

2. Organizational Culture

ELEMENTS OF STRONG CORPORATE CULTURES

- A widely shared real understanding of what the firm stands for, often embodied in slogans.
- A concern for individuals over rules, policies, procedures, and adherence to job duties.
- A recognition of heroes whose actions illustrate the company's shared philosophy and concerns.
- A belief in ritual and ceremony as important to members and to building a common identity.
- A well-understood sense of the informal rules and expectations so that employees and managers understand what is expected of them.
- A belief that what employees and managers do is important and that it is important to share information and ideas.

PICKING A FIRM BY ITS CULTURE

One study suggests that there are four dominant types of corporate cultures:

1. Academies—individuals are carefully moved through training programs for career development.
2. Fortresses—individuals are asked to engage in a turnaround and a fight for corporate survival.
3. Clubs—seniority, loyalty, status, commitment, and “fitting in” are most important.
4. Baseball teams—talent and performance are considered critical.