As the title suggests, the purpose of this chapter is to continue our process of exploring and explaining the nature of organization change but, in this case, focus on changing an organization’s culture—“the way we do things”—the most difficult aspect of organization change. In the previous chapter covering the Burke–Litwin model, recall that culture is a transformational factor meaning (a) systemwide (every organizational component and activity in one way or the other reflects the organization’s culture), (b) directly related to the external environment, and (c) with respect to change requires revolutionary rather than evolutionary interventions.

First, using examples, we will explain in more depth than we have covered so far and more precisely just what organizational culture is. Most useful for this explanation are Edgar Schein’s three concepts: artifacts, espoused beliefs and values, and basic underlying assumptions (Schein, 2004).

Second, we will use the story of British Airways (BA) as our primary example of culture change—that organization’s journey from being a government-owned airline to becoming a private, stockholder-owned enterprise competing on its own in the marketplace of global airline companies.

Finally, we will refer to a previous theory covered in earlier chapters to help explain the culture change at BA.
Experiencing Organizational Culture

Early in my career I was involved with an organization that operated in the world of law enforcement and corrections. It was known as the National Parole Institute, which was funded by the federal government to train parole board officers nationwide in group decision making. As a part of my indoctrination, I visited a new federal prison, in Minnesota as I recall, with the director of the parole institute. As we entered the new facility, I noticed that he was observing everything he saw quickly yet intensely. The facility was brand new with all of the latest architecture and technology. Cameras and TV monitors were everywhere. The floors, walls, and windows (what few there were) sparkled with cleanliness, and everyone from the warden all the way down the hierarchy to the officer in charge of a cellblock was dressed impeccably. Within only a few minutes of observation, the parole institute director in an aside to me said, “This is the ‘tightest’ prison I have ever seen. No one here will be unruly much less escape from this place.” I marveled at how quickly he could size up the joint by only looking around. We had not yet interviewed anyone much less collected any further data.

Although I did not pursue a career in law enforcement, several decades later, I had the opportunity to visit a county jail in upstate New York. It was entirely different from the federal prison. The warden dressed in “civilian” clothes, had a doctoral degree in criminology, and knew each prisoner personally. The prisoners spent their days in a community room, not in cells; had access to sports equipment, books, magazines, board games, and so forth; and interacted freely and informally with one another and with the jailers and other staff members. In the few hours that I was there, I never felt in danger. This facility may have been the “loosest” jail that my colleague of long ago had ever seen.

The descriptive terms tight and loose suggest something about each of these two facilities’ cultures. Even though the terms may have been accurate reflections of the organizations’ cultures, they barely scratch the surface of an in-depth diagnosis of culture. The “surface” was the extent of the diagnosis at the time—that is, what was seen, heard, touched, and smelled. These surface observations are what Schein (2004) referred to as artifacts, the visible manifestations such as the ones previously described and technology, products, language, mode of dress, manners of human interactions, rituals, ceremonies, and so forth. Artifacts are but one level of understanding culture, and though they
are obvious to see and sense, determining the meaning behind them is not all that obvious. For example, one might infer that the federal prison was very efficient, using its resources frugally, whereas the “looser” county jail was inefficient and perhaps wasteful. But the opposite could be true. Efficiency is inferred from artifacts but for the observer is an interpretation of what one sees. The interpretation can be wrong. Schein went on to argue that understanding two additional levels are absolutely necessary to comprehend and diagnose more thoroughly an organization’s culture. To address Schein’s second level, let us consider another brief consultant anecdote of mine.

As I recall, it was a day in the late 1960s that I spent time with the internal organization development (OD) group at the Cincinnati headquarters of Procter and Gamble (P&G). In those days, P&G was heavily involved in OD work, and considerable innovation about organization change was under way. Most of the day involved discussion between the P&G OD folks and me regarding what was going on in other organizations. I was executive director of the OD network at the time. At one stage during our discussion, especially about organizational culture, the head of the OD group made a provocative statement. He said that if there were 100% turnover of the entire P&G population within a 24-hour period, the new workforce would behave and operate the company exactly the same as they had been doing. I said something to the effect of “You’ve got to be kidding!” He then said, “Come with me for a short walk.” We left the meeting room and walked down the hallway to a large open space. We stopped before two large oil portraits. My friend then said, “These two paintings are of Mr. Procter and Mr. Gamble, founders of the company and long since dead. But they watch us constantly to make sure that we present-day employees continue to live the values of the company that they instilled long ago, so the new employees would conform to these values and behave just the way we do because that’s the way Mr. P and Mr. G would want it.”

The second level for understanding an organization’s culture is what Schein (2004) referred to as espoused beliefs and values. When a group is first formed to solve a problem, perhaps to initiate an enterprise, to deal with a major issue, and so forth, an individual or two will emerge as a leader, or leaders, and propose a solution, suggest ideas, and so forth. What the leader proposes might work, but it is only what the leader wants to do. Until the group has taken some joint action and that action turns out to be successful will the members believe that what they did
actually works. This common belief and acting on it is what Schein called *social validation*, meaning

that certain values are confirmed only by the shared social experience of a group. For example, any given culture cannot prove that its religion and moral system are superior to another culture’s religion and moral system, but if the members reinforce each other’s beliefs and values, they come to be taken for granted. Those who fail to accept such beliefs and values run the risk of “excommunication”—of being thrown out of the group... the group learns that certain beliefs and values as initially promulgated to prophets, founders, and leaders, “work” in the sense of reducing uncertainty in critical areas of the group’s functioning. (Schein, 2004, p. 29)

Examples of statements promulgating beliefs and values for the organization include Hewlett-Packard’s (2013) *The HP Way* and Johnson & Johnson’s (2013) *Credo*.

Schein (2004) referred to this second level of culture diagnosis as *espoused* beliefs and values for a reason. When organizational members, particularly at the executive level, say what the beliefs and values are but rarely behave consistently with those statements, then the espoused words become limited in helping us to understand fully the culture. This second level can be useful for helping us to understand organizational members’ intentions, but if actions do not always match the espoused beliefs and values, we know that some important ingredient of the culture is unavailable to us. It is below the conscious, overt level of artifacts and what people espouse. It is that below-the-surface level, the third dimension, that Schein (2004) labeled *basic underlying assumptions*.

For the better part of 25 years I was a consultant to the National Aeronautics and Space Administration (NASA). I helped establish their Management Education Center and conducted many development programs there. I also helped to create an annual employee opinion survey system and provided executive coaching from time to time. The span of time for my involvement was from the late 1970s to about 2000. Thus, I was involved at the time of the tragic *Challenger* accident in 1986 and the O-ring seals problem located primarily at the Marshall Space Flight Center in Huntsville, Alabama. An important aspect of NASA’s culture at the time was the espoused value of openness, candor, and honesty. In other words, it was a “tell-it-like-it-is” culture. Sometimes NASA engineers and
scientists could be quite blunt and confrontational with one another. Yet prior to the accident it was known that there was an O-ring problem and that in subfreezing conditions the rings could become brittle and break. This knowledge was concentrated at lower, technical levels in NASA’s hierarchy but not at higher executive levels. In other words, there was a reluctance to deliver bad news to one’s boss. The problem did not reach high-enough levels in the system to influence decision making in a timely manner. Although the espoused value of openness may have held for peer interactions and top-down relationships, it did not hold for bottom-up interactions. In fact in an analysis of data following the accident, we found that in our 40-item multirater feedback system, the one practice that was rated the lowest by peer, boss, subordinate, and self-ratings was “You present bad news in a constructive manner.”

It looked as though whether constructive or not, bad news was simply not communicated especially upward in the hierarchy. And that was particularly true at the Marshall Center. So there was an exception to the “can-do” attitude and the espoused value of openness lying beneath the surface—the basic assumption of openness except with your boss. This assumption was deeply buried in the culture—not discussed—and probably emanated from the first center director at Marshall, Wernher von Braun, who was known as a top-down executive and a rather intimidating personality.

Basic assumptions, then, consist of behaviors that are (a) rarely if ever discussed, (b) taken for granted, and (c) based on repeated successes—these behaviors “work” for us whether “work” means to be embraced or avoided. Basic assumptions according to Schein (2004) “tend to be non-confrontable and non-debatable, and hence are extremely difficult to change” (p. 31). To change a basic assumption requires a reexamination of dearly held beliefs and therefore can destabilize a system, whether an individual or a group, and consequently cause considerable anxiety. Schein went on to state that

culture as a set of basic assumptions defines for us what to pay attention to, what things mean, how to react emotionally to what is going on, and what actions to take in various kinds of situations. (p. 32)

Moving on to changing culture, Schein (2004) argued that

the two keys to successful culture change are (1) the management of the large amounts of anxiety that accompany any relearning at this
level and (2) the assessment of whether the genetic potential for the new learning is even present. (p. 32)

In summary, an organization’s culture can be understood at three levels—its artifacts, its espoused beliefs and values, and its basic underlying assumptions. To fully understand culture, one must reach the third level because we can only interpret the meaning of artifacts and give credence to espoused beliefs and values by knowing, at least to some extent, the pattern of basic underlying assumptions.

With Schein’s fundamentals of culture as background, and keeping in mind his warning that culture change is difficult, we will now consider a large-scale case of organization change with a primary focus on culture that was successful and took well over five years to accomplish.

The British Airways Story: A Case of Culture Change

In the 1980s, BA experienced significant organization change and with considerable and focused effort over a number of years gradually realized a fundamental modification of its deep structure, the concept explained earlier in Chapter 5. Described briefly at the beginning of that chapter were the external forces threatening BA’s survival—the edict handed down by Prime Minister Margaret Thatcher and the growing deregulation of international air traffic—that is, many fares were no longer being set by governments but instead were being determined by the marketplace. Recall that Thatcher believed strongly in a free-market society, and accordingly, her actions were to change public sector organizations supported by the government to private enterprises. One of the first of these changes was to consolidate a number of disparate government organizations in the aerospace and aviation area into one “free-market” company, British Aerospace. Following soon thereafter was Thatcher’s declaration that BA would become a publicly owned enterprise with company stock being traded on the stock exchanges of London and New York. As a government-supported organization, BA had been the country’s flagship airline but now had to survive on its own. Employees wanted BA to remain the flagship, but they realized that they would have to do so competitively in the world marketplace. In the mid-1980s, the pressure to survive and to develop a more competitive strategy quickly was intense. Things had to change.
In an attempt to become more competitive and cost conscious, an early decision made by the CEO, Colin Marshall, was to reduce the workforce from about 59,000 to 37,000. This act got everyone’s attention and, as might be expected, drew lots of criticism. Marshall stayed the course, however, and went on to emphasize a mission of providing superior service and to focus on a strategy that would increase market share and customer satisfaction.

These changes of mission and strategy began to affect the deep structure of BA but were not sufficient to complete the change. Marshall knew that he had to change the BA culture. Historically, BA was formed from the former pilots and staff of the Royal Air Force of World War II and early on was actually two airlines: British Overseas Airline Company (BOAC) and British-European Airline (BEA). Flying all over the world, BOAC was the more glamorous airline with royal blue uniforms with large airplanes for long trips, and BEA flew short trips and the crew wore brown uniforms. These artifacts—as Schein would call them—became a problem when the two airlines later merged and formed what we now know as BA. The former BOAC staff held more status, of course, and even with common uniforms as a result of the merger one could still tell who were the glamorous ones and who were the “brown suits.” Becoming one airline took a long time, but by the 1980s, they were essentially and finally one company but now had to change again. Yet a vestige of the past remained, a part of BA’s deep structure, and that was the military influence from World War II, which had quite naturally evolved over time into a command-and-control culture that was engineering rather than market driven. BA had a terrific maintenance and safety record, but passengers seemed to be incidental to the whole process. It was a question of what to change in the culture while keeping those aspects that could continue to support the superb maintenance and safety records.

Let us pause here for a moment and consider two important points. One concerns the second of Schein’s (2004) three levels of organizational culture: espoused beliefs and values. BA employees, particularly those in the engineering and maintenance functions, believed strongly in the emphasis on solid engineering and maintenance of their aircraft. After all, these activities, done well, resulted in the closely held value of safety. BA has been known for its safety record, and their maintenance staff has enjoyed an excellent reputation in the industry. In fact, a significant source of income for BA is providing maintenance services for other airlines.
The second point concerns a fundamental principle of managing organization change. The principle is this: In an organization change effort, communicating what will remain the same is as important as communicating what will be different. Wisdom from the world of counseling and clinical psychology is relevant and can be applied to leading and managing change at an organizational level. To help individuals cope with and manage change in their lives, the wisdom is that of keeping something stable in one’s life while changing other aspects. It is not wise to change one’s career, quit one’s job, and get a divorce all at the same time. Holding on to something that is not changing in one’s life—having an anchor, as it were—helps one immeasurably to deal with the complexity of change in other parts.

The same is true at an organizational level. People can more adequately deal with and manage what may be considerable chaos and complexity with respect to an organizational change effort if they know that some aspects of the organization will remain stable—at least for the time being. We can more easily handle, say, a major overhaul of the organization’s structure and even accompanying changes in our jobs if we can at the same time be assured that, for example, our compensation will not change—that is, the organization’s reward system will remain intact.

In the case of BA it was, of course, a matter of keeping intact, that is, largely as it had been, the engineering and maintenance functions. Marshall, the CEO, was clear about what needed to change (i.e., to become market and customer driven), and he was just as clear about keeping the technical standards at the highest levels (where they had always been) regarding the flying and maintaining of their aircraft.

To be more specific about the culture change, a series of programs and activities were launched to move BA from a bureaucracy laced with military residue to a service business in which passengers were treated as human beings rather than as another form of baggage. The initial programmatic effort was a 2-day orientation to the new culture called “Putting People First.” The program challenged the prevailing wisdom about how things were to be done at BA. This initiative served as one of the action steps to launch the “unfreezing” stage of Lewin’s three stages—unfreeze, movement, and refreeze.

The next activities were to focus even more intensely and directly on the culture. Nick Georgiades, the head of human resources at the time, conceptualized this aspect of the change effort in terms of a “three-legged
stool.” The “seat” was the new, desired culture—one that was more customer focused—and the three legs of the stool were

1. “Managing People First” (MPF) programs that were a 5-day residential set of activities to help managers learn how to (a) communicate more openly and build trust, (b) manage their people more participatively, (c) manage their direct reports more as a team and less in a one-on-one manner, and (d) provide constructive feedback in performance appraisal sessions with their people. Considerable time and energy during the program was devoted to providing feedback to the managers via a multirater process that was based on specific behaviors that represented (a) through (d).

2. The second leg of the stool concerned performance appraisal for all managers. Previously BA managers were evaluated according to results accomplishment—and results only. Now half of a manager’s evaluation would be based on results, and the other half was to be based on how they got the results—in other words, the rated behaviors from the MPF program. This rating process became an annual activity—that is, the behaviors from the program became a formal part of a manager’s annual performance appraisal.

3. And the third leg was pay for performance—that is, rewarding managers according to how they were rated on the second leg of the stool.

The notion of a stool with three legs was meant to convey that if one leg were removed the stool would collapse. All three legs together were critical to the process of culture change.

Another program was to train all human resources staff within BA on consulting skills so they would be in a better position to help the MPF participants apply what they had learned.

A guiding rationale for conducting the MPF program and spending considerable effort with follow-ups to ensure change in the BA culture was supplied by the research work of Ben Schneider and his colleagues. In a series of studies reported in Schneider (1980, 1990a) and Schneider and Bowen (1985), this is what has been consistently demonstrated (Burke, 1994):

How “front line” people in a service organization (in this case, banks, therefore, tellers, loan officers) are treated by their respective
supervisors has a differential effect on customer satisfaction. In bank branches where front-line employees were managed more participatively as opposed to bureaucratically—following procedures strictly, for example—customer satisfaction was significantly higher. (p. 137)

With BA, of course, being a service business, the same principle was applied. Although ticket agents and cabin crew employees needed some technical training in how they served the customer, the primary emphasis was not with them per se but rather with their managers. To be clear, think of it this way: We have two relationships to consider; one is the relationship of the boss with his or her direct report, say, a ticket agent, and the other relationship is the ticket agent’s interactions with customers. For sake of argument, let us say that we had to make a choice as to which relationship to try to improve to enhance customer satisfaction—the boss–subordinate one or the ticket agent–customer one. Schneider’s research tells us that the boss–subordinate relationship is more important.

The MPF program was therefore designed and conducted to help managers to manage more participatively, openly, respectfully, enthusiastically, and with greater trust in their subordinates. Managers cannot manage the myriad of hour-by-hour contacts that employees who have direct contact with customers encounter every day, those 50,000 “moments of truth,” as Jan Carlzon, another successful airline CEO, described in his popular book (Carlzon, 1987). Managers can, however, work with their subordinates in an involving manner that will in turn have a positive effect on customers (Burke, 1994, p. 137).

Many other activities were involved in this large-scale change effort, for example, changing the entire financial function from one of government accounting and reporting to one of providing annual financial statements for stockholders and monthly income statements for managers. Also, Marshall essentially created a marketing function in BA—where, prior to his arrival, for all practical purposes, none existed.

It is now a matter of record that BA transformed itself (Goodstein & Burke, 1991). By the end of the 1980s, BA was one of the most profitable airlines in the world and had improved its service record so much that passengers who had said that BA stood for “bloody awful” now revised the interpretation to “bloody awesome” (Power, 1989).

In summary, the revolution at BA began as a result of a disruption from the airline’s external environment. Internally, the initial disruption was the huge reduction of BA employees by more than 20,000. Then, through a
planned series of activities and interventions, the culture (deep structure) was gradually shifted from a militaristic, bureaucratically driven way of doing things to one that was focused significantly more on service to customers and on being competitive in the marketplace. The organization in a span of some six to seven years had fundamentally changed, had transformed itself. And the refreeze stage of Lewin’s three was largely realized by 1990 when BA became the most profitable airline in the industry.

You Don’t Change Culture by Trying to Change the Culture

Now let us review some important principles, concepts, and theory that are applicable to the BA story and help to explain culture change. First, consider the title of this section, which sounds contradictory and may even seem inane if not ridiculous. But stay with me.

If I were to ask you to rank order the following three terms

- values
- attitudes
- behavior

from most difficult to change to least difficult, you would quickly say, “In the order listed.” And I would agree. Values, norms, deeply held beliefs, and attitudes, as well as long-standing historical precedence constitute primary aspects of culture. So why would you begin with trying to change the most difficult aspects? Thus, you begin with the easiest of the three to tackle—behavior. And as I stated earlier:

Of course, you can begin by determining what you want the new culture to be (in the case of British Airways, it was to become more service oriented and customer focused), followed by an identification of the behaviors required to realize that new and different culture; such as, for example “Communicating with others in an open and frank manner,” or “Involving subordinates in decisions that directly affect their work.” Next you train managers in these behavioral practices primarily via feedback and role or skill practice. Then you include these new practices in managers’ performance appraisals
and incorporate pay for performance so that the more managers actually use the practices the more incentive pay they receive. To summarize, first you announce the change regarding the culture. Second, you get managers’ attention by training them in the practices. Third, you measure their degree of use of the practices. And, finally, you reward them when they employ the practices. These were the steps followed in the British Airways change effort. (Burke, 1994, p. 157)

If this quote sounds easy to do then I have been misleading. Remember the change at BA took well over five years. Also recall that Schein has argued persuasively that the “real” culture, so to speak, is embedded in basic underlying assumptions that are largely buried in the collective unconscious of organizational members. How do you get to this level? You cannot “see” assumptions. It is largely a matter of inference, considering artifacts, listening to people espouse their beliefs, and, in general, observing behavior over time. At BA it came down to issues of power and authority. The BA culture had been about command and control, but by the 1980s that militaristic quality had evolved. Top-down behavior was not as evident nor was it accepted as it had been 20 years before. Power in the culture was more about information and who had the most. Managers played their cards close to their vests, as the saying goes. Like Iago, Shakespeare’s villain in the Othello tragedy, he chided the open and trusting Othello as being foolish. Secrecy was to be valued far more than transparency. For Iago, Othello was extremely naïve. And while not as tragic, information at BA was to be held tightly, rarely if ever shared.

A primary focus of the change effort at BA, therefore, was behavior change in the direction of openness, more trusting of others, and greater teamwork. And in line with the James–Lange theory (see Chapter 7), it was behavior—that is, movement—first then cognitive processing, a reordering of values would follow.

Here is a final thought about diagnosing culture at the level of basic underlying assumptions. The thought is triggered by Lewin’s admonition long ago. Although not exactly the way he probably stated it, he said something like “If you really want to understand an organization, try to change it.” An intervention into a system causes disequilibrium, and the normal reaction is to seek equilibrium. This may take the form of resistance. In any case, Lewin was telling us to observe closely organizational members’ reactions to the attempt to change the “way we do things.” It is in the nature of these reactions that give us at least a glimpse into the
unconscious. Metaphorically it is like tossing a pebble into a pond. The ripples are far more important than the pebble.

**A Theoretical Summary of the British Airways Story**

The BA story began with Prime Minister Margaret Thatcher’s policy of stopping what she considered to be the continuing yet unacceptable movement toward socialism and a return to her country’s strength—free enterprise. A primary initiative to enact this policy was to privatize many of Great Britain’s government agencies. Privatizing BA was an early, significant step in this tsunami of societal change. For BA, this action was a huge jolt to the system, punctuating its equilibrium (Gersick, 1991) and what Tushman and Romanelli (1985) referred to as a perturbation. Thus, change at BA was revolutionary, not evolutionary. And as Tushman and Romanelli pointed out, revolutionary change is a consequence of a perturbation from the organization’s external environment. This jolt to the BA system led the CEO, Marshall, and his key executives to question the organization’s “way of doing things”—its culture that somehow had to be “unlocked” (Foster & Kaplan, 2001) and become more responsive to its marketplace.

The culture-change work at BA involved all three of Schein’s (2004) levels. With respect to artifacts, early in the change effort (a) all pilots, cabin crew, and customer service personnel (for example, ticket agents) received new uniforms, (b) all of BA’s fleet of aircraft were repainted with brighter colors including new, artful patterns on the fuselage and tail, and (c) new, more comfortable seats were installed along with attractive interior fabrics. Espoused beliefs and values were changed and expanded to a value system focused on the competitive marketplace, in general, and customer service more specifically. And regarding basic underlying assumptions, tackling what Gersick (1991) calls the deep structure, plus following the principles of the James–Lange theory (behavior first), the effort toward change at this more latent or unconscious level took considerable time (the better part of five years) and effort. The focus was on behavior that was intended to counter the basic assumptions that strict, hierarchical procedures are to be followed; information and holding on to it is power; and managing subordinates in a one-on-one manner was the best way. Therefore, the new emphasized behaviors included communicating in a more transparent way, managing more participatively, trusting others, and stressing collaboration and teamwork.
The direction toward what the new culture at BA should be was quite clear and straightforward—customers and safety were top priorities. But what if organizational executives know that culture change is needed but what a different and better culture should look like is not so clear?

Captured in their book, Kotter and Heskett (1992) have provided an important and groundbreaking study of the relationship between corporate culture and organizational performance. They were among the first to show how the culture of a corporation influences its economic performance, for better or worse. They studied more than 200 companies and then concentrated on 10 that had made culture change to draw their conclusions. Some of these organizations they studied were Bankers Trust, BA, ConAgra, General Electric, Imperial Chemicals Industry, and Scandinavian Airlines System. Of interest here is their conclusion about the adaptive culture, those organizations that had the highest performance and the ability to make changes when needed. From their work, then, what does an adaptive culture look like?

**CHARACTERISTICS OF AN ADAPTIVE CULTURE ACCORDING TO THE WORK OF KOTTER AND HESKETT (1992)**

1. Willingness to make changes in culturally ingrained behaviors
2. Emphasis on identifying problems before they occur and rapidly implementing workable solutions
3. Focus on innovation
4. Shared feelings of confidence about managing problems and opportunities
5. Emphasis on trust
6. Willingness to take risks
7. Spirit of enthusiasm
8. Candor
9. Internal flexibility in response to external demands
10. Consistency in word and action
11. Long-term focus
This list represents worthy norms and goals to pursue for most any organization. Attempting to have an organization that looks like this would no doubt help to prevent what Foster and Kaplan (2001) called “cultural lock-in” (see Chapter 2).

**Summary**

In order to change an organization’s culture one must first understand it. This understanding comes from three primary sources or concepts as Schein (2004) has labeled them—*artifacts, espoused beliefs and values*, and *basic underlying assumptions*. Artifacts are what we encounter first: symbols (e.g., a company’s logo), the way offices are arranged and how open or closed they may appear, how members of the organization dress, and the nature and characteristics of the organization’s products and services. Artifacts are what are “on the surface,” and with these observations, we begin to get a feel for the culture, but it is just that, a feel, an interpretation that may be a clue to an accurate understanding of the culture but may not.

With more time and experience in the organization we begin to learn about their espoused beliefs and values, how organizational members express themselves, particularly concerning what they say about their organization—“what we stand for,” “why our products do so well in the marketplace,” “how we treat our customers,” and so forth. These beliefs and values give us more depth of understanding the culture (i.e., beyond artifacts), yet we must be diligent in our quest for an accurate picture of the culture by discerning possible differences between what the organizational members *say* about their beliefs and values and what they do, how they actually *behave*.

And with a lot more time and effort we may begin to understand what the culture truly is all about by getting at the basic underlying assumptions—those unspoken rules mostly below the conscious level of organizational members who guide behavior. When asking a member a question about why certain things in the operation of the organization are done the way they are, the response may be something like “Gee, I don’t really know. We simply have always done it that way.” Culture, then, is a set of basic assumptions that serve as guideposts for how we are supposed to behave in the organization.
To change the culture we spin our wheels when we attempt to change at the outset espoused beliefs and values and basic underlying assumptions we cannot see, much less understand. We must first identify the behaviors that when practiced will lead us to the new vision and the change goals. Then as organizational members begin to react to these new behaviors—some embrace them, others resist—we pay attention to these “ripples” and attempt to realign them, if necessary, toward the change goals. The BA story helped to illustrate how these principles drawn from research and theory can work.