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The Concept of Organizational Culture

Organizational culture is one of the major issues in academic research and education, in organization theory as well as in management practice. There are good reasons for this: the cultural dimension is central in all aspects of organizational life. Even in those organizations where cultural issues receive little explicit attention, how people in a company think, feel, value and act is guided by ideas, meanings and beliefs of a cultural (socially shared) nature. Whether managers think that culture is too soft or too complicated to bother about or whether there is no unique corporate culture does not reduce the significance of culture. Senior organizational members are always, in one way or another, 'managing culture' – underscoring what is important and what is less so and framing how the corporate world should be understood. Organizations practising intensive 'numbers management' may develop and reproduce a culture celebrating performance indicators and rituals around the handling of these. In most contemporary organizations, corporate culture receives a lot of attention and is seen as crucial. A key concern is that 'culture management aspires to intervene in and regulate being, so that there is no distance between individuals' purposes and those of the organization for which they work' (Grey, 2005: 68).

However, even in those cases where top managers have a strong awareness of the significance of culture, there is often a lack of a deeper understanding of how people and organizations function in terms of culture. High ambitions in attaining cultural control are seldom fully realized. Culture is as significant and complex as it is difficult to understand and 'use' in a thoughtful way. Awareness of and interest in culture vary between managers and companies. It is often difficult to attain a high level of cultural awareness to guide actions. The interest in quick fixes in much management writing and thinking is unhelpful. Instead a well-elaborated framework and a vocabulary in which core concepts – culture, meaning, symbolism – are sorted out are necessary for understanding and for qualified organizational practice by consultants, managers and others.

It is tempting to emphasize the significance of corporate cultures for performance, growth and success. At the beginning of the 1980s books identifying characteristics of excellent companies in the USA (Peters and Waterman, 1982) and the secrets behind the at-the-time highly successful Japanese companies (e.g. Ouchi, 1981) highlighted corporate culture. These books, in combination with journalistic writings, created a widespread belief in corporate cultures being perhaps the significant factor behind the performance of companies. This belief has been shaken by problems in many of the companies portrayed by Peters and Waterman as 'excellent' some years after the publication of their book as well as by a downturn in performance among Japanese companies in recent years. In addition, other more 'rationalistic' business recipes partly replaced culture and the focus on 'people' as the latest fashion for companies and managers during the first half of the 1990s. Some

of the interest in culture has moved over to the nearby and overlapping field of organizational identity (Albert and Whetten, 1985; Ashforth et al., 2010), to be addressed in Chapter 3.

Still, a strong case can be made for taking an interest in corporate culture in relation to performance. Managers frequently ascribe successes such as rapid growth to their culture. 'Companies win or lose based on the cultures they create', the chief executive officer (CEO) of CompUSA, the largest retailer in the USA of personal computers, says (Puffer, 1999: 34). Many of the most influential management writers and academics agree. Kanter (2008: 44) recognizes that talk about values is fashionable in corporate circles, but for 'the vanguard companies we studied, values truly are a primary consideration'. Pfeffer (1994: 6) argues that the traditional sources of success – product and process technology, access to regulated markets, economies of scale, etc. – matter less today than in the past, 'leaving organizational culture and capabilities, derived from how people are managed, as comparatively more vital'. Knowledge is said to be the crucial factor behind sustainable advantage and success for companies, and knowledge issues are closely interlinked with organizational culture (Davenport and Prusak, 1998). Knowledge management then partly becomes a matter of cultural management (Alvesson and Kärreman, 2001; Jonsson and Foss, 2011; McDermott, 1999). Culture is thus highly significant for how companies and other organizations function: from strategic change to everyday leadership and how managers and employees relate to and interact with customers, as well as to how knowledge is created, shared, maintained and utilized.

My major point is *not*, however, to preach culture as the principal means to corporate effectiveness, growth and success. It is, as will be elaborated in Chapter 3, difficult to establish clear and causal links between culture and something else. Trying to do so easily implicates a rather simplistic view on culture that seriously underestimates its theoretical potential and value. Nor is my interest to offer new recipes for effective management of culture. For me, organizational culture is significant as a way of understanding organizational life in all its richness and variations. The centrality of the culture concept follows from the profound importance of shared meanings for any coordinated action. As Smircich (1985) says, organizations exist as systems of meanings that are shared to various degrees. A sense of common, taken-for-granted ideas, beliefs and meanings is necessary for continuing organized activity. This makes interaction possible without constant confusion or intense interpretation and reinterpretation of meanings. For organizational practitioners – managers and others shaping organizational life – a developed capacity to think in terms of organizational culture facilitates acting wisely. Insights and reflections may be useful in relation to getting people to do the 'right' things in terms of effectiveness, but also for promoting more autonomous standpoints in relation to dominant ideologies, myths, fashions, etc. We need to learn about culture also in order to encourage and facilitate the critical thinking-through of various taken-for-granted aspects of values, beliefs and assumptions in industry, occupations and organizations. This book tries to make a contribution in this direction.

The book deals with the why and how of cultural understandings of organizations. I try to suggest novel ways of making us more alert to the possibilities of cultural analysis, showing how it can lead to insightful interpretations of organizations, management and working life. The general aims are thus to contribute to a more reflective mode of research and to more reflective corporate practitioners. 'Reflective' thus not only refers to how we relate to instrumental concerns in a more varied, thoughtful and learning-oriented way, but also includes

the critical thinking-through of objectives, arrangements and acts in terms of how they contribute to, or work against, the common good. It draws attention to hidden ethical and political dimensions of organizational life.

The Meaning(s) of Culture

A glance at just a few works that use the term 'organizational culture' will reveal enormous variation in the definitions of this term and even more in the use of the term 'culture'. 'Culture' has no fixed or broadly agreed meaning even in anthropology (Borowsky, 1994; Ortner, 1984), but variation in its use is especially noticeable in the literature on organizational culture. This is partly related to strong differences in the purpose and depth of books and articles. But also the broad variation of scientific disciplines and research orientations involved in organizational culture studies makes the field very heterogeneous.¹ The concept of culture seems to lend itself to very different uses as collectively shared forms of, for example, ideas and cognition, as symbols and meanings, as values and ideologies, as rules and norms, as emotions and expressiveness, as the collective unconscious, as behaviour patterns, structures and practices, etc., all of which may be made targets of study. Of course, culture is not unique in this way. Actually, most if not all significant concepts in organization studies and social science tend to be accompanied by a variety of different meanings and definitions (Palmer and Hardy, 2000).

Culture is, however, a tricky concept as it is easily used to cover everything and consequently nothing. That certain researchers are interested in 'culture' – or at least use the term – does not mean that they have very much in common. Frequently 'culture' seems to refer to little more than a social pattern – for example, it refers to surface phenomena rather than exploring the meanings and ideas behind them. It could therefore be advocated that in many cases the term should be abandoned in favour of something like 'informal behaviour patterns', 'norm system' or simply 'social pattern'. Many people referring to culture seem to do so in a very vague way, and it is important to use the concept without losing focus, direction and interpretive depth.

This book treats a variety of ways of using ideas on culture in research and organizational practice. This calls for a balance between freezing a definite view on culture and letting the concept stand for anything and nothing. Most of the diverse perspectives surveyed here share the following assumptions about cultural phenomena (cf. Hofstede et al., 1990; Trice and Beyer, 1993):

- they are related to history and tradition;
- they have some depth, are difficult to grasp and account for, and must be interpreted;
- they are collective and shared by members of groups;
- they are primarily ideational in character, having to do with meanings, understandings, beliefs, knowledge and other intangibles;
- they are holistic, intersubjective and emotional rather than strictly rational and analytical.

Viewing culture broadly as a shared and learned world of experiences, meanings, values and understandings which inform people and which are expressed, reproduced and communicated partly in symbolic form is consistent with a variety of approaches to the conduct of concrete studies. More precise ways of viewing culture and what they can reveal will be explored, compared, assessed and developed in this book.



I use the term 'organizational culture' as an umbrella concept for a way of thinking which takes a serious interest in cultural and symbolic phenomena. This term directs the spotlight in a particular direction rather than mirroring a concrete reality for possible study. I agree with Frost et al.'s (1985: 17) 'definition' of organizational culture: 'Talking about organizational culture seems to mean talking about the importance for people of symbolism – of rituals, myths, stories and legends – and about the interpretation of events, ideas, and experiences that are influenced and shaped by the groups within which they live.' I will also, however, take organizational culture to include values and assumptions about social reality, but for me values are less central and less useful than meanings and symbolism in cultural analysis. This position is in line with the view broadly shared by many modern anthropologists (especially Geertz, 1973). Culture is then understood to be a system of common symbols and meanings. It provides 'the shared rules governing cognitive and affective aspects of membership in an organization, and the means whereby they are shaped and expressed' (Kunda, 1992: 8).

Culture is not primarily 'inside' people's heads, but somewhere 'between' the heads of a group of people where symbols and meanings are publicly expressed – in work group interactions, in board meetings, but also in material objects. It is the meaning aspect of what is being socially expressed and it is thus visible and invisible at the same time.

Culture, then, is central in governing the understanding of behaviour, social events, institutions and processes. Culture is the setting in which these phenomena become comprehensible and meaningful. It is important here not to overemphasize the static elements of culture: even if tradition, framework, rules and fairly stable meanings are part of the picture, culture is not best understood as a homogeneous, cohesive and causal force, but as something that people do; it is emergent, dynamic, situationally adaptive and co-created in dialogue (Heijes, 2011). This is partly because individuals and groups are meaning-seeking creatures, partly because the multiplicity of complex meanings is set in motion in specific settings and interactions. Meanings need to be negotiated and processed, not rigidly applied. There is, for example, no static and uniform meaning of 'managerial authority' in a workplace; the cultural context provides a framework for its negotiation, aiding interactions (Lundholm, 2011). Is the manager clearly a superior figure, someone you are supposed to have deep respect for, or is s/he more like first among equals? Culture helps sort this out, on a general organizational level, and offers some framing and reduction of uncertainty in the specific relations between individual managers and subordinates (if now subordinates is the right word).

Key Concepts of Culture: Symbols and Meanings

Even though there are a number of concepts of significance for a cultural understanding – including assumptions, beliefs, ideas, rites, rituals, myths, identity and values – I see symbols and meanings as clearly the most significant ones.

Meaning refers to how an object or an utterance is interpreted. It points at what something is seen as standing for. Meaning has a subjective referent in the sense that it appeals to an expectation, a way of relating to things. Meaning makes an object relevant and meaningful. In a cultural context, it is socially shared and not personally idiosyncratic meanings that are of interest. I will give an example: a formal rule in a company says that factory management can only decide on investments up to £50,000, and that larger investments must be sanctioned by a higher authority. This can be seen as a simple, objective, structural





arrangement. The exact meaning of the rule, however, calls for interpretation – and this is where culture comes in. Various meanings are possible: (a) it is under all circumstances intolerable and leads to automatic dismissal for a factory manager to make larger purchases or investments; (b) ‘investment’ can be interpreted or divided up in different ways and £50,000 is a rough guideline rather than a precise figure; (c) as a general principle one should consult top management before significantly, or without strong reasons, exceeding this level, etc., but it is understood that this is often difficult or unnecessary and that people should act with discretion. Another option could be that this rule is read and applied or responded to with much variation: it may be seen as a strict guideline for younger factory managers and for managers of units seen as performing below or around average, while experienced managers heading high-performing units are not expected to obey the rule at all. A rule differs in how strictly and uniformly it is interpreted and taken seriously owing to the cultural context giving the rule its exact meaning. We can imagine different organizational cultures in which the same rule is given very different meanings and thus leads to different behaviours and consequences of the rule. In some organizations version (a) (of the three alternatives above) may dominate; in others a more decentralized and flexible understanding may be central (i.e. one agrees in general with (b)) or there is clear differentiation contingent upon the standing of managers (i.e. situation (c)). But also within one and the same culture the situation-specific and dynamic element needs to be considered. Even in a rule-focused culture there are situation-specific efforts to sort out when it is good to rely on well-established structures and when one should avoid mindless rigidity.

In a cultural context it is always socially shared meanings that are of interest, not so much highly personal meanings. Individuals may be more or less authority-bound and obey the rules or they may dislike and rebel against bureaucracy – they may as individuals see rules as indicators of order and rationality or as a straitjacket and an obstacle to the exercise of judgement and responsibility. Individual meanings are certainly important and they may vary considerably within a group. But a cultural understanding concentrates *not* on individual idiosyncrasies: it is the shared orientations within an organization or another group that is of interest. Even though people in work and other contexts always have their idiosyncrasies and, as expressed by Starbuck (2010: 1398), ‘everyone’s perceptions blend prior beliefs with new observations’, idiosyncrasies are reduced, and perceptions and beliefs are becoming more socially homogeneous (less heterogeneous) through culture. This creates a shared sense of reality through common frameworks, values and definitions of reality.

A *symbol* can be defined as an object – a word or statement, a kind of action or a material phenomenon – that stands ambiguously for something else and/or something more than the object itself (Cohen, 1974). A symbol is rich in meaning – it condenses a more complex set of meanings in a particular object and thus communicates meaning in an economic way. Occasionally, the complexity of a symbol and the meaning it expresses will call for considerable interpretation and deciphering. People have private symbols, but in an organizational context it is collective symbolism that is of most interest.²

When thinking about culture it is important to bear in mind what culture is not, that is, what a cultural perspective does not focus on. Making a distinction between culture and social structure is helpful here. Culture is regarded as a more or less cohesive system of meanings and symbols, in terms of which social interaction takes place. Social structure is regarded as the behavioural patterns which the social interaction itself gives rise to. In the case of culture, then, we have a frame of reference of beliefs, expressive symbols and values,



by means of which individuals define their environment, express their feelings and make judgements. At the social structural level, we have a continuous process of interaction. As Geertz (1973: 145) states, culture is the creation of meaning through which human beings interpret their experiences and guide their actions, while social structure is the form which action takes or the network of social relationships which actually exists.

What Culture is Not

This means that culture and social structure represent different abstractions of the same phenomenon. Culture describes social action as depending on the meaning it has for those involved, while social structure describes social action from the point of view of its consequences on the functioning of the social system. This understanding permits treatment of the tension arising between culture and social structure. A reasonable assumption is that culture and social structure are not necessarily in a well-integrated and harmonic relationship with each other, that is, not best defined or analysed in terms of integration and coherence. Discontinuity between social and cultural structures can occur, for example, when there is a change in formal rules or routines which is not matched by a change in cultural patterns (Fombrun, 1986). Cultural meanings may also change, even if the form or structure is the same. Studying the cultural therefore is not the same as studying social structure. A significant problem in much writing under the rubric of culture is that it lacks sufficient focus and depth in the exploration of meaning and symbolism, drifting instead into a more 'superficial' study of social patterns: structures, behaviours and relations.

The Broad Relevance of a Cultural Perspective

Despite the emphasis on culture set forth by Geertz and others as an ideational phenomenon, cultural analysis is, of course, not limited to studying the shared meanings and ideas of people or forms of communication with a strong symbolic element, such as 'exotic' rituals. Cultural analysis may be applied to all kinds of social phenomena. The point is that culture research concentrates on meanings anchored and transmitted in a symbolic form. Cultural meanings guide thinking, feeling and acting. It is thus difficult to argue that culture is not important. It may be argued that culture denotes something too vague and broad to be very useful, but cultural analysis is more delimited and precise as it is directed at specific phenomena: how people think strategically, how they interpret and respond to the acts of a superior, how they understand the customer and how they give meaning to a label such as 'market orientation'. It is then not culture *per se*, as a specific object, but the shared meanings of a specific phenomenon that are addressed. Culture is a perspective rather than a robust object. (The distinction is difficult to uphold rigidly, as object and perspective sometimes tend to go together, as the object is constructed by the perspective and with the perspective you go 'into' the object domain; see Taylor et al., 2006.)

An illustrative example of the significance of cultural meaning is provided by Olie (1994) who studied mergers between Dutch and German companies. Different orientations and understandings of the decision process were profound. The German managers saw meetings as instruments for decision-making, while the Dutch managers tended to perceive them as

platforms for exchanging ideas and information as a preparation for further action. In the eyes of the German managers, Dutch meetings were time-consuming and ineffective. The Germans found it even more frustrating that once a common agreement was finally reached, the Dutch tended to treat it in their own way and behave as if they felt that flexibility was called for. For the German managers, a decision was seen as something one should strictly stick to. All this overlapped with an authoritarian leadership style in the German company and a preference for participative management in the Dutch camp. Here we can see how the entire decision-making process from preparation to implementation to a large extent reflects cultural beliefs and meanings about what is rational, natural and effective. This example contrasts two different sets of meanings around decision-making, but also that in a 'one-culture company', decision-making never takes place in a purely rational manner. The example thus illustrates not only problems with mergers and cross-national interaction, but also the cultural nature of decision-making.

Some Comments on the Contemporary Interest in Organizational Culture

Studies on organizational culture have been conducted since the 1940s, but they were sparse and scattered until the 'corporate-culture boom' of the 1980s. During the last decade the interest in organizational culture from practitioners in particular continues to be relatively high. Among practitioners it is to some extent connected to industry. In younger, more innovative and knowledge-intensive businesses there seems to be a stronger interest than in more mature and rationalization-oriented ones. Many information technology (IT) companies, for example, are credited with developing and sustaining distinct corporate cultures.³ The interest in identifying, developing, sharing and using knowledge in a more systematic way typically leads to a strong interest in organizational culture. But during periods of change, including in merger and acquisition situations, culture often receives considerable attention also in companies where management of culture is not normally seen as a top priority.

It seems reasonable to point to a set of factors or lines of development to make sense of the increased interest, especially in the 1980s. The exaggerated view of corporate culture as a universal tool for competitiveness and 'excellence' was due partly to the fertile ground created by the boom experienced by Japanese companies and the corresponding difficulties for US and other Western economies at that time, and partly to the skilful exploitation of pop-management authors and consultants. There are, however, a mix of more substantive and lasting reasons for the ongoing interest in organizational culture. For many academic writers it arises from theoretical concerns (e.g. Frost et al., 1985). Traditional organization research, often objectivist and abstract, has proved incapable of providing deep, rich and realistic understandings. Organizational culture differs as it addresses the lived experiences of people. The culture concept also has the advantage that it seems to provide a conceptual bridge between micro and macro levels of analysis and between organizational behaviour and strategic management (Smircich, 1983a: 346). It connects the organization as a whole with everyday experiences and individual action.

Changes in production technology and/or work organization in recent decades may also have been important in bringing the cultural dimension into sharper focus. Brulin (1989) suggests that efforts to reduce storage costs by increasing the throughput speed of products



in manufacturing processes call for greater flexibility and a higher degree of commitment from the workforce than in traditional forms of work organization. This sometimes leads to a reduction of the significance of distinct occupational identities and provides more space for, as well as managerial interest in, reinforcing organization-based identifications and orientations (Casey, 1996). Culture then becomes significant as a glue holding the organization together. In addition, changes in values and lifestyles among employees and in society tend to make corporate control more complicated and it becomes more important to involve workers in the companies. People do not expect to be bossed, which calls for less authoritarian styles of management. These developments create a background for the interest in organizational cultures.

The expansion of high-tech and other knowledge-intensive companies employing a large number of professionals whose loyalty is crucial also contributes to the recognition of the significance of culture in management (Alvesson, 1995; Kunda and Barley, 1988; Robertson, 1999). Weick (1987: 118) speaks of a reduction in the number of mechanistic organizations and a corresponding increase in the proportion of organic organizations 'held together by culture': 'This is why we see more culture and judge it to be more important. There is not more culture, there simply are more organic systems.' The important trend away from mass production to service, knowledge and information in the economy makes ideational aspects – the regulation of beliefs and images – more important, for example, in service management (Alvesson, 1990). Associated with this is a change in emphasis from control of behaviour and measurement of outputs to control of employees' attitudes and commitment, the latter being crucial for the employees' service-mindedness and positive appearance to customers, which in turn has an impact on the level of customer satisfaction.

It is also possible that organizations these days do not automatically produce 'enough' local culture – naturally emerging, distinct, organization-wide cultural patterns – and it is this that accounts for the current interest in it. Van Maanen and Barley (1985: 40) remark that it is because modern management methods are antithetical to 'cultural authority' that 'the notion of "organizational culture" has attained a faddish appeal in business literature'. Cultural patterns become more diverse and less stable. As Giddens (1991: 3) writes: 'Doubt, a pervasive feature of modern critical reason, permeates into everyday life as well as philosophical consciousness, and forms a general existential dimension of the contemporary social world.' The traditional obedience to authorities has faded away. Business leaders, like other conventional authorities, are increasingly faced with an unwillingness of subordinates to be pushed around or to accept their messages at face value. Instead managers need to convince subordinates – and perhaps even themselves and their customers and partners – about the beliefs, values and ideals to strive for and accept as guidelines. A perceived need to develop or repair a cultural framework supporting authority and the orientations deemed to be appropriate may thus be a broad trend, but perhaps most salient in organic organizations, where change and instability and frequently a rather qualified workforce make traditional sources of authority and community most vulnerable.

These factors contribute to hopes that 'with the right corporate vision, mission statement or leader, an organization can build a highly committed, unified culture that fosters productivity and profitability' (Martin, 2002: 9). The idea is that highly motivated and flexible people, acting out of their own free will, will do the right thing. People are expected to voluntarily work harder and perform better, which also reduces the cost of monitoring and





control (Grey, 2005). But, as will be argued in this book and as pointed out by the authors cited above, this is not so easily accomplished in practice.

As with a lot of subjects, fashion and trends make topics wax and wane in terms of the interest they attract. Having been for some time somewhat marginalized in academic studies, there is now a renewed interest in organizational culture (e.g. Ashkanasy et al., 2011; Weber and Dacin, 2011).

Cognitive Interests

Any social science project should carefully reflect upon and position itself with respect to the issue of its basic purpose or rationale. Highly valuable here is Habermas's (1972) idea of cognitive or knowledge-constitutive interests. He identifies three basic motives or interests in which any knowledge-seeking project is grounded. The *technical interest* aims to develop knowledge of causal relationships in order to manipulate and control variables for the sake of accomplishing certain wanted outcomes. The *practical-hermeneutic interest* aims to achieve understanding about human existence – the creation of meaning and communication in order to produce knowledge about humans as cultural beings, without any particular concern for the utility of that knowledge. The *emancipatory interest* aims to liberate humans from external and internal repressive forces that prevent them from acting in accordance with their free choices. Habermas's scheme is accounted for in Table 1.1. (For a discussion of this three-term framework in management and organization studies, see Alvesson and Willmott, 2012. For applications of it in organization studies, see Alvesson et al., 2008; Stablein and Nord, 1985.) We will go through these a little more carefully.

The technical interest of efficiency and performance

Academic studies and practitioner thinking on organizational culture guided by the technical interest often proceed from the assumption that culture is in some way related to organizational performance. Advocates of this view believe that it is vital to uncover linkages or causal relationships between forms of organizational culture and corporate performance and to produce knowledge that increases the chance of affecting specific cultural phenomena (symbols, rites, values, norms, etc.) or cultural systems in their totality, so that outcomes considered beneficial can be attained (Sackmann, 2011). This is an 'offensive' formulation of the issue, one which suggests that culture can be used as a tool or guiding concept for achieving effectiveness. Culture is then manageable and has predictable outcomes. A 'defensive' version of the culture–performance link sees culture more as an obstacle to economic rationality and effectiveness. It then becomes a question of controlling or bypassing culture so that 'it' does not obstruct rational plans or intentions based, for example, on strategic thinking or financial criteria. In other words, this defensive interest in culture is motivated by a desire to avoid difficulties in companies due to the 'negative' features of culture such as resistance to change and cultural conflicts, for example in the context of mergers and acquisitions. While the offensive view can be described as a *tool view* of culture, the defensive view can be called a *trap view*.

Most technically oriented writings on the subject are optimistic and want to use culture as a resource for effective managerial action. Through controlling values and subordinates' definition of reality the desired flexible and committed orientations and effective behaviour



Table 1.1 Habermas's three knowledge-constitutive interests

| <i>Cognitive interest</i> | <i>Type of science</i> | <i>Purpose</i> | <i>Focus</i> | <i>Orientation</i> | <i>Projected outcome</i> |
|---------------------------|------------------------|---|--|--------------------|---|
| Technical | Empirical-analytic | Enhance prediction and control | Identification and manipulation of variables | Calculation | Removal of formal irrationality |
| Practical | Historical-hermeneutic | Improve mutual understanding | Interpretation of symbolic communication | Appreciation | Removal of misunderstanding |
| Emancipatory | Critical | Realize enlightenment project through development of more rational social relations | Exposure of domination and exploitation | Transformation | Removal of socially unnecessary suffering |

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can be produced, it is believed. I think it is important to balance this optimism by emphasizing the difficulties with managing culture. Insights about these may make it easier for managers to avoid projects or forms of communication that are likely to fail and lead to frustration, opposition and/or cynicism. Rather than telling managers what to do, culture theory can help them to know what *not* to do or to be prepared for problems following from cultural clashes in, for example, international business, organizational change initiatives, joint ventures or mergers and acquisitions. Of course, by illuminating difficulties and pitfalls, managers get assistance in how to think in order to use culture in a more offensive way, so the trap and tool views may be supportive rather than mutually exclusive orientations.

The practical-hermeneutic interest of understanding

Culture and symbolism research guided by the practical-hermeneutic cognitive interest does not concern itself with what culture might accomplish or how this accomplishment might be improved but concentrates on the creation of meaning in organizational communities. The primary task is often identified as exploring organizations as a subjective or, better, intersubjective experience. Within this cognitive interest, 'questions of interpretation and description take precedence over questions of function and causal explanations' (Sypher et al., 1985: 17). A common aim is to understand 'how to achieve common interpretations of situations so that coordinated action is possible' (Smircich, 1983a: 351). From a practical-hermeneutic interest, knowledge is viewed as an end in itself rather than being tied to the seemingly more useful purposes of either technical problem-solving or emancipation. This general understanding may, however, be 'used' in different ways that normally touch upon one or the other of these approaches broadly understood. Understanding – when experienced as important – may either encourage new forms of instrumental action or make people feel more enlightened. Contributions in any of these directions are not, however, the direct purpose of the researcher. The principal interest is in the understanding of the meanings, symbolism and ideas of the community being studied; in other words, to find out what the 'natives' think they are up to. This may lead to enriched and deeper understandings, providing a better view of others and also ourselves.

The emancipatory interest of critical exploration

The emancipatory approach investigates primarily the negative features of organizational life and helps to counteract the taken-for-granted beliefs and values that limit personal autonomy. From this perspective, cultural studies provide insight into organizational life that may contribute to liberating thought from its traditional patterns and the repressive aspects of culture. One example would be cultural meanings with a strong gender bias. Organizational cultures often bear strong imprints of masculine domination, leading to ideas of what is 'natural' and valuable in organizations, to an emphasis on instrumentality, hierarchy, toughness and denial of relations and dependence, and to a downplaying of emotions, intuition and social relations (Alvesson and Billing, 2009; Ely and Meyerson, 2010). Such ideas and orientations may have a doubtful value for business, for example through allowing only a narrow set of leadership behaviour, and through excluding most women and some non-macho men from being seriously and fairly considered for promotion. These meanings and values may lead to an impoverished working life, for women as well as for many men. Within an emancipatory project it is not, however, the possible disadvantages for business results but for people in terms of constrained thinking and



acting that are the primary problem. Thus, the purpose of cultural studies is to liberate human potential or, more defensively, illuminate the obstacles of emancipation. The task of cultural studies, then, is to encourage critical reflection on beliefs, values and understandings of social conditions.

There are two broad targets for emancipatory efforts. One is a critique of ideologies and sociocultural processes in organizations in which asymmetrical power relations and the exercise of power make their mark on people's consciousness. The use of the idea of 'corporate culture' may here appear as a way in which management instils favourable definitions of reality in the minds of employees, and domination through symbolism becomes the target (e.g. Knights and Willmott, 1987; Rosen, 1985; Willmott, 1993). The other emancipatory project aims to illuminate basic values and understandings with a view to counteracting ethnocentrism and broader, taken-for-granted cultural assumptions (Alvesson and Deetz, 2000; Carter and Jackson, 1987; Prasad, 1997). Whereas it is sceptical of the values typically advocated by management, its scope is broader and includes a cultural critique of ideologies and meanings that may also constrain social elites.

An overall comment

The three cognitive interests indicate a wide spectrum of ways to approach organizational culture (as well as other phenomena). The relationship between the three, and in particular between the technical and the emancipatory, is antagonistic. But it is also possible to see bridges between them (Spicer et al., 2009). Contrary to the bold claims of much managerial writing, it is important to acknowledge that culture is not just something that can be actively mobilized to make people think, feel, value and behave in accordance with managerial requirements, but that culture frequently works as a source of employees' resistance to managerial objectives and control. Intentions behind managerial interventions and arrangements, on the one hand, and subordinates' reactions to these, on the other, may thus differ heavily. Of course, there is always individual variation, but the cultural dimension is crucial here. All managerial action then needs to consider the cultural context in which it is carried out – how subordinates, customers, etc. give meaning to, and act based on, their perception of the world. Sometimes the managerial intended meaning resembles those targeted (subordinates, partners, customers, the public), sometimes the cultural meanings developed by the latter differ heavily and work as a counterforce to managerial intent. Many mergers and acquisitions, for example, fail or lead to less than optimal results partly owing to cultural differences (e.g. Empson, 2001; Olie, 1994) or to ongoing interactions in which differences and dissension are created and reinforced (Kleppetø, 1993). Managerial work then calls for careful consideration of those interacted with and communicated to. An understanding of cultural management not as a technocratic project where managerial agents engineer the minds of their subordinate objects, but as an interactive, interpretive enterprise, may reduce – but not overcome – the gap between a technical, a practical-hermeneutic and an emancipatory approach to organizational culture.

Objectives of this Book

The overall purpose of this text is to provide a qualified and broad introduction to, as well as development of, organizational culture, and to strengthen it as a powerful and inspirational





framework for 'deep thinking' about what goes on in organizations and in management. Cultural interpretation is, I think, one of the best ways of understanding a broad spectrum of aspects of management and organization, but its potential has only partially been utilized, despite much effort, in academic work as well as in organizational practice. We need more 'cultural imagination' in studying and practising organization. My objectives can partly be illuminated by treating the why and how of cultural interpretation.

One of this book's main objectives is to add something to the ways we think about *why* we should conduct cultural studies of organizations – specifically, what knowledge-constitutive or cognitive interests (Alvesson and Willmott, 2012; Habermas, 1972) make such studies worthwhile. In principle there are two broad answers. The first views organizational culture as a means of promoting more effective managerial action, whereas the second views culture as a point of entry for a broader understanding of and critical reflection upon organizational life and work. These two answers are not necessarily mutually exclusive (understanding and reflection may precede effective action), but the goal of promoting effectiveness tends to rule out complicated research designs and 'deep' thinking, while promotion of broad critical reflection presupposes that the project is not subordinated to managerial interests. Cultural interpretation as a knowledge resource for accomplishing managerial objectives is radically different from questioning them.

One may, however, recognize the legitimacy of managerial action based on a sophisticated understanding of culture at the same time as one is critical of forms of organizational culture that exercise socially unnecessary domination. To some extent all forms of management mean domination and to some extent all social life presupposes constraint; the challenge is to identify and explore more problematic and arbitrary forms of power. The interesting aspect here is 'surplus' domination – in which a significant element of constraint on individual freedom, evaluated to do more harm than good, is targeted, and/or where insight into the power element is seen to facilitate more informed and thought-through considerations. The line between legitimate and illegitimate exercise of power is thin and open to debate – it therefore should not be avoided but addressed.

This book takes seriously the capacity of culture to *simultaneously* create order, meaning, cohesion and orientation, thus making collective action, indeed organizational life, possible, *and* to restrict autonomy, creativity and questioning, thereby preventing novel, potentially more ethically thought-through ways of organizing social life from being considered. Understanding and assessing culture calls for taking seriously what it makes possible as well as what it makes impossible. Arguably, a broadened cultural understanding which encourages problem-solving and problem-awareness – neglecting neither instrumental nor political-ethical concerns – may contribute to the social good. The trick is then to navigate between managerial technocratic consciousness and critical good-doing elitism, stimulating academic work and practical organizational acts guided by an ongoing struggle to being open to the multidimensionality of culture.

The other major objective of this book is to stimulate reflection on *how* a cultural understanding of organization can best be accomplished. This calls for an ability to vary perspectives: to consider several aspects and relate these to each other. Reflexivity and insight, not procedure and truth, then become catchwords (Alvesson and Sköldbberg, 2009). This 'how' question is, of course, contingent upon the 'why' question. The overall purpose of doing organizational culture analysis is, naturally, to guide answers to questions on how such analysis is best conducted. How can we think productively about culture in academic research



and education as well as in organizational practice? What does it mean to see an organization as a culture? How can we use culture in order to get a good combination of guidance/focus and openness, appreciating wholeness and depth, analytical and theoretical insight, and experienced organizational life? These are challenges that the present text takes seriously.

The following topics seem vital to explore: (1) the role and meaning of metaphors for both organizations and culture, that is, the basic meanings (gestalt, image) we have in mind when addressing organizational culture; (2) the relationship between organizational culture and identity; (3) the significance of culture for corporate performance; (4) broadening the area of application for cultural thinking and developing it as a key dimension of management, marketing, strategy and the business concept; (5) exploring culture in relation to leadership and understanding leadership in an organizational culture context; (6) the question of level of analysis, that is, whether the organization is a culture, a set of subcultures or a local reflection of societal macro-culture (a societal subculture); (7) culture as a source of order and integration versus culture being characterized by differentiation, contradiction and ambiguity; (8) the emancipatory potential of cultural studies as a counterweight to ethnocentrism and parochialism as well as specific forms of managerial domination and thereby as a facilitator of reflection on self-limiting forms of understanding; and (9) culture and change. Careful consideration of each of these themes will highlight the weaknesses and strengths of various approaches and suggest improvements that may help organizational culture thinking to produce insights about organizations and working life – in research and organizational practice. These nine topics are addressed in Chapters 2–10, with one topic per chapter, in the same order as presented here, so that topic 1 is addressed in Chapter 2, topic 2 in Chapter 3 and so on.

Summary

Organizational culture is one of the key areas of management and organization studies as well as practice. An important task of managers is to try to manage the ideas and understandings of their subordinates. Also dealing with technical issues – budgets, information systems – calls for people to ascribe a positive and similar meaning for these to work well. Managers can do implicit culture work here: culture is done (created, recreated, revised) without anyone really thinking about it. All management takes place within culture; this includes organizational culture but also societal-level, industrial and sub-organization-level culture. The expansion of the interest in culture during the 1980s reflects an increased interest in organizational life and managerial action and responds also to the development of new forms of organizations in which formal hierarchy and bureaucracy are less effective means of control and in which ideas, beliefs and values are central. This does not mean that one necessarily should adopt sweeping statements about ‘new organizations’ as a major rationale for an interest in organizational culture. Although ‘rationalistic’ modes of management control or machine-like organizations clearly are still significant, these also need to be understood in a cultural context and scrutinized in terms of the cultural orientations that they rely upon as well as trigger. In addition, we live in an increasingly international and multicultural society, making cultural issues highly salient.

This book is an effort to clarify alternative approaches to organizational culture, to contribute to an increased awareness of the phenomena that cultural studies of organizations address, to facilitate ‘better’ choices in the development of cultural perspectives, and to encourage



attention to different aspects of traditional objects of study – in short, to contribute to a more sensitive and interpretively sharper use of the idea of culture in organization and management studies and practice.

Culture refers to complex, inaccessible, fuzzy, holistic phenomena. Much talk about corporate culture reduces culture to a set of espoused and vague values that do not vary that much between organizations, thus conflating rather different phenomena. It is tiring to hear about values such as ‘technological excellence’, ‘people company’ or ‘market orientation’ without further exploration of what these, more precisely, are supposed to mean. More specific and deeper description and interpretation are called for. Culture is, as I see it, best understood as referring to deep-level, partly non-conscious sets of meanings, ideas and symbolism that may be contradictory and run across different social groupings. Culture thus calls for interpretation and deciphering. It is productive here to obtain a balance between rigour and flexibility, reductionism and consideration of a wide set of aspects, analytical sharpness and space for intuition, imagination and intelligent guesswork. Cultural interpretation cannot be pressed into a formula or a model. This kind of work calls for careful reflection and self-critique of one’s own cultural bias and what different concepts of culture can reveal but also obscure.

Notes

- 1 Perhaps the most important aspect of this variation is the philosophical and metatheoretical assumptions that guide approaches to organizational culture studies. The most important distinction is between an objectivist-functionalist view of social reality and an interpretive approach (Burrell and Morgan, 1979; Smircich, 1983a). There are widely differing views on whether ‘culture’ refers to real, objective phenomena ‘out there’ or if it is a framework for thinking about certain aspects of the social world. It is difficult to be rigorous here (Taylor et al., 2006). These result in very different understandings of culture that are only to a limited extent reflected in differences in its formal definition.
- 2 Sperber (cited by Gusfield and Michalowicz, 1984: 421) interprets as symbolic ‘all activity where the means put into play seem to be clearly disproportionate to the explicit or implicit end ... that is, all activity whose rationale escapes me’. As Gusfield and Michalowicz note, what is symbolic for one person may be non-symbolic for another. Still, I think it is wise to use ‘symbol’ as a conceptual tool for making sense of the hidden or latent meanings of an object.
- 3 In management and organization studies, the terms ‘corporate culture’ and ‘organizational culture’ are sometimes used interchangeably, sometimes with different meanings. Typically corporate culture refers more to the ideals, values and meanings proposed and/or embraced by senior managers and possibly other groups responsive to their messages. Sometimes authors even view corporate culture as what is espoused and what management thinks it should be, while organizational culture refers to the ‘real’, a more descriptive interest in cultural patterns in the organization (Anthony, 1994). I tend to downplay this distinction somewhat, while still seeing organizational culture as signalling a broader interest in cultural manifestations in the organization, and while corporate culture refers more to the business and management side. I see the terms as overlapping but with differences in connotations.

