

## The best definitions of organisational culture

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### Organizational culture definition

Organizational culture is not short of definitions. Organizational culture definition points to an allusive concept that is hard to define and observe. How organizational culture is defined depends on who is defining it and how they have experienced it. I share some of the best research on organizational culture in this article, specifically focusing on how it is defined and measured.

According to Donald Sull, Stefano Turconi, and Charles Sull(2020) people see corporate culture differently. Academic literature has more than 50 definitions, including employee anecdotes, organizational rituals, and corporate symbols.

Leaders across the globe put organizational culture at the center of their operations. This is mainly driven by their belief that corporate culture helps drive organizational performance. Whether such a belief is valid or not, we will see what works and does not work in organizational culture as we go through this article.

CEOs and CFOs working for Fortune 1000 companies, considered organizational culture one of the top three variables that influence the value of their organization (Graham, Harvey, Popadak, & Rajgopal, 2016). However, despite the attention of both academics and industry professionals, we do not yet have a cohesive approach to understanding organizational culture. It may also have contributed to protracted disputes among organizational culture scholars, disagreements were so heated that they were dubbed "culture wars" (Martin & Frost, 2011).

While there is no agreement on corporate culture, there are several definitions. Choose what works best for you in your situation from the definitions provided below by some of the leading organizational culture researchers.

When you *define organizational culture* properly, *organizational culture change* becomes even easy. Various scholars and top authors have *defined organizational culture* based on their theories and experience, and I am sharing some *definitions of the organizational culture* here. This understanding will help you as you go through [organizational culture change](#). Without an understanding of *organizational culture*, most *organizational culture change* efforts fail. I have researched *organizational culture* by looking at the top scholars on *organizational culture* and picked the best definitions.

## Why is the definition of organizational culture complicated?

There is still much debate surrounding the idea of corporate culture. There is disagreement on the value and validity of assessing organizational culture because of competing definitions, a lack of semantic clarity, and disagreement about the best effective approach for evaluating organizational culture.

Disagreements on what organizational culture should and should not include, as well as the optimal assessment technique, complicate the definition. The idea that organizational culture exists within groups is one of the most fundamental aspects of the notion. Theorists have utilized this attribute to differentiate organizational culture from earlier work in organizational climate and to distinguish organizational culture from other related conceptions.

Schein says that in any group if there is no agreement, if there is a dispute, or if things are confusing, that group does not have a culture in those areas.

Unfortunately, there is no one agreed-upon interpretation that all people share; there is rarely unanimity even within certain fields, let alone between them. The term "culture" is frequently used in such a wide sense, referring to "social pattern,". There is also an abundance of highly specialized and unique meanings of the concept in places where it is employed.

From the research on organizational culture, we may conclude that most conceptualizations are of profound, metaphysical processes that cannot be objectified.

Researchers are concerned that the lack of consensus on defining organizational culture has constrained academic progress on corporate culture. This ambiguity has constrained progress in developing a coherent theory of organizational culture and how to assess it.

## What is organizational culture?

Here I list what I consider the best definitions of organizational culture from some of the top scholars on the subject.

### 1. Hofstede Definition of organizational Culture

Hofstede (1991) *defines organizational culture* as "the collective programming of the mind which distinguishes a member of one group from another". It is evident from this definition that *organizational culture* is a shared group phenomenon that results from how a group interacts with its environment. The keywords in this definition are that it is the "collective programming of the mind". If you take literally from the software side, once software has been programmed, to change it you would need to update the software through programming again. This means that in essence *organizational culture* according to Hofstede represents instructions and commands installed in the minds of the people. The instructions are equally shared by all group members? Organizational culture is a group phenomenon, once a group has been programmed, the only way to change the culture of the organization is for you to uninstall the current program and put in another program or upgrade the current program. Even from a software point of view, that is not an easy task.

The definition implies that different cultural groups can have different programs which makes them different. The other key takeaway from this definition is that *organizational culture* cannot be present in one person and one person cannot represent it. People from the same *organizational culture* group are likely to show similar behaviour patterns as they deal with day to day challenges of life. This *definition of organizational culture* allows organizations to study and understand organizational behaviors and maximize that behaviour for the benefit of the organization. According to Hofstede, you can take organizational culture as "software of the mind".

Related: [Organizational culture and why organizational culture change fails](#)

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## 2. Edgar Schein Definition of organizational culture

Edgar Schein (2004) defines *organizational culture* as "the pattern of shared basic assumptions - invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration - that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems". In this definition of *organizational culture*, the key theme is that *organizational culture* is a group phenomenon. It is a product of shared experience by a group of people as they try to cope with the challenges in their environment. What is interesting in this definition is that *organizational culture* can be taught to new members as a "way to perceive, think, and feel in relation to those problems". For those involved in [\*organizational culture change\*](#), the best way to transform the *culture of the organization* is to remember that organizational culture can be taught to new members of the organization. This implies that if you want to change the organizational culture you can have a plan that teaches old members your preferred organizational culture. Although not easy, the underlying principle in this is that when teaching people the new and preferred *organizational culture*, it must be a shared experience by a group of people for it to stick.

## 3. Chris Edmonds Definition of organizational culture

Chris Edmonds defines [\*organizational culture\*](#) as follows; Culture is all about how people treat each other—how leaders treat their teams and peers, how employees treat each other, and how people treat customers and vendors. It's about relationships and respect," This definition of *organizational culture* focuses on how people interact within an organizational setting. These people include employees and other stakeholders. The emphasis is on the relationship and respect that these people show to each other as they interact. The focus of this definition of organizational culture is building productive relationships centered on respect. Unlike the first two definitions of *organizational culture*, this definition focuses on the role played by the leadership in shaping *organizational culture*. Specifically, it looks at leaders as role models in the way they treat teams, peers, and other key stakeholders. The assumption is that if leaders do this well by exhibiting the types of behavior they want to promote, it should stick to the rest of the organizational members.

Related: [Culture Analytics: The New Gold Mine for Sustainable Organisational Transformation](#)

## 4. Dr. Elliott Jaques Definition of organizational culture

Dr. Elliott Jaques(1951) defines [\*organizational culture\*](#) as follows "the culture of the factory is its

customary and traditional way of thinking and doing of things, which is shared to a greater or lesser degree by all its members, and which new members must learn, and at least partially accept, to be accepted into service in the firm". The keyword here is that *organizational culture* is a customary and traditional way of thinking and doing things. It is shared by all its members again underpinning the fact that it is a group phenomenon. Interesting to note in this definition of *organizational culture* is that new members must learn and partially accept that this is the way things are done here or else they will not be accepted into the organization. This definition dovetails with how Edgar Schein defines organizational culture. An interesting lesson here is that it is very likely that any attempt to change organizational culture by focusing on a few individuals may not succeed, as the group needs to have some form of consensus on the group mode of thinking and doing things.

Related: [Organisational Culture and Why You Should Never Ignore It](#)

## 5. Ravasi and Schultz's Definition of organizational culture

Ravasi and Schultz (2006) define organizational culture as "a set of shared assumptions that guide behaviors". This definition of organizational culture implies that these assumptions are shared by a group and form the foundation of that group's behaviour. The fact that this definition takes this as a group phenomenon, means new members will need to be taught a new way of doing things.

## 6. Marcella Brema Definition of organizational culture

In her book *Organizational culture change*, Marcella Brema(2012) defines *organizational culture* as "it's how we do things around here". She further indicates that culture can be observed: "when you enter a building, you get a glimpse of corporate culture right away from what you see – how the office looks and what people are doing". She, however, acknowledges that the above definition of *organizational culture* is simplistic as it is hard to observe because "culture is not visible from the outside right away"-. This definition of *organizational culture* acknowledges that what drives what you see as characterization of *organizational culture* at the surface does not reflect the true *culture of the organization*. The author goes on to say, culture is not just how we do things around here. The other part of the culture is under the water's surface and that is how we think and feel about what we are doing here. Why are we doing these things in this particular way." This author acknowledges that [has a component that is hidden, and that drives the behaviour of those living in that organizational culture.](#)

Related: [The 4 elements of a transformational culture](#)

## 7. Cameron and Quinn's Definition of organizational Culture

Cameron and Quinn look at *organizational culture* differently. They see *organizational culture* as characterized by the organization falling into one or more of the four quadrants. The first one is the [Clan culture](#) quadrant, which focuses on doing things together. The second one is the [hierarchical culture](#) which focuses on doing things right. The third one is the adhocracy culture which focuses on doing things first. The fourth and final one is a market culture that focuses on doing things first. Organizations according to the authors can fall into any one of these cultures and sometimes they can have a bit of all the four cultures but there will be one dominant *organizational culture*.

## 8. Scholtz Definition of organizational culture

Scholtz (1987) defines *organizational culture* through the identification of five culture types; stable, reactive, anticipating, exploring, and creating. This definition of *organizational culture* is more behavioral. As an example, if the *organizational culture* is reactive it means it lacks pre-planning in the way people in the organization deal with the challenges they face. This definition has high face validity, as many people are likely to find a connection and meaning when describing *organizational culture* using this approach. It does not talk about the underlying beliefs or the fact that *organizational culture* is a product of a shared learning experience.

Related: [Build a High-Performance Culture and All will be Successful](#)

## 9. O'Reilly, Chatman, and Caldwell Definition of organizational Culture

O'Reilly, Chatman, and Caldwell (1991) look at seven core characteristics of *organizational culture*. These are innovation and risk-taking, attention to detail, outcome orientation, people orientation, team orientation aggressiveness, and stability. This definition of *organizational culture* takes a behavioural approach to *organizational culture*. For example, if the *organization's culture* is people-oriented, it means the focus is that the goals and outcomes of the organization will be achieved through prioritizing people and people practices.

## 10. Andrew Brown (1995, 1998) Definition of organizational culture

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In his book *Organizational Culture*, he defines organizational culture as follows: "Organizational culture refers to the pattern of beliefs, values and learned ways of coping with experience that have developed during the course of an organization's history, and which tend to be manifested in its material arrangements and in the behaviours of its members."

## **Organizational culture definition versus organizational climate**

On the other hand, the climate is more of a descriptive term that doesn't imply any normative force. At first, culture and climate researchers disagreed about how and what was being measured and if one method was better than the other. But recently, researchers have treated culture as a forerunner to climate (Ostroff, Kinicki, and Muhammad, 2012), suggesting that the policies and practices that make up organizational climate are unlikely to exist without norms and values that support them.

## **Organizational culture definition and measurement**

Researchers have settled on various organizational culture definitions, and measurement methods are possibly the most significant barrier to developing an integrated theory of culture. According to Jung et al. (2009) research, there are at least seventy different cultural diagnostic tools.

There is no universal agreement on assessing an organization's culture. Even though many different culture evaluation methods are available, most of the research that supports them isn't sufficient to show their reliability and validity. Some of these instruments may, at most, show some predictive value, but it is less obvious whether or not they have a strong construct structure behind them.

A recent meta-analysis of 89 research using the competing values framework showed that the concept and its assessment had great scope and ambiguity (Hartnell et al, 2011). The authors concluded that there is only modest support for the valid construct of organizational culture. The study concludes, "The results suggest that identifying 'dominant culture' types may be of limited utility because they do not account for culture's bandwidth " (p. 687)."

Researchers have utilized idiosyncratic measures of culture with limited validation (e.g., Berson et al, 2008; Hogan & Coote, 2014) or easily accessible measures like the DOCS and OCAI that have poor construct validity. "Culture" and "culture fit" are strongly associated with subjective outcomes like work satisfaction and perceived quality (e.g., Hartnell et al, 2011; Kristof-Brown et al, 2005), but less clearly

related to objective outcomes, especially at the organizational level.

[Sorensen \(2002\)](#) suggested that organizations with "stronger" cultures had more internal behavioral consistency.

## **Organizational culture and performance**

There are many claims on the impact of organizational culture on performance. Unfortunately, such statements are frequently dismissed due to the lack of clarity on the concept of organizational culture and how it is assessed. No consistent scientific evidence exists to show the link between organizational culture and performance. Interestingly, most studies show correlations close to zero even where such correlations are positive.

Consider culture's link to organizational performance, the most researched element (e.g., Hartnell et al, 2011). Researchers haven't consistently shown a relationship between organizational culture and performance (e.g., Chatman, Caldwell, O'Reilly, & Doerr, 2014).

According to various studies, organizational culture has inconsistent outcomes (e.g., Ehrhart, Schneider, & Macy, 2014; Hartnell et al, 2011). Inconsistencies arise not from a lack of methodological rigor, but from how researchers define and quantify organizational culture.

Consider the findings of a landmark study on the connection between organizational culture and organizational performance to see how this absence of a consistent definition has hindered corporate culture theory and research. Kotter and Heskett (1992) studied 202 U.S. enterprises in 22 industries in the late 1970s and early 1980s.

Despite the fact that the field appears to be amassing insights on organizational culture, a deeper look reveals that there are still unanswered questions regarding what is truly being assessed, making it difficult to address questions about the causes and effects of organizational culture.



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In many ways, the word "organizational culture" remains a "catch-all notion," as John Van Maanen put it in 1988, "exciting, productive but hazy," or worse yet, what Powys observed in 1930, "Culture is what remains after you forget what you initially set out to learn" (Van Maanen, 1988, p. 3). (Powys, 1930).

Scott et al. 2003 made a very interesting observation on the impact of organizational culture on performance. He says such claims assume that an organization has an identifiable organizational culture, that culture is related to performance and can be changed to impact performance positively. All the assertions are blighted by the lack of consensus on the definition of organizational culture.

Most research on the culture-performance relationship is theoretically weak. Culture-performance models require a solid definition and an integrated theoretical foundation. Both don't exist.

According to several meta-analyses and longitudinal research findings, the association between performance outcomes and organizational culture is weak when those outcomes are objectively assessed (e.g. Hartnell, 2019; Kline, 2000). A review of a meta-analysis of 84 studies that represented 880 correlations (Hartnell, 2011) discovered that the relationship between organizational culture types and hard/objective performance outcomes such as revenue is significantly lower than when subjective performance measures are used ( $r = .1$  versus  $r = .4$ ).

The research findings show that in some instances, the strength of the relationship between corporate culture and performance varies with the type of culture facets measured and performance indicators used.

The conclusion from the Centre for Evidence-Based Management is there is little evidence to link organizational culture to performance, and if it does, it's too weak to be useful. As a result, businesses and practitioners should avoid spending time and money on company-wide culture reform efforts.

## **Organizational culture definition and change**

After combing through scientific research, the Centres for Evidence-Based Management did not find any credible evidence to show that corporate culture can be changed effectively. This conclusion is consistent with a Cochrane study that was released in 2011, in which it was discovered that there was no

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robust evidence to establish the influence of efforts to improve the organizational culture of (the performance of) healthcare providers (Parmelli, 2011)

## Conclusion

As seen in this article, there is no consensus on how organizational culture is defined. This has created problems in how organizational culture is defined and assessed practically. Without a coherent theoretical consensus on how organizational culture is defined, its impact on organizational performance will continue to be debatable.

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