

Culture at IKEA

IKEA, the Swedish homeware and furniture retailer, is often cited as an example of an organisation whose culture is a key element in its sustained competitive advantage. Country of origin can play a major role in the development of a unique and valuable culture, as Anders Dahlvig, CEO between 1999 and 2009, has explained.

“It is a very informal type of culture. It’s based on a few values that have their roots in Smålandish or Swedish culture. Things like informality, cost consciousness and a very humble ‘down to earth’ approach. Also letting people have responsibilities. So there are a number of core values and intentions that we always describe in communication and training. For IKEA [these have] always been [a] very important part of our culture. We think that the organisational culture is important for the business and in some ways for industrial investors. We do give it a lot of attention in terms of marketing and sales as well as development, training and recruitment. The culture is a very important part of a company in the sense that the values of the culture really influence the business itself. I think it is pretty logical and transparent in our company... cost consciousness for example... is an important value that I think we have. It has a bearing on the company since it is our strategy to be a low-price company.”

(Source: Dahlvig, et al., 2003)