

Analyzing culture – the ‘Elements of Culture’

In order to best understand an organization’s culture, there are five key areas to analyze. These five ‘elements of culture’ help us identify and define the artifacts, values and fundamental assumptions.

1. HIERARCHY – Hierarchy determines how decisions are made and who is involved.

- a) The organization chart – depth (layers) and reporting relationships. Vertical vs. horizontal. Are some people ‘protected’ or ‘insulated’ by layers and if so, why?
- b) Decision making processes. Who is involved and who gets to decide? Who has authority, depending on the type of decision? Are decisions made by those who have the most to win or lose and have the greatest ability to affect change? For example, does the butcher decide what knives to buy, or does the president of the company or the butcher’s boss make the decision?
- c) Policies and procedures. What systems are in place to control and restrict activities versus what systems are in place that enable, guide and support activities? Do policies even exist? How do people describe these systems: confining, ‘waste of time’, helpful, essential, error proof, etc.
- d) Do people think big-picture and do what is best for the business, even if it may not be best for them or their department, i.e. do they optimize the entire system, not just their area of responsibility?
- e) Flexibility and adaptability. Can decisions be changed when new data/views are presented?
- f) Supervisors are the first line of management. How do supervisors and their direct reports interact? What is the nature of the relationship: Is it command and control or is it sharing ideas and joint problem solving? What control do supervisors allow the front line workers to have?

2. INTERACTION

- a) Problem solving methods
 - Do managers/leaders ‘roll up their sleeves’ to help? “Go see it”, i.e. go see the problem where it is happening and talk to the people impacted.
 - Appropriate level of urgency. Do people step up and own an issue quickly even if the problem is a result of another’s actions? Or do people say, ‘it’s not my problem?’
 - The degree of firefighting. Ask people, “How do you know if you have had a good day?” If the response is, “I have had a good day if I can put out a fire and satisfy the customer,” the organization places greater emphasis on being reactive than on being proactive.
 - Are problems hidden or openly identified and discussed? Do people take responsibility for their mistakes/problems?
- b) Meetings and group discussions
 - Presence of debate and conflict. Is diversity of opinion encouraged or discouraged?
 - Impact of status and hierarchy on discussion. What happens when a senior executive (leader) attends? Do people defer to their managers?
 - Are there ‘meetings after the meeting’? Do people talk after a meeting about the poor quality of the meeting and/or to vent frustration regarding decisions and how they were made? Do people talk with others after the meeting in an attempt to gain more clarity?
 - Body language; do some people not speak up. If they don’t speak up, how is that handled?
- c) Communication
 - E-mail vs. phone vs. face-to-face vs. inter-office mail, etc. Does everyone understand the appropriateness and usefulness of each type, given the specific situation (urgency and responsibility)?

- What information is shared? Do managers believe some information should not be shared with the entire organization, and if so, why?
- Is communication put in the proper context: background information; who is involved; who is required to respond; etc.?
- What is the tone of communication?

3. INSPIRATION and MOTIVATION

- a) Key business drivers
 - What are the mission and vision of the organization?
 - What does the organization measure? What do managers pay attention to, measure and control? “You get what you measure.”
 - What is most emphasized – for example profit, market share, growth in stock value, innovations, etc.?
 - How are the mission, vision and various measures talked about, described and communicated at all levels in the organization? Do people at all levels of the organization understand the mission and vision and are they focused on achieving them?
- b) Criteria for employee recruitment, promotion, selection and de-selection
 - How/why do people get promoted? Politics vs. results.
 - How are non-performing employees treated and handled?
 - How are hiring decisions made and how rigorous is the process? What emphasis is placed on technical skills? What emphasis is placed on organizational culture fit?
- c) Formal and informal rewards
 - Criteria for rewards. Are rewards perceived as fair?
 - Reward types: monetary (compensation) vs. gifts vs. recognition.
 - Bonuses. Are they equal across groups; do different groups have different plans and does everyone know it?

4. PHYSICAL ATMOSPHERE

- a) Design of physical space – offices, furniture, building, grounds, location. Private offices, cubicles, common spaces. How much can people individualize their work spaces?
- b) Dress code: formal vs. informal
- c) How people speak and address each other: ‘Sir’ versus ‘Dave’ versus ‘Dude’.
- d) Social activities – both sponsored by the organization and not sponsored by the organization.
- e) Rituals and stories/‘legends’ shared by the group.

5. LEADERSHIP – Leadership plays the main role in defining culture. How an organization ‘does things’ is determined by leadership.

- a) Reactions to critical incidents and organizational crises.
- b) The allocation of resources.
- c) Leadership is a visible act. It is performance and behavior, exhibited every day in every action. **Leaders spend a lot of time on culture, whether they know it or not. Their actions exemplify how things should be done and how people should interact.**
- d) Do leaders’ actions support the other ‘Elements of Culture’?