LEADERSHIP: A MODE OF MANAGING ORGANIZATIONAL CULTURE

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The present paper explores the role of leadership on organizational culture. Without exception, the dominance and coherence of culture proved to be an essential quality of the excellent organizations. These organizations have gotten to be the way, they are; because of a unique set of cultural attributes that distinguish them from the rest. But the process of shaping culture is the prime role of leaders to a great extent. He not only creates the rational and tangible aspects of organizations, such as structure and technology, but also is the creator of symbols, ideologies, languages, beliefs, rituals, and myths. Many of the successful companies, such as IBM, Procter and Gamble, Johnson and Johnson, Delta Airlines, Exxon, Caterpillar and Dana seemed to have taken on their basic character under the tutelage of a very special person (leader) who had a lot to do with making the company excellent. These organizations have one factor in common i.e. leadership, which guarantee enthusiasm at all levels and who laid down the value set.
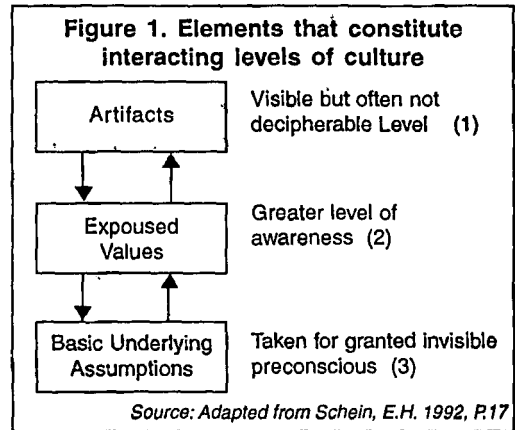
INTRODUCTION

Every organisation has a culture of some sort. But whether it is a desirable culture, that gives the organization and employees a mutually satisfactory sense of identity — depends a good deal on how leaders have been successful in forging such a bond. Leadership is vital to the growing of an organizational culture because they represent the organization's core values. But organizations possess different forms of individual behaviour and values as

Hofstede (1980, p.11) argues that people carry "mental programs" which are developed in the family in early childhood and reinforced in schools and organizations. Hence "cultural clashes" occur within the organization. The present study aims to examine the basic issue that (a) leadership may be structured with the assumptions that cultural values will eventually yield, (b) whether cultural values may be taken as given and leadership should be designed around some normative values.

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ORGANIZATIONAL CULTURE VS. CLIMATE

Organizational culture and climate often used synonymously (Onichi and Wilkins, 1985). They are not identical, and a clear understanding of both constructs is necessary in order to proceed for empirical exploration of organizational culture. A formal definition of organizational culture has been offered by Schein (1992, p.12) as a set of basic assumptions and these have worked repeatedly that a group has invented, discovered or developed, as the "essence of culture" and values to behaviours as observed manifestations of the "cultural essence". By contrast, organizational climate is a relatively enduring characteristic of an organization which distinguishes it from other organizations. Organizational climates are formed and can be categorized as "the structural" (such as the organization's size, degree of decision-making centralization, the number of levels in the hierarchy, the nature of techniques employed etc.). "the perceptual" (i.e. the way organizational conditions are perceived by an individual) and "the interactive" (shared agreement) approaches. (Moan and Volkewein 1992, p.20). It follows that climate evolves out of organizational realities, more shallow in that it both forms more quickly and alters more rapidly. Whereas Moran and Volkwein (1992, p.34) argues that culture should be seen as those products of mind. i.e. myths, ideologies, norms and values (i.e. its 'substance', Trice and Beyer 1984) which represent significant symbols but convey a system of shared meaning (its forms, in Trice and Beyer's terms) to group members. Thus culture exists not in the cognitive processes of individual but in the interaction among individuals. The basis for its substance in relation to cultural forms has

Figure 1. Elements that constitute interacting levels of culture

Source: Adapted from Schein, E.H. 1992, P.17

been stated by Schein 1992, p.17) in the form of a model (shown in figure 1) Level 1 in the diagram refers to those elements that are most visible but which are often indecipherable without access to or understanding of the assumptions of the group's culture. Level 2 consists of values. These are often conscious and explicitly articulated in guiding member's behaviour. It follows that climate intersects the forms of culture (at Level 1 and part of 2) which are most immediately experienced by the individual(s). In other words organizational climate exists at a level of awareness in which the perceiver can express reactions to immediate organizational realities. At level 3 are found the basic assumptions (which may be preconscious subconscious or unconscious which is so thoroughly embedded in a kind of collective unconscious and has come to be regarded as a fundamental reality.

Thus we find that organizational culture is a broader construct, the essential substance of which is relatively invisible and preconscious, whereas climate can be regarded as an element of organizational culture which is more shallow in the extent to which it penetrates consciousness and to

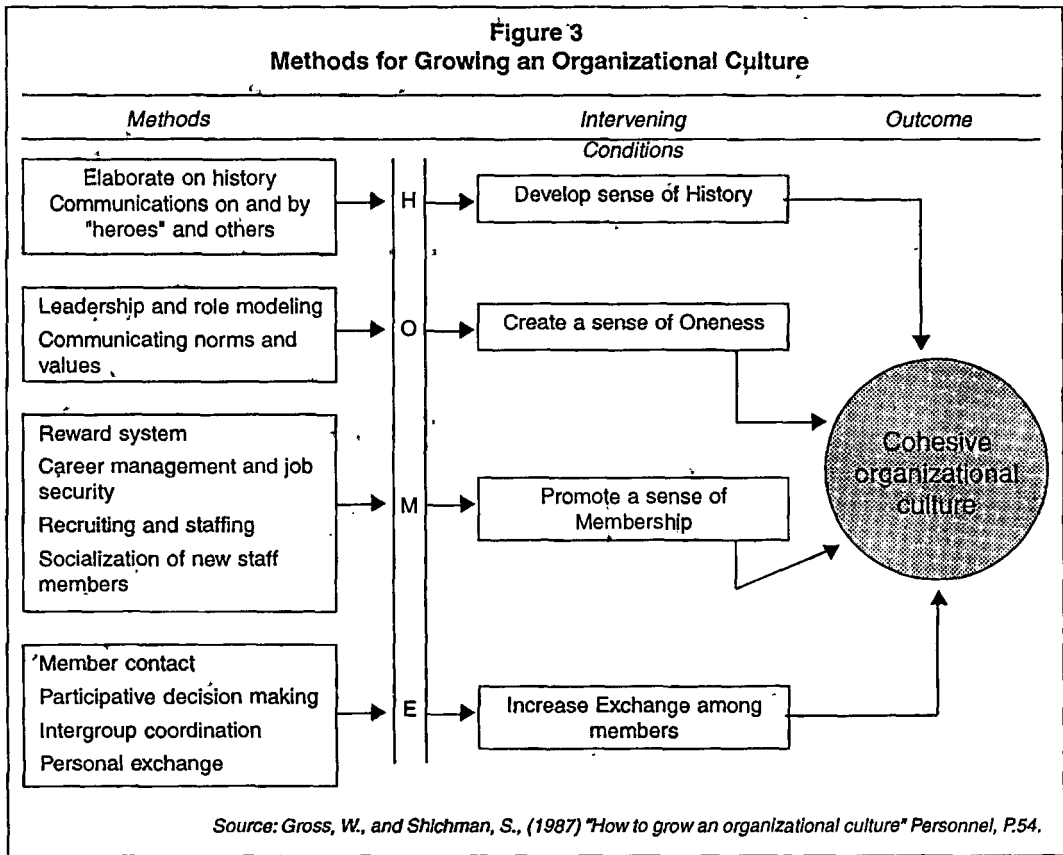which it penetrates organizational realities.

LEADERSHIP AND CULTURE

An organization has its own identity and a work culture of its own. Work culture means work related activities in the framework of norms and values regarding work. (Sinha 1995, p.200). The sheer fact that a person decides to join an organization, indicates that he is willing to yield to the formal expectations of that organization, and would make compromises with his needs and dispositions. The famous studies of role playing by Zimbardo (Haney et al, 1973) and obedience (Milgrams, 1974) lend support to it. In both the studies the subject did contrary to their conscience and lost their identity and individualism. That was the magic of situational expectations! More recently Joanne Martin (1992) emphasized, that as individuals come into contact with organizations, they come into contact with dress norms, stories people tell about what goes on, the organization's formal rules and procedures, its formal codes of behaviour, rituals, tasks, pay systems, jargon, and jokes only understood by insiders, and so on. These elements are some of the manifestations of organizational culture. Thus Schein (1992) conceptualized that since an organization is autonomous, leadership facilitates a whole range of changes from evolutionary to revolutionary. Accordingly, organizational cultures are created in part by leaders, and one of the most decisive functions of leadership is the creation, the management, and sometimes even the destructive of culture (p.5). All that leadership has to do is to identify the inconsistencies in the linkages of the artifacts, values, norms etc. with the basic assumptions, to sort out the anomalies, and let the employees restore consistency at the various levels of organizational functioning.

Thus it is the responsibility of the leaders to manage the interface between the two sets of forces (external environment and the existing culture) and help the organizations cultivate a culture which is conducive to work. Pascal (1984) suggests that it is important to select new employees who will "fit" into or readily adapt to the new culture (p.62). The procedure involves seven steps of socialization (term used for culture) as shown in figure 2. Many of the great American companies such as IBM, Procter and Gamble, Morgan Guarantees Trust etc. have all gone through these processes of socialization. Pascale (1984) further states that the company should lay down cultural guidelines because the absence of these guidelines make organizational life capricious (p.66). And if we can manage

Figure 2. Steps of Organization Culture Socialization
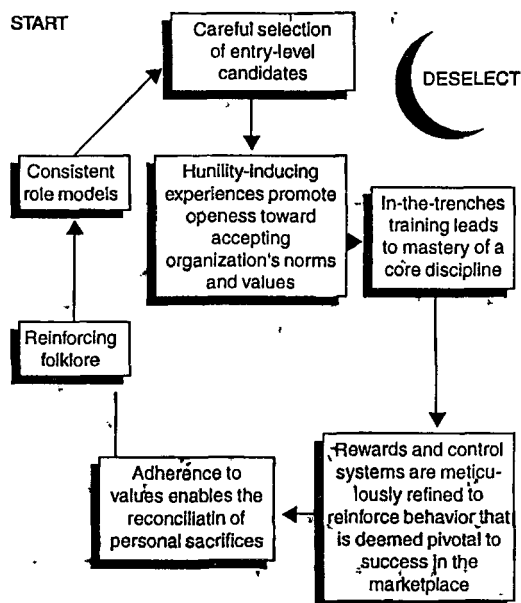
Source: Pascale, R., (Winter 1985) "The paradox of corporate culture: Reconciling ourselves to socialization". California Management Review, vo.27, No.2, P.27

Figure 3
Methods for Growing an Organizational Culture

Methods		Intervening Conditions	Outcome
Elaborate on history Communications on and by "heroes" and others	H	Develop sense of History	
Leadership and role modeling Communicating norms and values	O	Create a sense of Oneness	Cohesive organizational culture
Reward system Career management and job security Recruiting and staffing Socialization of new staff members	M	Promote a sense of Membership	
Member contact Participative decision making Intergroup coordination Personal exchange	E	Increase Exchange among members	

Source: Gross, W., and Shichman, S., (1987) "How to grow an organizational culture" Personnel, P.54.

our ambivalence about socialization, we can make our organizations more effective. Like a strong family, organizational culture can be grown and managed. Leaders can make their organizations HOME (shown in figure 3, the acronyms HOME is derived from initial letters of history, oneness, membership and exchange (Gross and Shichman, 1987, p.52). Thus organizational culture can be managed but it cannot be accomplished overnight.

CULTURE AFFECTS LEADERSHIP STYLE

Culture may require actions unnecessary or unrealistic from a rational point of view,

but necessary from the cultural point of view, for example at a construction site, construction could not begin until an appropriate ceremony had removed evil spirit from the site. That is "cultural oughts" are so ingrained in the culture that the members are no longer aware of them. (Anthony and Coffey, 1968, p.98).

Organizational culture is a sub-culture of the large engulfing societal culture. Integration is therefore essential at three levels. (i) within the organization, between the organization and the environment; and between the various forces in the environment. Sinha (1995) believed that an

organization is embedded in its socio cultural milieu. Sinha and Sinha (1974) delineated six major values - viz. Aram, show off and authoritarianism clustered into dysfunctional values and team orientation, work commitment and personalized relationship as the functional ones. These values penetrate an organization structure and keep percolating in various ways in its functioning. Sinha (1973) held that the organizational reality incorporates what an individual member brings with him to the organization. That is the boundary of an organization is rarely solid and impervious. In fact, it is porous - each individual provides a seepage. The constraints of reality may force a leader to behave otherwise in order to stay in power and to function effectively. Sinha and Sinha (1983) further argued that the choice of leadership is deeply imbedded to one's conception of social values, which define the ways a person should interact with his subordinates. Thus the values, the norms, habits, dispositions and a host of other complements taken together determine what kind of leader is going to be accepted or resisted.

Culture affects leadership styles and is an essential ingredient for its effectiveness. Lippit and White's (1943) findings have a cultural context. The basic cultural assumptions in a democratic society (such as U.S.A.) where the studies were conducted is that a democratic leader is desirable. Employing this logic, Meada (1967) replicated the Lippit and White study in India. He showed that subjects working under democratic leadership recorded a higher degree of absenteeism and required more time to finish their work than the groups under authoritarian leaders. In such situations, democratization and

decentralization through full participation are likely to be misconstrued. Employees tend to take undue advantages and resort to their dysfunctional values (Sinha 1976, p.383). Thus it follows where people have a strong need for autonomy and growth, strong work values, instead of having dependence proneness, a people oriented leadership is likely to be effective.

Similarly, one of the classic studies by Coch and French (1960) in America, and a replication of that study in a Norwegian factory by French et al both 91960) employed participative style of leadership, yielded significantly different results. It suggests that cultural differences in the followed and the situation may be important in determining an appropriate leadership style.

CROSS-CULTURAL DIFFERENCES AND LEADERSHIP STYLES

With the liberalization of the Indian economy, multi-nationals would also globalise the management patterns because when people travel outside their country, they carry their values with them just like their baggage. There are several basic dimensions that differentiate cultures and hence leadership style differs. Hofstede (1980) a Dutch researcher in his classic study identified four cultural dimensions: (definitions given in the Appendix): Individualism\collectivisim, power distance, uncertainty avoidance, Masculinity\femininity.
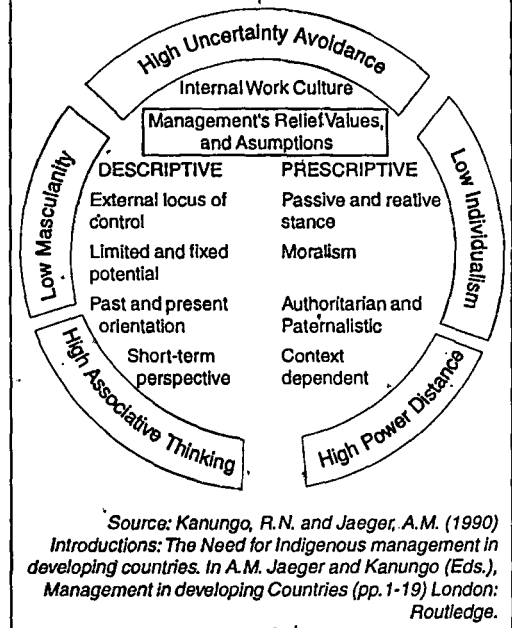
Some countries of the world encourage individualism, such as the United States, Great Britain and Canada, in other countries, collectivism or group orientation, is important, such as Japan, China and the Israel (Earley 1993). They emphasize group harmony, unity, commitments and loyality.

The differences reflect themselves in different leadership styles. 'Low power distance' cultures of U.S. and Europe (Jago et al, 1993) and low 'uncertainty avoidance' cultures of Turkey (Kenis, 1977) are more likely to engage in participative leadership. Stressing 'facts' and 'clear responsibilities' fit the masculine US culture whereas the use of institution and the concern for consensus to Scandinvia which is feminine (Hofstead, 1980, p.381).

Thus leadership styles suitable in one country cannot be applied with all success in other countries due to cultural difference. Welsh et al (1993) argued that theories and techniques largely developed in U.S. when applied in Russia- let to decrease in performance because Russian workers tended to have strong communal values, tend to be fiercely loyal to one another particularly to their leaders Luthans (1995, p.554) quoted, an example of cultural lesson. 'A US supervisor posted on an oil rig in Indonesia, when shouted at his timekeeper to take the next boat to shore, a mob of outraged Indonesian coworkers grabbed fire axes and went after the supervisor. He save himself by barricading himself in his quarters'. Cross cultural differences tend to have effect on leadership styles.

Using Hofstede (1980) dimensions Kanungo and Jaeger (1990) derived that the socio cultural environment of developing countries is characterized by relatively high uncertainly avoidance and power distance and relatively low individualism or collectivistic culture (Sinha, 1990) and low masculinity. (shown in figure 4). This type of environment determines the internal work culture (descriptive and prescriptive) of the organization. The influence of these cultural variables suggest that "nurturant-task" leadership would be more effective in Indian

Figure: Characteristics of the Internal work culture of Indian Organizations in relation to their Socio-cultural environment

Source: Kanungo, R.N. and Jaeger, A.M. (1990) Introductions: The Need for Indigenous management in developing countries. In A.M. Jaeger and Kanungo (Eds.), Management in developing Countries (pp. 1-19) London: Routledge.

organizations (Sinha, 1980, p.55), and likely to inhibit participative leadership because of its incompatibility with participative decision making, and is further aggravated by the organization's internal work culture (Kanungo and Jaeger, 1990).

There is research evidence that managers differ across cultures. Bass and Berger (1979) demonstrated that interpersonal approaches differs by culture. Recently, organizations have recognized that documentary and interpersonal methods of training (Earley, 1987, p.685) can have additive benefits in preparing managers for inter cultural work assignments. They tend to have more cosmopolitan outlook (p.695). Cultural variations tend to affect the retention of employees (Sheridan, 1992, p.105) estimated opportunity losses of approximately $ 6 to $9 million between

firms with different cultural values.

CONCLUSION

Organisations. are culture bound and leadership is not an independent characteristic, which a person would acquire is naive: leadership is only a complement to subordinateship. Even the Fiedler's (1967) contingency theory states that the 'cultural gap' between superior and sub-ordinates is one of the factors that makes a situation difficult. Thus leaders to be effective must understand the cultural differences, the dimensions of motivation and communication and learn the skills at working with people from many different cultures. It is difficult to imagine that a Hitler would have been successful in Great Britain, a Churchill in France, or a de Gaulle in Germany. Cultural differences must be understood and leaders must be sensitive to them.

To conclude, it can be said that when leaders behave in ways which are consistent with the values, norms, and practices, which they desire to be practiced throughout the organisation, and employees say with pride, we belong to the organisation, it can be assured that its culture is successfully sprouting and growing. What is required is transformational leaders who have a vision and are able to communicate and articulate those visions to the members of the organisation, a strong culture can be achieved.

APPENDIX

HOFSTEDE (1980) CULTURAL DIMENSIONS.

1. Individualism\collectivism: Groups are expected to rely primarily upon themselves and are not much concerned with groups as individualistic, Collec-tivism call for greater emotional dependence of members on their organizations. (p.217).

2. Power distance: is a measure of the interpersonal power or influence between boss and sub ordinate as perceived by the least powerful of the two (p.98).

3. Uncertainty avoidance: is the extent of tolerance for uncertainty (ambiguity) regarding rule orientation, employment stability and stress (p.153).

4. Masculinity\femininity: Masculinity is the extent to which a society considers values like assertiveness, achieve-ment and material acquisition impor-tant. Femininity, the opposite end of the continue, reflects the value placed on nurturing interpersonal relationships.

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