
Analyzing and realigning organizational culture

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Abstract

Presents a process developed by the authors that can be used to help organizational leaders and change agents make alignments between their “espoused” and “existing” organizational cultures. First we present an overview of the theoretical model from which the process is derived, and how we attempt to translate the theory into personal mental models for those involved in the change process. Next, we describe an action-oriented process we call “walkies and talkies” used for analyzing what Schein refers to as artifacts and espoused values. Finally, we present a range of change initiatives that may be used if the culture analysis reveals any misalignments – “tune-ups” are actions that can be taken during the analysis or immediately thereafter. “Re-builds” are intermediate actions that take one to six months to complete. “Replacements” are longer-term interventions requiring significant investments of time and resources, and represent change at its deepest level.

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Almost everyone has been in an organization that says one thing but does another. Think about statements centered on quality, teamwork, customer service, or safety. For example, consider the organization with safety banners posted prominently in the production area alongside an unguarded, pinch-point-laden machine. This illustrates the two types of cultures present – simultaneously – in many organizations. The safety banners are examples of “espoused culture” and the unguarded machine is an example of “true culture” (Schein, 1999). When there is a gap between the two types of culture, as in this example, a misalignment exists that can be very harmful to the organization and its members.

The purpose of this paper is to describe a process that can be used to identify such cultural misalignments and reduce them with targeted change initiatives. The process is extremely versatile and can be used by organizational leaders with or without the assistance of an external change agent. Before describing the process, the concept of culture will be discussed and a “mental model” introduced that provides a framework for the process. Finally, the process will be illustrated with case examples.

What is culture?

Culture has been defined as:

A pattern of shared basic *assumptions* that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive,

think, and feel in relation to those problems (Schein, 1992).

The set of important *assumptions* (often unstated) that members of a community share in common (Sathe, 1985).

The sum total of all the shared, taken-for-granted *assumptions* that a group has learned throughout its history. It is the residue of success (Schein, 1999).

As is clear from these definitions, assumptions, often referred to by Schein as basic underlying assumptions (BUAs), define the deepest, most fundamental level of organizational culture. BUAs are unconscious, taken-for-granted beliefs, perceptions, thoughts, and feelings. Herein lies the difficulty of analyzing and changing culture: assumptions are not directly observable and instead must be inferred from what can be seen and heard in organizations. The visible and audible manifestations of culture have been referred to as artifacts and espoused values (Schein, 1992).

Artifacts are visible and physical. Some examples include dress codes, physical settings (architecture, offices, and status symbols), newsletters, signs, and banners. Suitable places to locate artifacts are parking lots, hallways, entryways, management offices, meeting rooms, and workspaces. Espoused values are audible and spoken, and include justifications, goals, philosophies, sayings, slogans, and strategies. Espoused values are included in stories of organizational heroes, legends, and myths. Espoused values may even persist in acronyms, greetings, and small talk.

Because employees and change agents use artifacts and espoused values to diagnose (formally or informally) an organization’s culture, it is easy to assume that they are congruent with, or reflective of, the basic underlying assumptions. However, this is

often not the case (Schein, 1992; 1999). Instead, many artifacts and espoused values are “wish lists,” representing a desired culture that may be quite different from the true culture. We refer to this difference between artifacts and espoused values and BUAs as a cultural misalignment. If a misalignment is diagnosed (via the process described below), then organizational leaders can choose from a range of strategic and tactical initiatives designed to realign the cultural elements.

An action oriented culture analysis

Step 1: learn (a mental model of culture)

The first step is to introduce organizational members to the knowledge and skills necessary to conduct a cultural analysis. This can be facilitated by an internal or external change agent. Theories of both organizations and culture should be presented and discussed. An understanding of open systems theory is helpful because culture is a reflection of many subsystems (i.e. managerial, political, strategic, social, technical, structure) at work (Daft, 1998), and a change in one may have unexpected effects on another. The goal of this stage is to help the leadership team develop a mental model that brings culture to a conscious level for analysis. This can be accomplished through operational definitions of artifacts, espoused values, and BUAs, reinforced with examples and self-analysis exercises.

Step 2: observe (“walkies” and “talkies”)

This stage in the process involves the active collection of artifacts (walkies) and espoused values (talkies). Walkies and talkies are ideally gathered during a “field trip” of the organization, department, or office; fortunately, there are a great many places to collect both. It may be the most enlightening to begin outside, in the parking lot, on the grounds, and by the entrances . . . those places first observed by outsiders. What messages are the artifacts sending? Are these messages congruent with the organization’s values and assumptions? As artifacts are noted, we recommend recording them on an action register, project management table, or data collection sheet like Tables I-IV.

Then bring the field trip indoors, focusing first on documentation. Collect and record as many relevant documents as possible, everything from values statements and strategic plans to operating procedures, human resource manuals, and employee evaluations. Another favorite place to unearth culture is in status symbols

embedded in hallways, offices, meeting rooms, and workspaces. Cultural clues can be found in architecture, dress codes, furniture, company stories, acronyms, greetings, news letters, banners, casual conversations, and formal speeches. You may even want to record quotes from conversations, speeches, meetings, video presentations, and the grapevine, which is the ultimate source or reflection of an organization’s true culture.

This “observe” stage may be extended to include more formal interviews with new, established, and departing employees. New employees are a great source of anecdotal information about what they have had to change to adjust to the company. New employees must decipher the correct way to dress, act, interact, and behave. On the flip side, the evaluation and dismissal processes in an organization yield powerful information about culture. Exit interviews would highlight how an individual did not fit. “In a sense, deviants represent and define a culture’s boundaries” (Sathe, 1985). Performance evaluation data may also yield clues by revealing who fits and who does not; often these are more a result of culture than performance.

Step 3: Infer (basic underlying assumptions from artifacts and espoused values)

The purpose of this phase is to infer deeper meaning from the artifacts and espoused values discovered in Step 2. What hidden BUAs do they reveal? Again, we recommend that BUAs be recorded in the table next to their corresponding artifacts and espoused values. The table will immediately reveal any discrepancies between the two, which represent “cultural misalignment” as described above. It is also helpful to record the organizational subsystem involved (i.e. structure, compensation, management, social, and technical, see column two in the tables).

Finally, it must be decided whether to change or reinforce any misalignments or even alignments that are not congruent with future direction. A “yes” decision may lead to one of three types of change initiatives:

- 1 tune-ups;
- 2 rebuilds; and
- 3 replacements.

Tune-ups are actions taken during the analysis or recently thereafter. We highly recommend taking trash bags, hammers, pliers, and bolt cutters on the field trip so that misaligned artifacts can be removed immediately. However, do not be surprised when employees react with shock or anxiety:

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“My boss said this was okay?” “Are you sure we are allowed to do this?”

Tune-ups can be tremendous confidence builders or they can kill the entire process if the participants are reluctant to act (even when approvals have been garnered). One supervisor actually quaked in anxiety over removing a non-functional mirror (so deformed it resembled a circus mirror) even though his plant manager, screwdriver in hand, was a member of our cultural exploration into the factory. However liberating, tune-ups involve relatively shallow change, mostly limited to the level of artifacts.

Rebuilds are intermediate actions that take one to six months to complete. They often require process or system redesign, associated approvals, and the collaboration of other organizational members. Rebuilds can begin the longer process of culture change because, at this level, they often require structure-based changes. The key to identifying rebuilds is the need to change a process, system, or structure. Rebuilds represent deeper change than tune-ups, often affecting espoused values and behaviors.

Replacements are longer-term interventions that take over six months to complete. They often require significant

Table I

Culture analysis of artifacts in and around parking lots

Artifact or quote	Subsystem	BUA	Change?
Two main entrances to the plant are unmarked	Structure	Not very friendly to outsiders	Yes. Place signs for “employee entrance” and “personnel entrance” above doors
Total absence of trash in parking lot	Environment	Organization takes pride in environmental image	No. Thank services crew
Company property and grounds immaculately maintained	Environment	Organization takes prides in its community	No. Recognize grounds crews
Several signs posted at entrances saying employees are subject to inspection	Political	Paranoia	No. Review and determine whether same message can be stated in a softer way
All the cars in the parking lot are oriented exactly the same way	Structure	Conformance and order are important and even extent to the parking lot	No
No visitor parking available in parking lot	Customers	No special effort to take care of customers or suppliers	Yes. Designate some spaces and put up signs

Table II

Culture analysis of artifacts in plant entrance way

Artifact or quote	Subsystem	BUA	Change?
Entrance flanked by dual guard office	Structure	We take security very seriously	No
Must walk through security/body scan on entering building	Technical	We do not trust our employees	No
Reception office is closed in, at the end of a long, dirty hallway, and unfriendly	Structural/social	Visitors and customers are not welcome	Yes. Tear down walls. Open the area up. Clean hallway

Table III

Culture analysis of artifacts in plant

Artifact or quote	Subsystem	BUA	Change?
Blacked out employee opinion survey information reported posted on wall	Managerial	We have information we do not we do not want you to see	Yes. Either do not ask the question next time or reveal the results
Sign saying “Watch for lift trucks” posted two feet above doorway	Documentation	Attention to detail	Yes. Move to eye level, where signs are visible
Employees walking by cluttered and damaged lockers in hallway with sharp edges are getting their shirts torn, with some minor cuts	Structure	Low regard for internal housekeeping and safety	Yes. Expand rest rooms and install new lockers, Remove old hallways lockers
Many different color combinations of clothes/uniforms differentiating rank and functionality	Structural and social	Some people are better than others. Some people have earned status and privileges	Yes. Obliterate rank differences up to and including plant manager. Grapple with functional differences next year

Table IV

Culture analysis of espoused values

Artifact or quote	Subsystem	BUA	Change?
Employee to employee: "Management will tell us what we need to know"	Structure – political	Decisions are centralized	No
Supervisor to new employee: "Go ahead and send that on. The measurement equipment must be bad"	Structure – formalization, customer	Production is an "art", not a "science"	Yes. Hire technically qualified supervisors
New employee to employee: "Hey, the founder's wife gave me a pen and handshake on my first year anniversary"	Compensation	Employees are worth the price of a pen. The owner sent his wife because he is too busy	No. A suicide mission
Line supervisor to work crew: "Hey, call engineering support. Ha. Ha. Ha"	Structure – complexity	Engineers should be housed one mile away from facility because they are special and design oriented	Yes. Hire our own manufacturing engineers
Maintenance to maintenance: "If only those production people were not so lazy"	Structure – differentiation	"We/they" mentality on production floor	Yes. Restructure maintenance and production under same second level manager. Rotate supervisors between functional areas

resources and adjustments to core values. They will most certainly reside in a business plan or strategic plan and represent full-blown cultural change. This type of work is definitely not trivial, instead "requiring carabiners, grappling hooks, and long, long ropes" (Robbins and Finley, 1996). This is change at the deepest level of culture.

A case illustration of the process

Tables I through IV represent a partial and initial series of analyses done by a client management team using the above process. This organization was interested in action-oriented learning and change. The mental model was introduced in the morning and employed immediately that afternoon. As shown in the tables, it was easy to identify many misalignments. Note that some misalignments were immediately corrected during the field trip with "tune-up" initiatives. Other misalignments required longer-term "re-builds" and "replacements".

Conclusions

Most processes designed to change organizational culture are said to take ten years or longer. Such interventions focus on closing gaps between present and desired cultures, and involve the difficult task of changing underlying assumptions to meet

present and future conditions. The process described above focuses instead on alignment among the elements of culture – artifacts, espoused values, and basic underlying assumptions – and can therefore be accomplished in much less time. The immediacy of the changes produced by "tune-ups" can build trust and commitment to the change process. The process can also initiate deeper change in the form of rebuilds and replacements. Finally, the process provides organizational leaders and members with a working mental model of culture and its powerful effects on behavior.

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