

4.5: Influences on Organizational Culture

Learning Objectives

- Discuss the sources of culture in an organization.
- Explain the methods for maintaining a culture.
- List the visible signs of culture.

No matter where you work, you will experience organizational culture. Employees can usually tell from the get-go if their place of employment is serious or fun, people-oriented or results-oriented. But how did the culture get started? How do employees get to know about the corporate culture and help to keep it in place?

Sources of Culture in an Organization

Founders

When a company is founded, there is usually a single individual or group of individuals involved. The founder or founders have a vision for their new company—and that vision helps to form the corporate culture. In some cases, the founder is very intentional about creating a particular culture; he or she may actually want to create a business in which, for example, innovation or teamwork is valued. In other cases, the founder's personality unintentionally forms the culture.

Some individual founders have such strong personalities and values that the company continues to reflect their goals even as it grows—and even after the founder dies. Walt Disney, for example, modeled leadership, teamwork, and innovation so that, even today, the Disney Corporation is built around the values and assumptions of its founder.

Another good example of the way that founders' values create corporate culture is Ben and Jerry's Ice Cream. Founders Ben Cohen and Jerry Greenfield started out to create a company with strong social values—and they succeeded. The company started in 1978, but even today the company continues to focus on sustainability, environmental activism, social activism, and charity.

Industry

It's one thing to be creative, innovative, and fun in the hospitality or entertainment business. But that type of culture won't work well in an industry that's built around regulations and policies that cannot be changed or bent. Industries such as pharmaceuticals and nuclear power require attention to detail and cannot tolerate a "creative" approach to following rules. True, a pharmaceutical company can be people-oriented to a degree, but its willingness to support the individual needs of employees must be secondary to its absolute compliance with regulations and the law.

Methods for Maintaining Corporate Culture

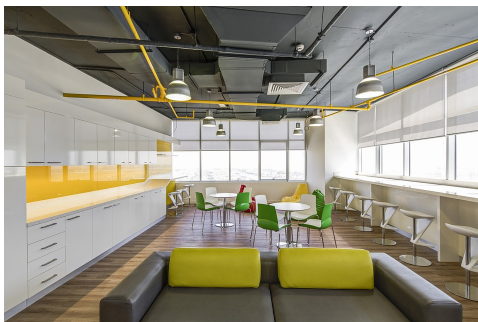
Why do some companies maintain their culture whereas others see it fall apart? The answer lies in how the company goes about recruiting, hiring, onboarding, and training its employees.

- **Recruiting.** To find employees who will fit into the corporate culture, recruiters must look in the right places. When looking for upper-level managers, recruiters should look at corporations with a similar culture to their own. When looking for entry-level employees, recruiters should tap college programs or websites that reflect their corporate culture.
- **Hiring.** When interviewing job candidates, managers and human resources managers must spend some time assessing the candidate's assumptions and values. Is this person a collaborator or a competitor? Are candidates detail-oriented or innovative? Candidates whose personal assumptions and values match the corporate culture are much more likely to help maintain that culture over time.
- **Onboarding.** The "onboarding" process is really a new employee orientation process. During onboarding, human resources personnel help the new employee get to know company policies and practices. It's during onboarding, for example, that a new employee may learn that each team puts together a skit for the company holiday party or that bonuses can be earned as a result of exceeding sales goals.
- **Training.** Training can be both formal and informal. Whereas formal training may teach new employees how to use company software or systems, informal training may involve one-on-one conversations with peers and managers. During those conversations, new employees learn how the company culture manifests itself in the workplace. For example, they may learn

that everyone—even bad players—take part in departmental softball games, or that recycling is a “must” in the lunchroom. All these subtle bits of information add up to an understanding of corporate culture.

Once an employee is hired, he or she may feel comfortable or uncomfortable in the new workplace. Typically, those employees who feel “at home” in the corporate culture tend to stick around, whereas those who feel like outsiders tend to leave at the first good opportunity.

Visible Signs of Culture



What does having a large space for informal employee meetings and encounters say about an organization’s culture?

When you walk into a business setting, you should be able to see visible signs of the business’s organizational culture. If you spend a few weeks on the job, you should see even more. Here are just a few things to look out for:

- **How employees dress.** Most employers have some kind of dress code. Some are quite casual whereas others require more formal clothing. In a minority of businesses there is no dress code at all, and employees are welcome to wear short, sleeveless tops, and even flip-flops to work.
- **Snack areas and candy jars.** How people-oriented is your business? In some workplaces, employees have all-day access to snack bars, free soft drinks, coffee, and other goodies. Candy jars are also a sign that a business is open to people-oriented treats.
- **Plaques and awards.** In some businesses, plaques and awards honoring employees are placed front and center. Some honor individuals as “employee of the month,” whereas others recognize specific achievements such as “most sales made in a month.”
- **Mission statement.** In many corporations, the organizational mission is posted on every floor. The mission is intended to remind employees why they are there and what their goals and attitudes should be.
- **Events and rituals.** Many workplaces have customs or rituals that become obvious within just a couple of weeks on the job. Whether it’s “happy hour Friday,” “dress down Tuesday,” or weekly update meetings, employees quickly learn the routines.
- **Physical layout and décor.** When you walk into a workplace, what do you see? In some offices, gray cubicles dominate; in others, the workspace is wide open. In some businesses, individuals are encouraged to bring in and show off photos, posters, and plants; in others employees are asked to keep personal items to a minimum.

Recognizing the culture is the beginning of adapting to it and, perhaps, using it to persuade management to your ideas.

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