the people manning these.

In his article *Three cultures of management: the key to organizational learning* Schein suggests that, often, either operators assume executives and engineers do not understand their work needs, and covertly do things in their own way; or executives or engineers assume a need for tighter control over operators and force them to follow policies and procedure manuals. In either case, there is no commonly understood plan, and efficiency and effectiveness suffer.

Schein stresses the need to take the concept of culture more seriously and accept how deeply embedded are the assumptions of executives, engineers and employees. He proposes that helping executives and engineers learn how to learn about, analyse and evolve their cultures may be central to organisational learning.

Managing cultural diversity

The fourth edition of Schein's *Organizational Culture and Leadership* (2010), restates his conceptual model of culture and draws on what has been learned in the field of cultural studies since the book was first published in 1985. While he feels that his conceptual model of culture is still sound, he recognises that television and the internet have made cultural phenomena highly visible and that an awareness of occupational subcultures and small group microcultures is emerging. In the context of technological complexity and globalisation the leadership task has changed and it is increasingly important for leaders to understand how to manage culture change and how to manage multicultural groups and teams.

Firstly, leaders need to develop 'cultural intelligence' – the ability to understand and work with people from other cultures; secondly, leaders can develop 'cultural islands' where people from different occupational and national cultures can suspend some of the rules, so as to communicate openly and engage in dialogue about how they view issues such as trust and authority.

Communication and humility

In a more recent book, *Humble Inquiry: the Gentle Art of Asking Instead of Telling* (2013), Schein turns his attention to interpersonal communication. He explores the causes of miscommunication in the workplace and highlights the importance of building relationships by being curious and interested and by asking questions in a way that encourages others to give full and honest answers.

Schein's work now spans over half a century and his greatest contribution has been to link culture with individual development and growth, putting the accent on organisations as complex systems and on individuals as whole beings. There is no doubt that his work has played a vital role in shaping the study of organisation development and culture or that he has influenced a whole generation of scholars in this field.

The popularity of some of Schein's ideas is less enduring however. It has been suggested, for example, that the concept of the psychological contract of career patterns has lost traction in the light of increasing complexity and mobility in the labour market. Others, however, still see the psychological contract as a useful tool for analysing the relationship between individuals and organisations. Similarly, Schein's understanding of career patterns is perhaps less relevant in an age when most employees no longer expect to stay with a single employer for most of their working lives, but are more likely to move from employer to employer, to consider self-employment or develop a 'portfolio' career.

To the modern reader some of Schein's ideas on social context, self-actualisation as a motivator and leadership as a relationship may seem obvious but this can be seen as a mark of how influential they have been. The fact that culture is now generally recognised as a central factor in organisational change and development is largely attributable to Schein's work.

BOOKS

Most of the book editions cited here are those held in, and available for loan to members from, the CMI library. These may not always be the first editions.

Process consultation: its role in organization development

Reading Mass: Addison Wesley, 1969

Career dynamics: matching individual and organizational needs

Reading, Mass: Addison-Wesley, 1978

Organizational psychology, 3rd ed

Englewood Cliffs, NJ: Prentice Hall, 1980

The corporate culture survival guide

San Francisco: Calif: Jossey Bass, 1999

Process consultation revisited: building the helping relationship

Reading: Addison Wesley, 1999

Career anchors: self assessment, 3rd ed

San Francisco Calif: Pfeiffer, 2006

Organizational culture and leadership, 4th ed

San Francisco: Jossey Bass, 2010

(Originally published in 1985)

This book is also available as an e-book.

Humble inquiry: The gentle art of asking instead of telling

San Francisco Calif.: Berrett-Koehler, 2013

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Organizational socialisation and the profession of management

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Three cultures of management the key to organizational learning

Sloan Management Review, Fall 1996, vol 38 no 1, pp 9-20

Empowerment, coercive persuasion and organizational learning: do they connect?

The Learning Organization, vol 6 no 4 1999, pp 163-172

FURTHER READING

JOURNAL ARTICLES

The next frontier Edgar Schein on organizational therapy, James Campbell Quick and Joanne H Gavin

Academy of Management Executive, February vol 14 no 1 2000, pp 31-41

The anxiety of learning, Diane L Coutu

Harvard Business Review, March vol 80 no 3 2002, pp100-106

Catching up with ...Edgar Schein, Laura Jean Taplin and Marilyn Carter

Organization Development Journal Summer vol 23 no 2 2005, pp 78-82

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