

A Cultural Audit: First Step in a Needs Analysis?

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Introduction

For some time now, we have been inundated with descriptions and advice concerning the care and the development of "corporate cultures". It has been said that many of our business and industrial inadequacies result from outmoded management techniques that have created dysfunctional cultures and that "the notion of corporate culture addresses the real human issues that often impinge on the success of... an enterprise" [1]. In that training, or human resources development, is (or should be) closely linked to those "human issues" and to the success or failure of the organisation, the concept of corporate culture must be addressed when designing training or development programmes. This article will outline one method of using these concepts to enhance the training process.

"Culture" Defined

As the sections that follow will extensively refer to the term "culture", it would be wise to present a definition at this point. Although it has been suggested that the study of corporate culture is an "inexact" or "pseudo" science, there is a general commonality of definition. Campbell, for example, defines corporate culture as "the attitudes, values, beliefs and expectations of those who work in an organization", while Pascale indicates that culture is "a set of shared values, norms and beliefs that get (sic) everybody heading in the same direction". Similarly, Field and Davies refer to

the "behaviour patterns and standards that bind it (the organisation) together", while, for Drake, culture is "a set of values and beliefs shared by people working in an organization" [2].

The common attributes, then, are values, beliefs and attitudes that somehow are shared. These organisational characteristics can be functional or dysfunctional, but each organisation will have a culture that bears strongly on its success, or even on its survival.

Training and Culture

Little has been written as to how these inexact or "pseudo" theories affect the real world of training, but if development programmes do not take culture or the work environment into account, their effectiveness may be severely compromised, as the needs analysis phase may focus on the wrong issues. It might be wise, therefore, to gain a detailed understanding or picture of the culture in which one works, before, or as part of, the needs analysis process.

The problem, then, is to obtain a valid description of corporate culture, called a cultural profile, so that recommendations for improving a specific culture milieu can be made. A detailed methodology will be discussed later in this article, but the term "cultural profile" should be defined here. Dr. Homer Hagedorn, a consultant with the prestigious Arthur D. Little Company, defines a profile as "the most candid statement possible of what a company stands for and what it can't stand" [3]. In order to obtain the profile, he advocates a procedure based on a "systematic" interviewing technique consisting of open-ended questions, so that a "sample of experts" can be polled concerning their perceptions of the organisation's characteristics.

An Audit in the Public Sector: A Specific Example

The impetus to conduct a recent cultural audit within a public sector organisation stemmed from two incidents. The first was a comment by a former associate who, when entering a virtually empty open-concept office, declared: "Things sure have changed. When I was here you could walk in at five p.m. and still find all the employees sitting around talking. Look, it's only four o'clock and the place looks like an empty barn!" The second incident involved one of the original group of employees hired by the organisation. Conversations with this individual determined that he left after more than ten years because he found it an "unpleasant place in which to work". These two incidents suggested that the working environment had become less fulfilling. Through the development of a "cultural profile", therefore, it was hoped to provide valuable insight into the contemporary culture. Only after the characteristics of the culture were understood could viable attempts be made to adjust it.

The audit process began by determining the factors that characterise an ideal work place. The plan was to compare the present work situation with these data and then to determine where improvements could be made.

It was found that the "ideal" culture would have all of the following characteristics:

- (1) a unifying philosophy and spirit emanating from top management;

- (2) the conscious cultivation of internal guidance systems by inculcating basic values and beliefs;
- (3) intensive initiation into the culture;
- (4) the provision of regular, positive feedback;
- (5) intense communications;
- (6) encouragement of internal competition;
- (7) allowance for mistakes;
- (8) the use of "heroes" or role models, rites and rituals;
- (9) work is given meaning through a general emphasis or orientation on caring and on people rather than the mechanistic side of management, and
- (10) sound human resources management systems:
 - adequate pay and benefits;
 - fair appraisal procedures;
 - affirmative action programmes;
 - promotion from within;
 - a management style promoting participation, informality, visibility and accessibility, and
 - insistence on high work standards[4].

While it was realised that no culture could be perfect in all these areas, a questionnaire containing open-ended questions was designed to test the respondents' perceptions concerning each of the characteristics listed above.

As a cluster sampling approach was used, the results were not valid in a strictly academic sense, but enough preliminary information was gathered to form a rough description of how the respondents viewed their working environment. For example, while it was the respondents' unanimous opinion that less than three years before the work environment was "friendly", "trusting" and characterised by a family feeling, it was suggested that something had changed the ethos, or the central philosophy, of the organisation as set by the senior management team[5]. With some exceptions, the respondents seemed to view senior personnel as aloof, uncaring and removed from the concerns of lower-level personnel. This pronounced "we/they attitude" could inhibit the effective operation of the organisation, as many employees were beginning to feel alienated.

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Conversely, the socialisation process by which individuals were introduced into the culture was perceived to be adequate. Although it may have lacked the intensity touted by Pascale[6], responses indicated a general feeling of contentment with the way in which initial entry was handled. Not so, however, the interviewees' view of their service or product. There seemed to be considerable scepticism concerning the quality of service offered by this organisation. Faith in the product is one of the tenets put forth by Peters and Waterman[7]. Without a feeling of accomplishment, employees might become increasingly difficult to manage and motivate.

The future is a source of dreams that help to give meaning to the present[8]. Although funding support for this group was regarded as stable, virtually all respondents forecast increased or continued labour relations strife. As there had already been a strike, a view of the future preoccupied with potential problems would undoubtedly affect the culture in some manner. Future research would be needed to confirm this theory, but it is suggested here that labour unrest or potential labour unrest creates a work environment in which workers lose their loyalty to the organisation.

As to work standards, a concept critical to the development of a functional culture[9], management was perceived to allow poor performance and to be negligent in rewarding good work over incompetence. While it is true that the nature of any state-supported system makes it difficult to reward outstanding performers, individuals may have little incentive to be innovative and to "give second effort" if there is no reward. In addition, a further opportunity to influence the formation of a functional culture had been missed, in that traditions, rites, rituals and role models were virtually non-existent.

Conversely, although several dysfunctional attributes of this culture have been described, at the lowest level of abstraction, the systems area, perceptions generally were positive. Pay and benefits were seen as adequate and sexual discrimination was not an issue. Similarly, at the worker level, there was intense social interaction during work hours, suggesting the existence of an underlying homogeneity and commonality of interest.

In summary, although the lower-level systems appeared to be adequate, the holistic concept of organisational culture had been neglected. It would appear that the top was out of touch with the bottom of the organisation. Indeed, one might have suspected that two, mutually exclusive, cultures existed—one encompassing management and one for other personnel. Should this situation be allowed to continue, line employees would become alienated further from those who manage. The result is likely to be increased frustration on both sides.

The Cultural Profile and the Trainer

Without a firm grasp of the cultural realities in which one works, training is likely to be ineffective. Any attempt to achieve better productivity through training those who actually provide the service is likely to fail, as the training will be seen to run counter to cultural norms[10]. In practical terms, attending to corporate culture means more than providing traditional support and maintenance systems for training. It means starting at the top and working down through the organisation so that the general ethos or philosophy of the work group is changed. As this "attitude" toward the organisation's major activities is, in large measure, set by senior management, the consultant in this case made the following recommendations:

- (1) Senior management must be made visible. The Director and each vice-director should spend at least one hour daily wandering about, chatting with employees in the lower echelons of the organisation.
- (2) An intensive study must be made of the methods by which the various organisational levels com-

municate. Communication should be more intense and it must be more personal.

- (3) Although the process will take time, rites, rituals and rewards must be "worked into the culture".

The major training "need" that surfaced from this analysis or profile, then, was to train senior management in the acquisition of a more open, people-oriented management style. Thus, the focus of training activity changed (for a time) from productivity and service issues at the bottom of the organisation, to the top, where the existence of two divergent cultural entities was not even suspected.

The first step in the design of a training programme for senior management would be for the consultant to closet himself with the Director and to work out a strategy for changing the organisation's primarily authoritarian management philosophy. Two factors would have to be discussed: technique and reward or motivation.

Technique is the easiest concept with which to grapple, as a plethora of seminars using traditional grid and/or other techniques are available that purport to isolate and define one's management style. An intensive, residential programme would be the more effective, as the participants would not be exposed to the distracting influences of the current culture. The important factor is that each senior manager be encouraged to develop an understanding of his/her present management style or orientation.

The motivational aspect of the programme would be harder to design, as senior managers, of necessity, operate independently, without close supervision. As part of the seminar process, the cultural reality and its attendant results would need to be stressed. Then, the Director's vision of what the organisation should be like in three years could be described and a challenge issued to the managers to help accomplish this organisational metamorphosis.

Actual motivation would take place in informal, non-threatening counselling sessions followed by the usual formal annual appraisal. The Director could set up a series of informal, one-to-one contacts during which progress was discussed and suggestions made to refine management style and performance.

Feedback could be delivered from two sources. First, residential seminars can be held at four, and then, six-month intervals to reinforce the Director's vision and to discuss individual and group problems in implementation. Second, another cultural profile can be drawn after the second year. (Realistically, it will take at least two years for appreciable change to occur.)

Of vital importance here would be the role of the Director. Without his enthusiastic and constant attention to the concept of cultural change, nothing will happen. The consultant or trainer, therefore, would need to provide support and/or encouragement through another series of informal meetings and discussions.

Once the effort to change culture is under way, other training needs can be addressed. They too must be seen as culturally dependent, however, and it is vital that this dependence be discussed with senior management on a regular basis. The effectiveness of the organisation thus can be tied in very real terms to the change in management orientation demanded by the Director. By showing how each individual training effort can succeed or fail if it is not sup-

ported by top management, the necessity to formulate and practise a new management style can be stressed again and again.

Problems and Conclusions

The major problem that surrounds the training of top management would be to win acceptance for a major reorientation of well-entrenched management practice. Indeed, some individuals might not be able to accept such a change in personal orientation, and turnover might increase.

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The concept of cultural profiling as suggested by Hagedorn, however, appears to be a valid, if somewhat inexact, method of gaining insight into a corporate or organisational culture. Indeed, there appears to be no reason why Hagedorn's methodology cannot be used in the public as well as in the private sector.

One problem, however, is that most authors appear to assume the existence of one culture, either functional or dysfunctional. But it is suggested that in this study, the organisation under investigation was so fragmented that two, perhaps more, distinct and separate cultures existed, each hardly recognising the other. Every organisation has sub-groups, but in this case, the interaction between senior management and their staff was so limited that one might suspect the existence of two almost mutually exclusive cultural entities. The major task of the consultant in this case was to merge the two cultures into a more homogeneous whole, a process that will take several years, and require massive and time consuming retraining of senior management.

While Hagedorn's concept shows promise and indeed can be used to delineate a cultural profile, as suggested previously, it is rather inexact. Great care must be taken to ensure the respondents give honest, not politically expedient, answers, and that their individual responses are interpreted correctly. Thus, it is difficult to conduct "in-house" cultural profiles, as the auditor, being part of the culture under study, would have a more-than-ordinary amount of bias.

Despite its imperfections, it is suggested, then, that cultural profiling or auditing would be a helpful prelude to conventional OD studies or to the "needs analysis" stage in industrial training, as general trends and perceptions would emerge that could be followed up through action research. In addition, many managers might be unaware of the cultural ramifications of their decisions, past and present. An understanding of what is happening is the first step in the design process. Thus, research that aims to delineate a

cultural profile could have widespread utility wherever "people problems" are to be solved in a logical manner.

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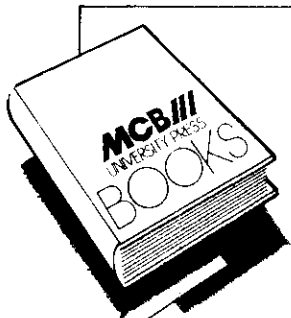
CORRECTION TO INDEX, JEIT VOL. 9 NO. 7

We wish to point out that an entry in the index to volume 9 was incomplete. The last entry under "J" should have read:

| J | <i>issue</i> | <i>page</i> |
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| JOYCE, P., WOODS, A. & HAYES, M., The Corporate Response to YIS -Part II: Empirical Research in the South East of England | 4 | 3 |

We regret any inconvenience this may have caused readers, and apologise to the authors for the omission.

With reference to the monograph "Tomorrow's Industrial Training Officer - The Challenge of Change" (JEIT 9.5), the publishers wish to point out that copyright in this instance belongs to Eugene Donnelly, and not MCB University Press as was stated. We apologise for this error.



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