

WHY DOES ORGANIZATIONAL CULTURE MATTER?

Organisational culture is a set of effectively unwritten rules that dictates how a workplace or particular job operates. Organisational culture is often used to define what is considered acceptable, normal –or indeed- unacceptable or unusual within a workplace. This can then be used to effectively qualify a particular employee's compatibility in a workplace, and their prospects for growth within the business

There are seven generally accepted characteristics of organisational culture:

Innovation/Risk Orientation:

Employers who place a high emphasis on innovation tend to encourage their employees to make their own decisions and be innovative in order to get their work done effectively, and in turn, find new methods of completing tasks which might be more effective than previously standardised procedures. Conversely, employers who emphasise low innovation/risk are likely to discourage employees from deviating from the established order of things, or trying to find new ways of doing things without training.

Attention to detail/Precision orientation:

Precision oriented workplaces place high importance on details being exact when working, without leaving anything to chance, and with a minimal margin of error. Jobs that involve quantitative research, laboratories and hospitals place a very high emphasis on attention to detail and absolute precision, as this can massively affect future work that is carried out. Employers who do not place high importance on attention to detail may not be too interested in recording or measuring the exact quantities of work completed, or resources used.

Emphasis on outcome/Achievement orientation:

Employers that place a high emphasis on achievement tend to mainly focus on results. Often these employers do not need to be strictly regulated or follow many rules of compliance. A sales team selling a low-risk product, such as car wax, may be purely incentivised by the profit they bring into the business. A high-risk product however, such as loans or other forms of finance, will most likely be highly regulated, and so incentives will be placed on selling properly, ethically and compliantly, as opposed to simply generating as much profit as possible.

Emphasis on people/Fairness orientation:

A workplace which places high importance on fairness tends to put its staff in high regard; often this is done to reduce staff turnover, minimise workplace stress, encourage open forum and promote intuitiveness in the work place. Workplaces that place minimal importance on people will have a more hands-off approach to the treatment of their employees.

Emphasis on collaboration/Teamwork:

Employers who place high emphasis on collaboration will often encourage cohesive activities and positive working relationships between co-workers and managers. They place the collective aims and needs of the group above that of the individual in order to complete tasks efficiently. Employers who place a low emphasis on collaboration or teamwork tend to encourage individual work ethic.

Emphasis on competition/aggressiveness:

Employers that encourage competition and aggressiveness will cultivate an attitude of assertiveness towards competing companies (or sometimes other employees within the business). They will place a high value on performance in comparison to the performance of the industry

in general, in order to motivate their employees to outperform the competition. Companies with low emphasis on competition are more likely to work *with* other companies in the industry to achieve results.

Emphasis on stability/rules:

Employers that put emphasis on rules are often highly regulated and bureaucratic. For such companies, it is essential that work is done correctly, rather than quickly, and output levels generally do not fluctuate much. Rule oriented companies tend to do best in consistent and stable market conditions.

In conclusion, it can be seen that organisational culture is an important element in defining how a business is run, and more importantly, the quantifiable behaviours and attitudes that an employee must exhibit in order to work effectively within a particular work environment.