Cultural Interventions for Integrating Employees and Teams with the Organization: A Case Study

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Abstract: Integrating employees and teams is crucial to any workplace. Effective integration of employees and teams with organization has very high significance in transforming companies into productive and profitable one. Employees often have varied backgrounds, cultures and skill sets, which may create discord and consequently affect the work at hand. Integration of employees and departments with the organization involves identifying those cultures, the cultures embedded within and applying proper intervention measures to bring it to the desired culture. This research paper is divided into three parts. In first part, an attempt has made to understand concept of Organizational behavior and Organizational culture followed by integration aspects and different approaches for organizational culture assessments. Second part has a case study and analysis of an IT Organization in culture perspective. The last part contains the findings and conclusions relating to study.

Keywords: Integration, Cultural Interventions, Organization Culture, Organization Behavior, Subculture.

1. Introduction

Organizations are struggling for corporate survival in a highly competitive business environment. The radical changes faced by today’s organizations are forcing them to reassess the role of employees in terms of their capacity for individual and collective development and the potential which this has for revitalizing the organization. Employees are now split between departments or teams depending on their specialized skills to handle the tasks. Research findings suggest that the creation of teams/groups has led to greater productivity, more effective uses of resources, better decisions and problem solving, better-quality products and services and increased innovation and creativity [1]. Therefore, it is imperative that the integration of employees and teams, to be recognized as the most critical part when strategizing for a growth organization. In this scenario, it is crucial to understand the different culture, traits, style and structure displayed by employees and teams in an organization.

2. Literature review

2.0 Concept and Meaning of Organizational culture

The concept of organizational culture is complex. While most of the literature on organizational culture dates back to the late twentieth century, researchers have also come across evidences that show its origins earlier too [2]. Many studies indicate that interest in organizational culture emerged from work on organization climate conducted in the nineteen-seventies; others argue its origins date from the work of Mayo [3]. Still, discussion of organizational culture can be traced back to the nineteenth century and the work of Tylor.

In simple terms ‘Organization Culture’ refers to a system of shared meaning, values, norms, basic code of conduct and management practices held by members that distinguishes from other organization. Organization culture conveys a sense of identity to its members. It’s the way things are done around. The main architects of culture are the organization leaders. Surface manifestations and artifacts, Espoused Values and Basic assumptions form the backbone for culture formation [4]. Cultural elements have impact on strategy, objectives and operations. Schein states that "culture matters because decisions made without awareness of operative cultural forces may have unanticipated and undesirable consequences and because elements of culture determine organizational strategy, goals and operational modes."[5] This classic description defines culture as “The collection of relatively uniform and enduring values, beliefs, customs, traditions and practices that are shared by an organization’s members, learned by the new recruits and transmitted from one generation of employees to the next.”[5]

2.1 How culture is formed in an organization?

Organizational cultures are created, maintained, or transformed by people and its leadership. Leaders at the executive level are the principle source for the generation and re-infusion of an organization's ideology, articulation of core values and specification of norms. Organizational values provide insight on its worldview. Organizational norms express behaviors accepted by others. They are culturally acceptable ways of pursuing goals. Leaders also establish the parameters for formal lines of communication and message content—the formal interaction rules for the organization. Values and norms, norms and values that grow up over time, establish the permanence of the organization's culture [6].

Today’s organizational culture is not homogeneous. They are mix of a dominant culture and interacting subcultures. A dominant culture is a culture that is the most powerful,
This contains values shared by a majority of organizational members. Sub-cultures can weaken and undermine organizational goals if they conflict with the dominant culture. Hence it is important to understand the existence of such cultures and check for its synergy with that of the corporate culture.

2.2 Different approaches in Organizational culture assessment

Edgar Schein [5] identifies a linear model of organizational culture based on neither overt behaviors nor visible artifacts that can be observed in an organization. Further, he considers organizational culture is not necessarily espoused by an organization's philosophy or its value system as written down in its mission statement or described in a company charter.

Goffee and Jones [7] argue that although an organization can be characterized by one culture, most of them exhibit several sub-cultures and propose a sociability-solidarity model. Goffee and Jones [7] also argue that the culture of an organization is not static; rather it is like fluid and changes in the life-cycle of the company as it develop and progress.

The work of Malekazadeh and Nahavandi [8] contributed an acculturation model that proposed four varieties of acculturation to be observed both at the population and individual levels namely integration, separation, assimilation and deculturation.

Denison & Neale’s Organizational Culture Model [9], values the effectiveness of the organization during and after merger using a common set of cultural traits, which helps to understand the effectiveness of organizations. This behavior based framework quantitatively assesses culture against key traits. Denison& Neale model derivations are widely used for cultural diagnostic in organizations.

In their classic work, Kim Cameron, Quinn [10] develops a framework called ‘Competing Values Framework ‘for identifying culture profiles of organizations. The Competing Values Framework serves as a map, an organizing mechanism, and consists of two dimensions that express the tensions or “competing values” that exist in all organizations. For this research work, Competing Value Framework based culture profiling if followed. The reason for choosing this culture diagnostic model is due to its reputation of being used by hundreds of firms around the world, and its proven image as it got emerged from studies of the factors that account for highly effective organizational performance.

Based on Competing Value Framework, the overall culture profile of a company can be classified into four types namely:

1) Clan Culture: Culture showing excessive flexibility, considering employees as an extended family, greater emphasis on HR policies.
2) Hierarchy Culture: Culture that is highly structured, strict adherence to rules and policies.
3) Adhocracy Culture: A dynamic culture, a creative place for work.
4) Market Culture: A result driven culture that focuses on external business scenarios. Leaders of these organizations will be demanding and highly metrics oriented.

2.3 Culture change interventions

Organizational transformation may include culture change as well as changes within processes, systems or procedures. The focus must be on what is needed to improve the organization’s effectiveness with regard to its business. O'Toole [11] Culture change builds upon the current culture and the values of the organization.

Carleton and Lineberry [12] identified five specific interventions built upon this premise:

- Clarifying existing cultural values and relooking its validity and importance to the organization
- Emphasizing and prioritize key cultural values that are felt more important than other values for the transformation
- Redefining values to meet organizational needs, importantly in making necessary changes to the conditions to promote those practices supporting the desired behaviors
- Building values that are real and operational.
- Creating new values and discarding or replacing older, no longer relevant ones

In the highly acclaimed book on culture change – ‘Making Sense of Change Management’, Authors Mike Green and Esther Cameron [13] suggests that the team spearheading the cultural changes or cultural merger programs must know what changes to initiate, what values drive the organization, what culture will sustain these values, where you want to get to, how you’re going to get there, and what ‘enemy’ you are going to blame as the force to kick-start the cultural change process (e.g. greater competitiveness in the market). And there needs to be plans and processes in place which keep the momentum going. You will need to create a sense of urgency and continually reinforce the need to change.

3. Methodology

The following figure (Figure: 1) explain the step by step Culture Intervention methodology was followed for this research study:
4. Case Study Context

An IT company based in India is facing problems with its performance for last few years. The project delivery was not happening properly on few departments. The attrition rate was at an all time high. Employee satisfaction survey was below average. Overall the business pipeline looks fine but is not in line with the stakeholder expectations.

The company was running smart during the 2000-2005 periods. The issues all started after the management brought in a complete restructuring in the year 2006. Emergence of Mobile platforms, and Open source technology forced the management executives to relook into its technology verticals and in 2006-2007, the technology department was split into three new verticals. These units are namely – NextGen Business Units (for cloud and mobile solutions), Freesource (for open source related software) and Consulting & Enterprise Solutions (for its consulting business). Each of the business units are headed by BU Directors and directly reports to CTO. This restructuring was welcomed by the experts in the field, since such verticals are apt for the new software business scenario.

Management doubted the weak performance has something to do with the restructuring of their organization. To look deeper on the causes, a Culture audit based on Competing Value Framework was performed on these verticals. The result (table 1 below) showed existence of three different dominant cultures.

<table>
<thead>
<tr>
<th>Key Vertical/BU’s</th>
<th>NextGen BU</th>
<th>FreeSource BU</th>
<th>Consulting &amp; Enterprise Solutions (CES) BU</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of Employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dominant Culture</td>
<td>Market Culture</td>
<td>Adhocracy Culture</td>
<td>Hierarchy Culture</td>
</tr>
</tbody>
</table>

A closer look into these departments, pointed out existence of crucial indifference. Since most of the departments need to work closely in delivering key services and products, such indifference was creating slippages and conflicts in the organization. The leadership understood the importance of having a healthy culture for company’s survival and success and decided to implement the cultural intervention methods.

The cultural interventions started first by identifying the desired corporate culture aligned with the corporate vision and mission. From the discussion with the top management, it was understood that the company wanted to be a market leader, delivering quality product on time. Based on the interviews and discussion with the management the desired was identified as ‘Market Culture’.

Next step of the process was to start implementing tools and techniques of cultural interventions by taking utmost care of the human factor. The cultural interventions schemes, though applied in common across the business units, FreeSource & CES business units were given more attention. The cultural audit had graded these two departments with Adhocracy and Hierarchy culture type, respectively. Hence focus was more warranted in these two departments. Duration of the culture intervention program was set as 45 days, and once the program was over, it was to be followed by a change effectiveness measurement.

The intervention procedures started with the identification of change leaders and change agents. For an effective culture change, change leaders and agents are crucial. The role of change leaders and agents is to arouse motivation in others. HR Department helped in scrutinizing and identifying change leaders in each of the business units who got greater rapport, credibility in the teams and those with excellent communication skills. Those chosen were all considered role models in their respective teams.

Once the change leaders were identified from each of the departments, they formed a team which was supervised by the HR Management and Culture auditors. Specific trainings were conducted on what to communicate, what not to communicate and the language to use. Focus was given for environment that avoid vacuum and create a team work ambience. The change leaders were free to setup assistance groups and delegate some task if required.

Another intervention technique was to setup a better reward system. This ensured that you are promoting someone who is consistent with the new way of thinking and working. The new structure should avoid vacuum and create a team work ambience. Proper communication has supreme importance in any culture intervention procedures. The employees want to know what is going in and around their organization. Some may want to communicate face to face while some want to remain anonymous. To cater to all such issues a website (intranet) was setup and change agents and leadership encouraged them to post all their questions and guaranteed a reply in a week. Also the HR Team captured the entire FAQ questionnaire with answers and shared the document in public.
Training programs for (a) Leadership & Management development, (b) Skill development to support new behaviors and (c) Team building exercises were setup as part of the cultural change program. HR Department also fine-tuned its policies related to recruitment, selection, promotion and commitment. Proper actions were taken on those employees blocking the effective transformation.

In the Cultural intervention program, everybody was given equal responsibility and collective ownership of the changes. It is not only the H.R. department, but also the chief executives and senior management team equally shared the ownership for the change. Changing a specific culture within a functional division won't take a long time. Depending on the size of the organization and the relative complexity of a cultural intervention, some differences in the culture can be noted in as little as 30 days [14].

45 days after the program was implemented across the business units, an effectiveness survey followed by face to face interview was conducted. A modified cultural audit questionnaire was used to know the change impact. The result is captured in the below table (Table 2).

<table>
<thead>
<tr>
<th>Key Vertical/BU's</th>
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<th>FreeSource BU</th>
<th>Consulting &amp; Enterprise Solutions (CES) BU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominant Culture:</td>
<td>Market Culture</td>
<td>Market Culture</td>
<td>Market Culture</td>
</tr>
<tr>
<td>Change Satisfaction:</td>
<td>80%</td>
<td>76%</td>
<td>71%</td>
</tr>
</tbody>
</table>

5. Conclusions and Findings

The result showed that the cultural interventions strategy worked. People welcomed new initiatives and programs. The satisfaction index (>70%) showed employees were happy seeing the new process and procedures in their department. The key target of making a culture change to desired corporate culture was achieved. FreeSource Business unit moved from Adhocracy to Market culture, while CES Business Unit transformed from Hierarchy Culture to Market Culture.

The performance improvement was visible. The delivery target slippage came down drastically and the attrition rate moved to a controllable range. Also the image of company improved as slippage came down drastically and the attrition rate moved to a controllable range. Also the image of company improved as the image of company improved as the image of company improved. People welcomed new initiatives and programs. The result showed that the cultural interventions strategy worked. People welcomed new initiatives and programs. The satisfaction index (>70%) showed employees were happy seeing the new process and procedures in their department. The key target of making a culture change to desired corporate culture was achieved. FreeSource Business unit moved from Adhocracy to Market culture, while CES Business Unit transformed from Hierarchy Culture to Market Culture.

Culture change inevitably involves unlearning as well as relearning and is therefore, by definition, transformative. This study shows that, even though initial results of culture change are noticeable quickly, there is no guarantee that this will get absorbed permanently. To keep the change sustainable, there must be sound change management systems in place and HR policies including reward schemes to recognize good efforts that support the change.

References

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Author Profile

Bobby Kurian holds a Post Graduate Diploma in Software Enterprise Management from IIM, Bangalore, a Bachelor of Technology in Computer Science from Kannur University and is currently a Doctoral Student (Management) at Jain University, Bangalore India. He is an entrepreneur and engaged in setting up a start up firm in Bangalore, India focusing exclusively on open source based software solutions.

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