

# Diagnosing Organizational Culture

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## Diagnosing Organizational Culture

Organizational culture is increasingly understood as a critical element in the creation of high performance workspaces. A company’s prevailing values, attitudes, beliefs, artifacts, and behaviors all comprise its culture and help to create a sense of order, continuity, and commitment. Not only does the corporation as a whole have a culture, but it commonly contains numerous subcultures. Understanding culture at both levels is important because one workspace design will not necessarily best support differing work cultures. A diagnostic instrument, with demonstrated validity and reliability, has been developed that classifies organizations into four different cultural types: Collaborate (clan), Create (adhocracy), Compete (market), and Control (hierarchy). Each of these has different operational characteristics that correlate with different environmental features and qualities. Assessing a company’s culture and subcultures provides workplace planners and designers with a foundation on which to structure an environment to support the way an organization functions and expresses itself. The bottom line in using organizational culture assessments is to help create workplace solutions with both internal and external benefits that ultimately result in improved business performance.

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An organization’s culture can be understood as the shared patterns of perception, representation, and response surrounding its internal and external operations. These activities may be routine like reserving conference rooms and dealing with vendors, or they may be substantial crises like firing a CEO or a global product recall.

A company’s prevailing values, attitudes, assumptions, and beliefs all make up the soft, invisible stuff of culture and determine its outlook—what it finds meaningful and important. Culture also consists of, and manifests itself through, an organization’s artifacts (e.g., employee dress, product line, signage, publications, interior architecture, and furniture) as well as its behaviors (e.g., financial reporting, hiring and firing practices, employee training, and recycling programs). The complicated fabric of culture is woven from hundreds, if not thousands, of implicit and explicit events, issues, and symbols.

### ASPECTS OF CULTURE

**INVISIBLE**  
VALUE . ATTITUDE . ASSUMPTIONS . BELIEFS

**VISIBLE**

<i>ARTIFACTS:</i>	<i>BEHAVIORS:</i>
EMPLOYEE DRESS	FINANCIAL REPORTING
PRODUCT LINE	HIRING / FIRING PRACTICES
SIGNAGE	EMPLOYEE TRAINING
PUBLICATIONS	RECYCLING PROGRAMS
INTERIOR ARCHITECTURE	
FURNITURE	

Continuing the metaphor of culture as cloth, not only is it a dense weave, but its fibers are dynamic, mutable elements. Strands sometimes change consistency, shift position, fray, or even unravel. For example, a company’s strong heritage may be tightly bound to the product offerings first developed by its founders. But, increased competition or emergent technologies might force the development of bold new product features, investment in new product lines, or abandonment of the products altogether (remember IBM and the personal computer). It would be very difficult to imagine any component or feature of culture that remains truly static over the long term.

While a radical change in product line or some other artifact or behavior can affect other cultural strands, the overall size, shape, and feel of the corporate cloth is difficult to alter significantly. On the positive side, culture's density and complexity make it stable and predictable (e.g., employees know how to act and customers can come to depend on certain attributes). On the negative side, cultural change programs are not easy to manage and usually require years of concerted effort.

**THE IMPORTANCE OF KNOWING**

Despite the complexity of culture, companies can little afford to ignore its role in business performance. Decades of research point to the link between culture and organizational effectiveness. A strong, unique, and appropriate corporate culture has the ability to 1) reduce uncertainty by creating a common way to interpret events and issues, 2) create a sense of order in that members know what is expected, 3) create a sense of continuity, 4) provide a common identity and a unity of commitment, 5) and provide a vision of the future around which the company can rally. Organizational culture is now understood as an asset that should be managed and that can be leveraged in support of company goals.

The first step in using this resource wisely is to understand where a company is now—diagnosing the current cultural condition. For companies that are relatively satisfied with their corporate culture, this assessment is important so that future activities can go with, rather than against, the current flow. Corporate facilities renovations, moves, and additions are obvious examples of where this alignment is important. Architecture, interiors, and furniture can support both how an organization functions as well as how it expresses itself—to its members and to the world. And even in cases where the built environment is seemingly satisfactory, it might be possible to improve culture environment alignment (and potentially performance) through deliberate consideration.

For companies who desire cultural change and have a strong vision of where they want to be, it would seem at first pass that they would not care much about diagnosing their present culture because they want to move away from it. Knowing the starting point in a process of change, however, is indeed important. One of the primary reasons that cultural change programs fail is because they are too drastic—they demand too much, too fast. Knowing the current culture allows

change agents to set a reasonable pace that does not unduly alienate or engender resistance. Diagnosis might also point to specific groups or departments that might already be in accord with the goal—to repeat an old maxim, if it ain't broke, don't fix it. Also, these groups might be useful benchmarks in the change process or provide positive examples for the rest of the organization.

Cultural change generally comes in three forms. The first program is evolutionary, allowing change to occur over time (usually years) with its sights set at company-wide transformation. The second involves more drastic measures exacted only upon certain elements or subcultures. This more focused approach may or may not demand less time, depending upon the tenacity of undesirable elements. The third type of change is revolutionary—forcing the entire organization to drastically change course. Programs of this variety tend to be turbulent and come at a large cost to the organization, like employee turnover, morale problems, and general chaos. Sometimes, such measures are necessary to ensure the survival of a company. This extreme approach to shifting the culture gives little consideration to what comfortable rates of change might be—it expects casualties.

**SUBCULTURES**

One key issue in diagnosing organizational culture involves the identification of subcultures. While a company might have a dominant cultural type, this does not mean that every group or department in the company is the same. In fact, quite commonly, different departments have very different cultural elements. We would not necessarily expect the marketing department's culture to be the same as that of, say, the software engineering or finance department's. Subcultures are actually a natural result of the evolution of any organization. Because of this, and especially when considering physical changes to the workplace, it becomes important to diagnose all departments or workgroups.

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While subcultures can vary significantly from the overall company culture, importantly, research has shown that along with a subculture's unique elements, core components of the company always exist. Even though a subculture may be somewhat unique, it still exists within and is surrounded by the company culture. Subcultures are never truly independent.

Understanding the cultural distinctions of individual workgroups is important because different cultures seem to require different work environments. A culture of teamwork, interaction, and flexibility would not particularly thrive in a space comprised of high-paneled, inward-facing cubicles with little communal space and few accoutrements like guest chairs and shared worksurfaces. However, for a highly competitive group that thrives on rivalry and individual performance, this might be most appropriate. The critical effort of workspace design lies in aligning the various and sometimes competing needs of the group with the physical environment. Designing with concern for corporate culture requires forging alignments not only with functional but also with symbolic and aesthetic needs and preferences.

**BACK TO COMPANY CULTURE**

The advantage of knowing the company culture is that it provides an overarching structure that helps organize the subcultural elements. Rarely does one space solution best fit an entire company (an exception might be a homogenous or specialized office, like a call center). A company office with many departments with differing cultures might seem somewhat chaotic or disjointed if designed by focusing on their individual needs. The larger culture provides a basis from which design and aesthetic negotiation and compromise can occur.

Because of this balance between global and local cultures within a company, in most cases, knowing the company culture without knowing the departmental cultures provides less information than the designer actually needs. In some cases, such as small companies with only a few departments, this central bias in the available information about corporate culture is less of a concern. Even in situations where resources do not allow diagnosis of individual departments, it is still beneficial to understand the overall company culture because this framework can provide some basis from which designers might begin to plan and organize space.

Not only can the physical environment help (or hinder) how a company works—functionally—but it also tells its visitors and employees who it is and what it cares about. Knowing the company culture (or desired culture) helps in communicating who and what the company is.

**CULTURE AND THE ENVIRONMENT**

As already mentioned, there are environmental implications to organizational culture—whether one considers the departmental or company level. Since an organization's culture reflects what it feels is important, how it acts and reacts, how it is led and managed, what its strategic emphasis is, how it creates a sense of belonging, how it defines success, as well as many other similar factors, it is difficult to imagine how the physical environment would not be entangled with its prevailing thoughts and actions. In fact, going back to the definition itself, an organization's artifacts both affect and reflect its culture.

At the broadest level, environmental artifacts include a company's geographic location and how its facilities are organized. Certainly a corporate headquarters in Detroit versus Des Moines—and whether downtown or in the suburbs—will substantially influence the available labor pool, client accessibility, facilities costs, human resource attraction and retention, and a whole host of other issues on top of how the company is perceived. Similarly, decisions on whether to consolidate in a high rise building or to inhabit multiple buildings in multiple locations help articulate an organization's culture as well as influence the way it operates.

Just as the type of building—tilt-up, warehouse, loft, mid-rise, etc.—so too does the interior space provide a distinctive cultural platform on which the company must function. This continues from the overall building organization all the way down to individual workspace design. Panel height, seating orientation, storage type and volume, worksurface type and area, material selection, office layout, access to supervisors, common areas, and quantity and type of meeting spaces, are just a few of the factors that might impact what and how a company does what it believes it should do. These furniture and layout issues can either help or hinder company progress.

## THE CULTURAL ASSESSMENT

In order for the space designer to make the best choices among the myriad combinations of physical elements involved in an office design, he or she needs to understand company values, attitudes, assumptions, beliefs, and behaviors.

Unfortunately these components of culture are extremely difficult for a company to articulate as many are taken for granted, unwritten, unspoken, and even undetectable most of the time. Imagine trying confidently to tell a designer what your company stands for, expects, remembers, idealizes, and represents. And even if you could do this sufficiently, how consistent would your responses be with the others with whom you work— those that you manage and manage you.

Organizational culture is inherently (and notoriously) slippery. Fortunately, through a quarter century of inquiry, researchers have been able to provide frameworks and approaches to understanding that have a track record of being both valid and reliable. One such instrument, which has been tested in scholarly investigations with tens of thousands of employees in thousands of businesses, is the Organizational Culture Assessment Instrument developed by Kim S. Cameron and Robert E. Quinn. In addition to its wide acceptance in the academic world, it has been embraced by practitioners and cultural change agents across the globe.

This instrument assesses six critical aspects of organizational culture and is taken by individuals from across the company — ideally, by everyone within the company. From these data, both the company culture and departmental or workgroup cultures may be classified as one of four organizational cultural types: Control (hierarchy), Collaborate (clan), Create (adhocracy), or Compete (market). From these different cultures (and accounting for the fact that groups might share traits from all them) we can make specific associations to the physical environment.

This organizational cultural assessment, with its implications for the built environment, provides the foundation upon which designers and planners begin the crucial work of synthesizing complex, competing issues to arrive at an optimal solution in support of the way a company works and wants to be seen and understood.

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