3 CONTENT: THE HOFSTEDE MODEL ON STRATEGY, CULTURE AND CHANGE

3.1 Introduction
3.2 Overview of the model
3.3 A first description of the model
3.4 Strategy, the normative question and the model revisited
3.5 Strategic windows and external normative windows
3.6 The context in which culture is embedded
3.7 Story telling
   3.7.1 Stories about D1: Means versus goal orientation
   3.7.2 Stories about D2: Internally versus externally driven
   3.7.3 Stories about D3: Easy-going versus strict work discipline
   3.7.4 Stories about D4: Local versus professional
   3.7.5 Stories about D5: Open versus closed system
   3.7.6 Stories about D6: Employee versus work oriented
3.8 Typologies or combinations of dimensions
   3.8.1 Combination of dimensions D1 and D2
   3.8.2 Combination of dimensions D1/D2 and D3
3.9 Additional diagrams
3.10 Neither typologies nor combinations of dimensions
3.11 Subcultures and the price of functional diversity
3.12 Four ways to look at culture
   3.12.1 Desired culture
   3.12.2 Culture: “The way we think we are”
3.13 Reporting
   3.13.1 Input
   3.13.2 Output
   3.12.3 Dysfunctionalities among different groups
3 CONTENT: THE HOFSTEDE MODEL ON STRATEGY, CULTURE AND CHANGE

3.1 Introduction
At the risk that you think we hold a grudge against management consultants, we have to express our amazement about all those consultants who are rather wary of “models”, or who reject models altogether, stating that these can never beat their intuition based on experience. Be assured, we hold no grudge whatsoever against management consultants. It is just that we believe that the most complex system on earth, groups of human beings, deserves a better treatment than limited work experience and intuition.

Yet, the subtitle of this book says, “…and twenty five years of work experience”, so what are we talking about? Well, over the course of times, more than 100 consultants all over the world have been certified by the author of this book to apply the Model on Strategy, Culture and Change for the benefit of their clients. These certified consultants have added a wealth of information to our data bank. As the Model allows us to categorize and structure the information that was collected in a specific manner, we can draw many new insights and lessons from the data bank. To put it differently, the Model is a tool for continuous and collective learning.

It may be tempting to reject models out of hand and rely solely on your own to deal with complex systems, but models are a great help to reflect about reality. High-ranking Buddhists might dispose over other approaches, but it is doubtful whether a client can make the transition from Buddhist insights to hands-on solutions. Even a simple thing such as the word “table” reflects a model. Try to come up with a definition of a table which includes all tables in the world and excludes all other things. Or do a mental exercise with your partner: each of you writes down the definition of love and then check whether you mean the same thing when declaring unwavering love to each other. You may both be in for a surprise………..

3.2 Overview of the model
The Model on Strategy, Culture and Change consists of six autonomous dimensions and two semi-autonomous dimensions. Autonomous means that a score on a dimension is independent from the scores on other dimensions. In other words, you cannot derive the score on a dimension from the scores on other dimensions. In theory any combination of scores can be found, although in practice particular combinations of scores are found for particular sectors. The police, for example, operates under specific conditions with a specific job content, so it is not strange that we find a particular combination of two autonomous dimensions. In the data bank with so many organizations in vastly differing sectors, this correlation disappears. This shows again the need for many different types of organizations when doing proper research. Had the majority of researched organizations consisted of police departments, then four dimensions would have been identified instead of six.

The two semi-autonomous dimensions are of a different nature. The scores on these two dimensions are not autonomous and computed in another fashion. The scores on D7 (acceptance of leadership style), are to a certain degree determined by the scores on D1 (means versus goal oriented). The scores on D8 (identification with the organization) are partly defined by the scores on D2 (internally versus externally driven). D7 and D8 are normative: there is a good pole and a bad pole; while D1 to D6 are non-normative: the best position is determined by management, not by the model. D7 and D8 can give valuable extra information that may help in leveraging the change process.
3.3 A first description of the model

Most psychologists agree that the personality of an individual can best be described by the Big Five, five autonomous personality characteristics. If we agree that a group of people is a more complex system than one individual, it seems obvious that a proper model on organizational culture consists of at least five autonomous dimensions. It was therefore most promising that the scientific research undertaken by Geert Hofstede led to a model consisting of six autonomous dimensions. We can safely state that models used for group processes that only use two dimensions (such as Quinn and Cameron) are inadequate and leave out essential aspects of work reality.

In the descriptions below, in order to define the dimensions, we will focus on the extreme positions on each pole of the dimension. In reality, everything in-between can be and is found. In Annex 6 you will find more information on the in-between and extreme positions.

D1: Means oriented versus goal oriented
D1 is the dimension most closely connected with on one pole ensuring health and safety (means-oriented) and on the other pole achieving high productivity (goal-oriented).

In a means oriented culture, the key feature is the way in which work has to be carried out; people identify with the “how”.

In a goal oriented culture, employees are primarily driven to achieve goals or results, even if these involve substantial risks; people identify with the “what”.

In an extremely means oriented culture, people perceive themselves as risk-avoiding, do only a limited effort and each work day is pretty much the same. Politics and scheming may play a considerate role as well in day-to-day work activities.

In an extremely goal oriented culture the reverse is true.

The challenge is to score as goal oriented as possible. Yet, in work situations with a substantial degree of risk where health and safety are major issues, a somewhat means oriented score can be very functional.
D1: Organizational effectiveness

<table>
<thead>
<tr>
<th>Means oriented</th>
<th>Goal oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>50</td>
<td></td>
</tr>
</tbody>
</table>

Table 3
Some content of dimension D1

<table>
<thead>
<tr>
<th>Means oriented</th>
<th>Goal oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Routine</td>
<td>- Dynamic and creative</td>
</tr>
<tr>
<td>- Every day is more or less the same</td>
<td>- Every day offers challenges</td>
</tr>
<tr>
<td>- Strength of the organization is in avoiding</td>
<td>- Strength of the organization is on developing new activities</td>
</tr>
<tr>
<td>calamities</td>
<td></td>
</tr>
<tr>
<td>- We avoid risks</td>
<td>- We are entrepreneurial</td>
</tr>
</tbody>
</table>

D2: Internally driven versus externally driven
D2 is the dimension most closely connected with the way people in an organization relate to their stakeholders.

In an internally driven culture, employees perceive their task towards the outside world as preset. Business ethics and honesty matter and employees know what is best for customers and the world at large. An internally driven position can also be based on the fact that one doesn’t need to care about what customers want given their very strong position in the market.

In an externally driven culture, the emphasis is on meeting the customer’s requirements; results are paramount and a pragmatism prevails over ethics.

In an extremely internally driven culture, customers are out of focus, for example because customers fully depend on the provider of services and products. This could in theory apply to monopolies or governmental institutions and bureaucracies, although in many cases they do want to service their clients well and they may score surprisingly external oriented.

In an extremely externally driven culture the emphasis is fully on meeting customers’ demands even if it is well-known that this will harm the longer-term interests of customers. Think of the tobacco industry or drugs trafficking.

The difference with D1 is that D2 focuses on the satisfaction of the customer, commissioning party or other stakeholders, while D1 is about impersonal results.
D2: Customer orientation

<table>
<thead>
<tr>
<th>Internally driven</th>
<th>Externally driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 4
Some content of dimension D2

<table>
<thead>
<tr>
<th>Internally driven</th>
<th>Externally driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Correctly following procedures</td>
<td>- Meeting needs of customers</td>
</tr>
<tr>
<td>- Consistency</td>
<td>- Flexibility</td>
</tr>
<tr>
<td>- High standards on ethics and honesty; or people do not (need to) worry about</td>
<td>- Pragmatic about ethical business methods</td>
</tr>
<tr>
<td>their stakeholders</td>
<td></td>
</tr>
<tr>
<td>- Complying with our rules is all important</td>
<td>- There is always scope for improvement</td>
</tr>
</tbody>
</table>

D3: Easy-going versus strict work discipline

D3 refers to the amount of internal structuring, planning, control and discipline.

An easy-going culture espouses a loose internal structure, lack of predictability, and little control and discipline; there is much improvisation and there may be many surprises.

A strict work discipline espouses the reverse: people are cost-conscious, punctual and serious. “First time right” might be their slogan.

An extremely easy-going culture is characterized by sloppiness and waste.

In extremely strict work discipline cultures mistakes are not allowed. Think of nuclear power plants or the chemical industry at least when cultures are functional.

While D3 describes the predictability of internal functioning, D2 indicates to what extent functioning vis-à-vis the surroundings (usually the client) is programmed beforehand.
D3: Discipline and control

Table 5
Some content of dimension D3

<table>
<thead>
<tr>
<th>Easy-going</th>
<th>Strict work discipline</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Innovative</td>
<td>- Cost-conscious</td>
</tr>
<tr>
<td>- Casual dress</td>
<td>- Conservative dress</td>
</tr>
<tr>
<td>- Employees allowed to organize their work themselves</td>
<td>- Employees receive many detailed instructions</td>
</tr>
<tr>
<td>- We have a lot of fun</td>
<td>- A lot of control, either by the boss or by ourselves</td>
</tr>
</tbody>
</table>

D4: Local versus professional
D4 is the dimension most closely connected with the way people in an organization relate to the outside world in general; whether the outside world is seen as threatening or interesting.

In a local culture, employees identify with the boss or the unit in which they work.
In a professional culture, employees identify with their profession or their job content.

D4 indicates to what extent employees’ functioning is predictable, based on socialization and social control. Identification with the total organization is not the realm of D4, but of D8 and is discussed later on.

In an extremely local culture, employees are very short-term oriented, they are internally focused and there is strong social control to be like everybody else.
In an extremely professional culture the reverse is true.

D4: Focus of interest

©Bob Waisfisz, www.culturesharp.com
Table 6
Some content of dimension D4

<table>
<thead>
<tr>
<th>Local</th>
<th>Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Short-term directed</td>
<td>- We think years ahead</td>
</tr>
<tr>
<td>- Identification with own department</td>
<td>- Identification with profession or job content</td>
</tr>
<tr>
<td>- Norms at work should also apply at home</td>
<td>- What the competition does matters to us</td>
</tr>
<tr>
<td>- Personal loyalty required</td>
<td>- We take notice of what happens outside our organization</td>
</tr>
</tbody>
</table>

D5: Open systems versus closed systems
This dimension relates to the accessibility of an organization. Open cultures are easily accessible to insiders and outsiders, and it is believed that almost anyone fits in the organization. In a closed organization, newcomers need to adjust before being accepted and outsiders have to know their place.

In an extremely open culture, newcomers and outsiders immediately feel welcome. They are approached with an open visor and outsiders can walk freely into premises without being questioned or without having to identify themselves.

In an extremely closed organization, newcomers and visitors are met with suspicion. They have to prove themselves before being allowed in. Think of secret societies, motor gangs or the Masonry.

This aspect of a culture is closely related to labor satisfaction, as employees in general prefer an open culture. Yet management may opt at times for a more closed culture, in view of industrial espionage, to safeguard patents or to conduct business which cannot stand the light of day.

D5: Approachability

<table>
<thead>
<tr>
<th>Open system</th>
<th>Closed system</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 7
Some content of dimension D5

<table>
<thead>
<tr>
<th>Open system</th>
<th>Closed system</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Open to newcomers and outsiders</td>
<td>- Closed to newcomers and outsiders</td>
</tr>
<tr>
<td>- Everyone fits in the organization</td>
<td>- Only special people fit in the organization</td>
</tr>
<tr>
<td>- The door is open</td>
<td>- Dirty linen is not washed in public</td>
</tr>
<tr>
<td>- We support each other</td>
<td>- You have to prove yourself before being accepted</td>
</tr>
</tbody>
</table>

©Bob Waisfisz, www.culturesharp.com
D6: Employee oriented versus work oriented

In an employee oriented culture, the concern for people overrides the concern for completing the job at all costs. This aspect of the culture is particularly related to the philosophy top management embraces, either consciously or unconsciously.

This aspect of a culture is also closely related to labor satisfaction, as employees in general prefer an employee oriented culture. Yet management may opt for a more work oriented culture, e.g. in times of economic hardship. Another reason that management may opt for a work oriented culture is when they believe that people take a ride with them if they don’t put them continuously under pressure to perform.

In an extremely employee oriented culture, employees know that personal issues are taken into account and that the organization goes to great lengths to take co-responsibility for the welfare of its employees.
In a very work oriented culture, there is heavy pressure to perform the task, even at the expense of the health of employees.
In an extremely work oriented culture, employers exercise so much control over their employees that employees have great difficulty to defend themselves against the excessive demands of management.

D6: Management philosophy

<table>
<thead>
<tr>
<th>Employee oriented</th>
<th>Work oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="#" alt="Table 8" /></td>
<td></td>
</tr>
</tbody>
</table>

Table 8

Some content of dimension D6

<table>
<thead>
<tr>
<th>Employee oriented</th>
<th>Work oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Concern for people to the fore</td>
<td>- Concern for task completion to the fore</td>
</tr>
<tr>
<td>- Personal problems are taken into account</td>
<td>- Strong work pressure exercised, either by management or self-imposed</td>
</tr>
<tr>
<td>- Important decisions usually taken by groups</td>
<td>- Important decisions usually taken by individuals</td>
</tr>
<tr>
<td>- Pleasant work atmosphere</td>
<td>- It is now or never</td>
</tr>
</tbody>
</table>
D7: Low versus high degree of acceptance of leadership style

The score on this semi-autonomous dimension tells us to which degree the leadership style of the manager matches the preference of his or her staff members. There is a certain correlation with the scores on D1: In a more goal oriented culture, acceptance of leadership tends to be higher.

D7: Degree of acceptance of leadership style

Contrary to the first six dimensions, the results of this dimension and of D8, are expressed in percentages rather than in scores. Respondents are asked to select the leadership style of their boss and the one they prefer. They can choose between several styles, all well-defined in the questionnaire:

- Autocratic
- Paternalistic
- Consultative
- Democratic
- Other

This dimension gives valuable feedback to management - the breakdown between the actual and the desired situation even more. A desired score expresses what the respondents wish, it is not by definition the optimal score, which is normally set by management but not in the case of this dimension.

The dimensions in the model describe practices, not values, with the exception of this dimension. People change their practices and behavior often. It may be painful on occasions, but human beings do change and adapt. That is more difficult with values, which have been ingrained in us from childhood onwards. Preferences for a certain leadership style are partly based on the personality and the values of the national culture in which people have been born and raised. In other words, it is hard to change such values and therefore better to take preferences for a certain leadership style for granted.

D8: Low versus high degree of identification with the organization

The score on this semi-autonomous dimension gives information about the degree of cohesion between members of the organization. The other yardstick that also gives information on cohesion is the degree of homogeneity (strength) of a culture. The degree of strength or weakness of a culture doesn’t describe the content of culture. It is just a quality: It describes to which degree respondents agree or disagree about the way they have described their culture.

The score on this semi-autonomous dimension tells us more about the cohesion in an organization. The homogeneity (strength) of culture is also an indication of cohesion, but only to the effect that it shows to which degree people agree on the description of their culture: i.e. it describes to which degree respondents agree or disagree about the way they experience and perceive their culture.

D8 correlates to a certain extent with D2 (internally versus externally directed). If a culture is externally driven, it’s members will in all likelihood also identify with the client and other external parties. This
then will correlate negatively with D8. If people identify with external parties, they will identify less with their own organization or department.

**D8: Degree of identification with the organization**

<table>
<thead>
<tr>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

**Table 9**

Some content of dimension D8

<table>
<thead>
<tr>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>- People are not at all proud to work for this organization</td>
<td></td>
</tr>
<tr>
<td>- High standards re ethical and honest business methods</td>
<td></td>
</tr>
<tr>
<td>- The organization lacks an attractive identity in the eye of its members</td>
<td></td>
</tr>
<tr>
<td>- People are very proud to work for this organization</td>
<td></td>
</tr>
<tr>
<td>- Pragmatic about ethical business methods</td>
<td></td>
</tr>
<tr>
<td>- The organization has an attractive identity in the eye of its members</td>
<td></td>
</tr>
</tbody>
</table>

### 3.4 Strategy, the normative question and the model revisited

There are no good or bad organizational cultures, only more or less functional. We can safely assume that successful companies have a functional culture, at least in the start-up phase. But what was functional yesterday may be dysfunctional tomorrow. As a result of its success, both the internal and the external reality may have changed radically. Without cultural adjustments, a company may fail by its own success.

Dysfunctionality may not need to be of its own doing. The environment may have changed, such as increased competition which may force an alert company to introduce a more advanced production process or slim down middle management. Or perhaps the market sector needs to be re-defined because of the introduction of new products.

Culture and strategy are linked together. Even McKinsey recently changed its mind and acknowledges that culture co-defines success or failure. As Peter Drucker already said: “Culture eats strategy for breakfast”. Measuring actual culture is not sufficient to know whether it is functional or not. Assume you are sailing in the middle of the ocean knowing your position very well. That will not help you much if you do not know where to go to. In order to assess how functional the culture is, top management needs to indicate what the optimal culture ought to be. Only by comparing actual with optimal culture, can we assess the functionality of its actual culture. A large discrepancy between actual and optimal culture is a sign of a dysfunctional actual culture and an urgent need for change.
This process implies a non-normative attitude towards organizational culture, irrespective of whether the measurement is based on scientific research or on the observations of consultants. It is the client who defines the optimal culture, usually during one or two workshops, and it is the client who sets the norms to be achieved. We may point out the consequences of a certain choice, but the client is the owner of its strategy and its optimal culture to realize that strategy.

Yet, it is obvious that there are certain normative aspects about what makes a good or bad culture that the consultant can table to assist the client in making good choices irrespective of the optimal culture chosen. For this, we have developed ‘normative windows’ based on our extensive experience. The size of ‘Normative windows’ differ per dimension and can be split in external and internal normative windows.

3.4.1 Internal normative windows are characterized by:
1. They are part of the actual culture, for example, when people use scheming and politics to strengthen their position or earn indecent bonuses that would never be paid out if transparent market forces took their course.
2. Their size is fixed.
3. They represent dysfunctional aspects of a culture in absolute terms. “Absolute” means that these aspects are dysfunctional, no matter the context of the organization or its strategic requirements. For instance, 3 out of the 9 questions loading D1 (means versus goal oriented) are of a normative character. One of these questions is whether people keep their promises. We assume that in general people do not favor situations in which promises are broken, and we can safely assume that this aspect creates distrust among colleagues and therefore, affects the results in the long-term negatively. Or to express it differently, we have never come across managers who prefer dishonesty at least not internally.

In diagram 5 below, the model is presented in a more sophisticated version by showing these internal windows as well.

D7 (acceptance of leadership style) and D8 (identification with the organization) are by definition normative: the higher the better. They are therefore not shown in Diagram 5.

It may be clear from the diagram that one cannot have all good things simultaneously in one culture. Take the scores on D1, means versus goal oriented. If both safety and productivity are of prime importance, it will be hard to realize this at the same time, though not impossible. There are two ways to solve this. The first option is to ensure that safety is fully guaranteed by technology, systems and processes and not by human behavior, so that a goal oriented culture will not endanger safety. The second option is to create sub-cultures: one scoring somewhat means oriented and the other very goal oriented. In this way, by creating functional diversity through subcultures, the best of both worlds can be achieved.

You may have noticed two arrows above each dimension. The first one covers the a-priori functional area with a description of each pole. The second one covers the whole dimension also with a description of each pole.

©Bob Waisfisz, www.culturesharp.com
Diagram 5
Overview of the model

THE HOFSTEDE MODEL on strategy, culture and change
**D1: Means versus goal oriented**

Let us consider the first dimension in diagram 5. Safety is enabled by a culture scoring between 35 and 50. Productivity is enabled by a culture scoring between 65 and 100. If a culture scores below 35, there is a fair chance that it is by definition dysfunctional. Then the exchange is not between safety and productivity but between “we work in our own interests” versus “we work in the interests of the organization”.

“Working in our own interests” can be expressed in reality through:

- People do not feel committed to their promises.
- Employees follow the rules even if they know that this will harm the realization of internal goals.
- Each manager has created his/her own fiefdom, not to be touched by others.
- Top managers earn much more than is acceptable in a transparent market situation, and they therefore engage in internal and external political games to cover up excessive earnings without running any risk.
- Rank and file people appropriate goods from their employer.

Note that we mention exact numbers, but of course, in reality work life is too complex to be captured in exact numbers. A difference of less than 10 points is insignificant. That means that the dividing line between an a-priori functional and dysfunctional culture cannot be put exactly at 35. It lies somewhere between 30 and 40.

**D2: Internally versus externally driven**

Ethical behavior is enabled by cultures scoring between 30 and 75. Meeting customer demands is enabled by cultures scoring between 65 and 100. As we can see, there is a small area in which both objectives can be enabled to a certain extent: behaving ethical while meeting customers’ demands in a flexible way can be achieved between 65-75. If a culture scores higher than 80, chances are that customers will be serviced in a manner that may be harmful to them in the long run. The tobacco industry comes to mind here. This does not necessarily imply that products of very externally driven organizations will by definition harm consumers ultimately.

A low score does not per definition imply that people’s behavior is guided by ethical principles. It might be that the stakeholders are out of focus. Perhaps they are not important to the provider in the first place, as is the case with monopolists and governmental institutions. Still, there are quite a number of monopolists who care for their customers and who are aware that ultimately, it is not in their interest to neglect them. Neglecting customers may give rise to potential competitors. If a culture scores below 30, that is, extremely internally driven, there is a fair chance that the culture is dysfunctional. The exchange is then not between “ethics” or “meeting customers’ demands”, but between “hiding behind the rules to cover our ass” versus “we are working in the interest of our clients”.

Consider the following examples of “hiding behind the rules”:

- Employees follow the rules even if they know that this will harm achieving objectives. They might do so if their managers repeatedly tell them that they have done a stupid job. “Well, we then will show you by living up to the letter of all your stupid rules”, they might react.
- People are drowning in e-mails, as everybody is cc’ing everybody to pass the bucket on. By doing so “No one can complain that I didn’t inform colleagues about what I did and therefore no one can hold me responsible for any misdeed, even if I know this does not make sense”.

©Bob Waisfisz, www.culturesharp.com
**D3: Easy going versus strict work discipline**

The internal normative window of D3 is rather small. If a culture scores below 15, people behave so sloppy that it is wasteful. A culture scoring between 15 and 40 enables thinking out of the box, but can also occur when it is hard to plan ahead. Think of people who are on call, such as many police officers. A high score indicates a strict culture. This is functional when a meticulous task implementation is required or when cutting-edge competition can be beaten by cost-consciousness.

**D4: Local versus professional**

On the somewhat local side, the culture enables a one-track approach. “Just do it” is an expression of a score between 45 - 60. This makes sense if critical questions are raised on the shop floor which hampers the workflow. The idea is that management will do the thinking on behalf of workers. A professional culture is a crucial element in promoting a learning organization.

Surprisingly many cultures score within the internal normative window. This happens when managers feel personally threatened because they work above their competence level. Disagreement voiced by subordinates is then no longer welcomed but perceived as a personal attack. Management may then complain that their people do not take responsibility for what they are supposed to do, not realizing that this is of their own making. Perhaps we should not be surprised that many cultures score too local, as it is claimed that many managers are promoted above their competence level, without receiving proper support and guidance, called the Peter principle.

In particular situations a local culture which promotes loyalty towards one’s boss and group can be very functional. Think of the army, certainly in war times. They operate by definition in a threatening environment. In such cases the internal normative window is much smaller and depends on the degree to which the physical environment is rightly so experienced as threatening.

**D5: Open versus closed system**

A place where everybody is welcome and nobody feels excluded is enabled by low scores on this dimension. Places where secrets are safe or where you have to prove yourself before being accepted, are enabled by cultures scoring between 50 - 70. If a culture scores above 70 there is a fair chance that this is dysfunctional, unless we talk about secretive societies. The exchange is here between an open attitude on the one hand and secrecy and exclusion on the other hand. The highest score in our data bank on D5 is not 100 but 70. There may well be organizations with a more closed culture, but the likelihood that they would invite outsiders to measure their culture is tiny. Would the Free Masonry or organized crime invite us? I doubt it.

In other words, there might be organizations for which a very closed culture is functional, if it needs to be secretive. If you aspire to become a member of certain motor clubs, you have to prove yourself over a prolonged period of time before being accepted as a fully-fledged member. The Italian term “omertà” refers to a code of honor of the Mafia that stands for a deep-rooted sense of a code of silence among its members and everyone around them.

---

1 The Peter principle is a concept in management theory formulated by Laurence J. Peter, and published in 1969. The theory is that the selection of a candidate for a position is based on his/her performance in the current role, rather than on abilities relevant to the intended role. Thus, employees only stop being promoted once they can no longer perform effectively, and “managers rise to the level of their incompetence. (Wikipedia)
**D6: Employee versus work oriented**

Management has a great deal of freedom to embrace and execute the management philosophy they prefer. Yet, we recently identified an internal normative window running from 75 to 100. From 1988, when we started out, until 2015, we did not come across cultures scoring above 70. We assumed therefore that such cultures either do not exist, or that they are so dysfunctional that we will be never invited to measure such cultures.

In 2015 we were invited to measure a culture that was clearly dysfunctional. The CEO kept himself aloof from day-to-day operations and never showed up until he thought things went wrong. Then he would suddenly appear and turn into a threatening micro-manager. Subordinates never knew when he would change his attitude and were nervously guessing what he wanted. People made themselves small and a culture of fear reigned. Actually, the CEO was not involved at all in the decision to measure the culture, but once it happened he frustrated the whole process. With a score of 75, this company holds the dubious reputation of espousing the most work oriented culture.

The two semi-autonomous dimensions D7 and D8 are shown below.

![Diagram 6](image)

**Diagram 6**

**D7**

Acceptance leadership style

**D8**

Identification with own organization

The colors in the diagram above indicate that these two semi-autonomous dimensions are normative per se. The higher the score the better. For more information about the separate dimensions in the model please go sections 3.5 and 3.6 and to Annex 6.

©Bob Waisfisz, www.culturesharp.com
3.5 Strategic windows and external normative windows

Having explained above the internal normative windows, we will explain here the external normative windows by using D1, means versus goal orientation as an example.

Clients define their optimal culture. It is presumptuous to believe that external consultants know who the client has to be in order to realize their goals. Work reality is infinitely complex. How can an external consultant know what the optimal culture has to be, if (s)he does not work there? So the client defines for example on D1, the optimal score in the strategic window. This strategic window does not run from 0 to 100 but from 35 to 100, as you may remember from the explanation on internal normative windows.

Let’s consider the case of a particular client where safety is not an issue. We can then assume that the optimal culture can and should score as high as possible, say between 90-100.

In most instances, top management has little problems in defining the optimal culture, once the model has been explained to them, though in some cases, management has difficulty viewing their work reality from a new angle.

When looking at the strategic window above, the question was whether additional assistance could be given to management in order to formulate their optimal culture. After all, even if strategic requirements to realize a very safe work environment – such as on an oil platform – do not play a role, it is not always possible and therefore not advisable to try to create a culture scoring around 90 to 100.

Hofstede’s research also discovered factors which shape organizational culture, in addition to national culture. This allows management to assess the environment in which their culture is embedded. This is what we call an ‘external normative window’. In the case of D1, the size of the external normative window can run between 0 and 65. When the size is e.g. 10 points then it runs from 100 to 85. When the size is at its maximum, 65, then it runs from 100 to 35.
External normative windows are characterized by:

1. They are not part of the actual culture, unlike internal normative windows. Instead they limit the size of the strategic window by taking the environment in which the culture is embedded into account, or the requirements management defined earlier on. For example, if the content of the job is not very challenging to employees, it is very hard, if not impossible to create an extremely goal orientated culture.

2. These windows are more flexible than internal normative windows. In other words, management can do something about them. In our example of the dull job content that hinders realization of goal orientation, management may try to overcome this by job enrichment and/or job rotation.

3. The size of these windows is not fixed, but depends on the features of the environment in which the (sub-)culture is embedded and on the requirements defined by management. Top management receives prior to the measurement an online survey which measures the impact and nature of the environment in which the organization operates. The survey entails factual questions such as size of the work force, average educational level and type of technology in use.

Together, the internal and external normative windows depict the leeway management has to define its optimal culture: the strategic window.

---

**Diagram 8**

**D1: Effectiveness of the organization**

<table>
<thead>
<tr>
<th>Internal normative window</th>
<th>External normative window</th>
</tr>
</thead>
<tbody>
<tr>
<td>Means oriented</td>
<td>Goal oriented</td>
</tr>
<tr>
<td>0</td>
<td>50</td>
</tr>
</tbody>
</table>

As we see, if the external normative window has its maximum size, there is no strategic window left. If management cannot or does not want to change the size of its external normative window, the only option is to ensure that its optimal culture scores 35.

In a nuclear power plant, certainly in the operational sectors, the width of the external normative window should be **at least** 50 points. The playing field for management, the strategic window in which it can decide its optimal position, then does not exceed 15 points, between 35 and 50, as shown in Diagram 9.

---

**Diagram 9**

**D1: Effectiveness of the organization**

<table>
<thead>
<tr>
<th>Internal normative window</th>
<th>External normative window</th>
</tr>
</thead>
<tbody>
<tr>
<td>Means oriented</td>
<td>Goal oriented</td>
</tr>
<tr>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

Your strategic window

©Bob Waisfisz, www.culturesharp.com
In organizations where creativity is a must, as in the case of advertisement agencies, the width of the external normative window should be **at the most** 20 points. The playing field for management, i.e. the strategic window, in other words the area in which it can decide the optimal position for art directors, should be between 35 and 80. The playing field is 45 points, see diagram below. Although one may assume that in the case of art directors management and/or the art directors themselves will choose a high optimal score. As safety is no issue, it is probably best in the case of art directors to score 80 or higher, but this is up to the client to decide.

**Diagram 10**

**D1: Effectiveness of the organization**

In addition to D1, means versus goal oriented, it is useful to also show how these windows may work out in the case of D3, easy-going versus strict work discipline. In the case of D3, two external windows may show up, due to the way these windows have been constructed. If break-through creativity is required, here called “innovation”, the external window will start from the right hand side at 100 and will push the end of the strategic window towards the easy-going side. If efficiency, avoidance of errors and meticulous planning is required, the external window will start from the left hand side at 15 and will push the strategic window towards the strict side. If the external windows on both sides reach their maximum size, Diagram 11 emerges:

**Diagram 11**

**D3: Control**

Here, the external windows overlap, leaving no room for a strategic window to assess the optimal culture. If no further action is taken, then the best is to choose an optimal score in the middle of the overlap, around 55. Such a score would be quite wishy-washy, as the optimal culture would only marginally meet the requirements formulated by top management. It is not uncommon to see such overlap on D3 taking the client by surprise. Seen from the perspective of organizational culture, management in some organizations imposes contradictory demands on their employees.
There might, just might, exist extraordinary people who combine an innovative attitude with a dreadfully rigorous, meticulous and serious attitude, but I would not count on them. In groups, such characteristics exclude each other, as the research project of Hofstede has pointed out.

A cultural measurement in a financial institution showed that senior management scored the highest on tight work discipline. It turned out that senior management also had some executive responsibilities, in particular related to the procurement of large loans with a high risk factor. The tight work discipline of the senior managers proved to be very functional in this high risk situation. The CEO however, demanded a more innovative attitude among senior management. An innovative attitude and strict work discipline are in principle mutually exclusive. We fear that the ideal society does not exist on earth, people are always obliged to make choices. Unless management can create subcultures with different functions and foster good cooperation between them, we fear this combination will be utopic. Like many, the CEO of the financial institution did not realize that his demands were, in cultural terms, incompatible. Such contradictions will be more often found for D3 (easy-going vs strict work discipline) than in the case of D1 (means vs goal oriented) where management may try to pair safety with productivity.

If both attitudes, generating break-through innovations and a meticulous job execution, are needed for the survival of the company, we advise to create functional diversity, by setting up different groups, each with their own tasks and sub-culture.

Whether one or two external normative windows pop up in D3 depends on the results of the online survey among top management, i.e. their assessment of the environment and the requirements the organization has to meet. But indeed in the case of D3 two windows often pop up. If they do, it is an excellent visualization for management of the contradictory requirements they impose on their staff.

Why does this especially happen in D3 (easy going versus strict work discipline)? Remember the definition of culture: Culture tells us how people in an organization relate to each other, to the outside world, and to their work. D3 describes especially how people relate to their work. Therefore, if management imposes contradictory requirements on people, it shows up clearly in D3. At the same time, the importance of thinking out of the box is often exaggerated. Is it good if everybody is thinking out of the box? People should also be executing tasks, dull as they may seem. Do you want everybody to rethink the business we are in, do you want everybody to come up with break-through innovations?

Try to create one culture throughout a larger organization and it will backfire. People on different hierarchical levels and in different function groups should not relate the same way to their work. Again: creating functional subcultures is one of the keys to success, certainly in a world in which complexity is continuously increasing.

In section 5.3.3 we describe how clients can assess their optimal culture as part of our work processes.
3.6 The context in which culture is embedded

There are many aspects of the context in which a culture is embedded that has an influence of the nature of cultures. The influence exerted by these aspects can be attributed to the different autonomous dimensions and they add up to the external normative windows.

These aspects or features can be divided into two categories:
Above the dotted line we find features, which are external to culture and almost not to be changed unless the organization changes its core identity.
Below the dotted line we find features external to culture or partly external to culture, which can be changed, though not necessarily easily.

D1, Goal versus Means oriented

Features having an impact on culture

<table>
<thead>
<tr>
<th>Means oriented</th>
<th>Goal oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Mass production, office work</td>
<td>● Research, services</td>
</tr>
<tr>
<td>● Work with a lot of inherent security risks (i.e. oil refineries)</td>
<td>● Work with few security risks</td>
</tr>
<tr>
<td>● High degree of specialisation</td>
<td>● Low degree of specialisation</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>● Older personnel</td>
<td>● Younger personnel</td>
</tr>
<tr>
<td>● High level of absenteeism</td>
<td>● Lower level of absenteeism</td>
</tr>
<tr>
<td>● Top managers are not so much doers but administrators</td>
<td>● Top managers made career in their own company with a relatively low level of education</td>
</tr>
<tr>
<td>● Small &quot;span of control&quot;</td>
<td>● Larger &quot;Span control&quot;</td>
</tr>
<tr>
<td>● Weak (heterogeneous) cultures</td>
<td>● Strong (homogeneous) cultures</td>
</tr>
<tr>
<td>● Large discrepancy between the existing leadership style and the style the employees desire (D7)</td>
<td>● Large degree of agreement between the leadership style the employees desire and the existing style (D7)</td>
</tr>
<tr>
<td>● Formalization</td>
<td>● Less formalization</td>
</tr>
</tbody>
</table>
### D2, Internally driven versus Externally driven

**Features having an impact on culture**

<table>
<thead>
<tr>
<th>Internally Driven</th>
<th>Externally Driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Implementation of laws</td>
<td>• Client oriented services</td>
</tr>
<tr>
<td>• Monopolies</td>
<td>• Competitive markets</td>
</tr>
<tr>
<td>• Governmental and semi-governmental institutions</td>
<td>• Private sector</td>
</tr>
</tbody>
</table>

The above listed features are all of the first category.

### D3, Easy-going versus strict work control

**Features having an impact on culture**

<table>
<thead>
<tr>
<th>Easy-going</th>
<th>Strict work control</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Unpredictable work situation</td>
<td>• Products or services to be made with precision</td>
</tr>
<tr>
<td>• Innovation required</td>
<td>• Avoiding risks</td>
</tr>
<tr>
<td>• Material-extensive processes</td>
<td>• Material-intensive processes</td>
</tr>
<tr>
<td>• The work demands less tight standards and control, such as in the case of administrative personnel where the boss is constantly around</td>
<td>• The work demands tighter standards and control to avoid health and safety hazards</td>
</tr>
<tr>
<td>• Personnel recently considerably increased</td>
<td>• Personnel will be decreased considerably</td>
</tr>
<tr>
<td>• High level of education among employees</td>
<td>• Lower level of education among employees</td>
</tr>
<tr>
<td>• Top manager claims to spend relatively little time on reading and writing internal memos</td>
<td>• Top manager claims to spend relatively much time on reading and writing internal reports and memos</td>
</tr>
<tr>
<td>• Philosophy of management</td>
<td>• Philosophy of management</td>
</tr>
</tbody>
</table>
### D4, Local versus Professional

**Features having an impact on culture**

<table>
<thead>
<tr>
<th>Local</th>
<th>Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Semi) governmental institutions</td>
<td>Private sector</td>
</tr>
<tr>
<td>Work is a marginal part of life only</td>
<td>Work is central part of life</td>
</tr>
<tr>
<td>Employees are well organised</td>
<td>Employees are not well organised</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Traditional technology</td>
<td>Advanced technology</td>
</tr>
<tr>
<td>Little educated staff</td>
<td>Higher level of education of personnel</td>
</tr>
<tr>
<td>Management has a lower level of education</td>
<td>Management is better educated and older</td>
</tr>
<tr>
<td>Smaller work units</td>
<td>Larger work units</td>
</tr>
<tr>
<td>Top management spends relatively less time on meetings and personal conversations</td>
<td>Top management spends relatively a lot of time on meetings and personal conversations</td>
</tr>
<tr>
<td>Personality of the top manager: strong need for personal loyalty</td>
<td>Personality of top manager: weak need for personal loyalty</td>
</tr>
</tbody>
</table>

### D5, Open versus Closed

**Features having an impact on culture**

<table>
<thead>
<tr>
<th>Open</th>
<th>Closed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak uncertainty avoidance</td>
<td>Strong uncertainty avoidance</td>
</tr>
<tr>
<td>Philosophy of founder</td>
<td>Philosophy of founder</td>
</tr>
<tr>
<td></td>
<td>Relatively low number of female staff</td>
</tr>
<tr>
<td>Relatively high number of female staff</td>
<td>More formalization</td>
</tr>
<tr>
<td>Less formalization</td>
<td></td>
</tr>
</tbody>
</table>
## D6, Employee versus Work oriented

### Features having an impact on culture

<table>
<thead>
<tr>
<th>Employee oriented</th>
<th>Work oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Philosophy of founder</td>
<td>● Philosophy of founder</td>
</tr>
<tr>
<td>● Protected environment</td>
<td>● Difficult circumstances</td>
</tr>
<tr>
<td>● Small organisations with few extensive investments</td>
<td>● Large organisations with extensive investments</td>
</tr>
<tr>
<td>● Long record of good results</td>
<td>● Recent reorganisations</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>● Higher seniority and age of employees</td>
</tr>
<tr>
<td></td>
<td>● Lower level of education of top management</td>
</tr>
<tr>
<td></td>
<td>● Management is assessed based on external norms (profit and market)</td>
</tr>
<tr>
<td></td>
<td>● Top managers claim they allow controversial opinions to be published in the personnel magazine</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3.7 Story telling
So far, we explained the model by defining and describing its dimensions. But, to bring the model alive, one can best tell stories. You will find a whole lot of stories in the pages to come. On the scales of the dimensions, you will notice letters, that refer to a particular story exemplifying a certain area, not a precise position, on the dimension. As we said before: “Life and work are too complex to be expressed in precise numbers”.

3.7.1 Stories about D1: Means versus goal orientation

Diagram 12

D1: Effectiveness of the organization

A)
Once upon a time, we did a scan in a medium-sized organization with a management team of 5. The MT scored really low on D1, very means oriented, even remarkably lower than the other teams and departments. As they had set the optimal culture rather high, the MT was faced with the biggest gap to be closed between their actual and optimal subculture that we have ever come across. With the exception of the CEO, the MT members averred that they had given a description of the total organization and not of themselves, although they were asked repeatedly to describe themselves. In spite of their denial, during the debrief they behaved fully according to their low score, truly means oriented. Apparently, this behavior was not exceptional, it was how they always behaved during MT meetings. This was what we noticed:
- The CEO stayed rather aloof and refrained from giving his opinion during the meetings.
- One member was new and kept a low profile.
- The other three MT members were pulling each other’s leg constantly. Though they did so in a very clever way, it was negatively phrased and sucking up a lot of their attention and energy.
- Two of these three were close friends with the same hobby - collecting old cars. One was the intelligent guy, the other one the dominant guy. They supported each other through thick and thin.

Later we learned that the dominant half of the duo believed that he should have been the CEO. He thought very lowly about the present CEO, and he expressed it constantly behind the CEO’s back and implicitly to his face. He knew that the remuneration of the present CEO including fringe benefits was way above the acceptable for his position. The CEO therefore did not dare to fire his dominant colleague, despite his dysfunctional behavior.

The dominant guy controlled his staff by either scolding them in public or inviting them for dinner. Moreover, he created a subculture with the theme: “It’s us against the rest of the world, including those suckers in the other departments.” He didn’t allow any criticism about his department.
We were able to assist the CEO in changing the culture within one year from a position of 5 to 70 points on D1. A higher score was not feasible for many more years until the CEO dared to pay out a golden handshake to the dominant guy and wave him goodbye. Normally, this company would have gone bankrupt long time ago, but they held a certain monopolistic position.

B)
In a German utility, owned by the municipality of a large city in Germany, we found that the higher people climbed the organizational ladder, the more insecure and anxious they became. This is unusual, normally there is more anxiety and insecurity at the lower levels.

Apparently, the CEO and two levels below him were political nominations by the city council that had gone through drastic changes after several elections in a row. Consequently, the highest three levels were not certain if they would survive the next round of elections.

Major decisions could only be taken after agreement had been obtained from the city council. In other words, management depended on the goodwill of the majority in the city council. No strong and inspiring leader can survive such an environment. Even if managers were reluctant to play political games, politics entered the company by the back door. All this led to a very means oriented score of 25.

C)
In a means oriented organization, scoring 30, one of the interviewees told us:
“In the morning, after arriving at the office, I take a seat behind my desk, take a pencil, close my eyes, and then drop the pencil on my desk. If it points to the right I will work that day, if it points to the left, I will not.”

This is something which nowadays may no longer happen. This story took place in a utility before privatization. Though an extreme story, it reflects a situation of a state-owned monopoly, in which no one needed to worry about their jobs. As long as one got along fine with management and the colleagues, one could take it easy.

D)
A culture scan was conducted of a unit of the central government. The job of the majority of civil servants in that unit consisted in answering requests from other civil servants about their insurance policy. They had to check extensive laws and regulations in order to reject or accept a request. The civil servants of this unit knew that the law was about to be changed and their work would become redundant. It was yet unknown whether they would lose their job or be transferred to another department. And this was exactly the reason for the culture scan: a high score on D1 would make it more likely that the civil servants would be transferred to another department and given another task. A low score however, would increase the chance that they would be sent home with reduced payment.

The score of the actual culture on D1 was 35. The personnel was upset when they heard this. We put them at ease and told them that this was a high score, considering the nature of their work. Their work was so repetitive that many of them had a kind of nervous breakdown every 6 months. After staying home for a couple of days, they had gathered enough energy to return to work. The unit was given a new task!
E) An advertising agency scored 70 on D1. This is a fairly goal oriented, but not enough for advertising agencies. Every assignment sets new challenges for creativity to reach out effectively to the target groups of their clients. This particular advertising agency had been exceptionally successful in the past, and had grown rapidly. Almost imperceptibly, bureaucratic tendencies had crept into the organization, lowering both the score on D1 and its success.

F) We never expected that a voluntary organization we measured scored 90 on D1. Amazingly high! The volunteers themselves, though, were not surprised. They explained that they would never give up their free time to do unpaid work, if they did not agree 100% with the goals of the organization. What was more, the director was very inspiring and raised the level of their already high commitment.

G) The ultimate score of 100 of a particular client reflected its attitude of “Reaching our internal goals at all costs”. The score of this small-sized company in the service industry was higher than the optimal culture management had set. As there was no external normative window and no safety issues, we advised them to keep things as they were.

Then we were called to step in again, because they were making a loss. Looking closer at the cultural audit, management decided that the loss was not caused by them, but by temporary developments in their niche market that would not last long. And they turned out to be right. Sometimes it is better to sit out a short downturn and upgrade one’s performance in the meantime, than changing structure, culture and work processes.

**Observation 1:** Automation, outsourcing and robots can promote a more goal oriented culture, because they decrease the relative amount of repetitive work. This proves that changes in the way work is conducted ideally need parallel adjustments of culture. A company producing bulk chemicals that wants to change to fine chemicals will be faced with shorter production runs and regular adjustments of machines. Also here, parallel adjustments of the culture towards more goal orientation is recommendable.

**Observation 2:** Each organization faces the challenge of being or becoming goal-oriented, within the limits of what is deemed feasible and considering safety and health issues. It is normal that Head Office scores less goal oriented than the operating divisions as the people who work there are further away from day-to-day work reality and more involved with administration and control. Part of this work can be rather repetitive and politics may play a more dominant role in HQ than elsewhere. Since HQ is assumed to take the lead for the operating divisions, this more means oriented culture can be demotivating for the operating divisions, especially for the managers of these divisions who deal regularly with HQ. One way to overcome this is to keep the size of HQ as small as possible.
### 3.7.2 Stories about D2: Internally versus externally driven

**Diagram 13**

**D2: Customer orientation**

<table>
<thead>
<tr>
<th>Internally driven</th>
<th>Externally driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>C</td>
</tr>
<tr>
<td>B</td>
<td>D</td>
</tr>
<tr>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Internal normative window</td>
<td>100</td>
</tr>
</tbody>
</table>

#### A)
A team of expats in a development assistance program in an Africa country scored 5 on D2, being very internally oriented. Why?

Both donors and expats were convinced that they knew what was best for the recipients. Moreover, the expats working for this charitable development assistance program were highly idealistic and held strong ethical convictions. During the first phase of this program, corruption had occurred. To prevent any further mismanagement of funds, the various donors had imposed severe rules and regulations both on themselves and on the recipient. The idealistic expats were wary to be implicated in any further wrongdoings or to be dismissed and shamed, so they stuck to the letter of every rule. These rules were awfully cumbersome and sometimes even contradictory, as every donor had his own agenda.

#### B)
Governmental institutes, financed for the full 100% by tax payers' money, can score very low on D2 without necessarily negative consequences. A unit of the police involved in intelligence operations scored 25. Not illogical as they are supposed to maintain the law. A score of 25 may nevertheless be dysfunctional, because it is positioned within the internal normative window. "May be", as a difference of less than 10 points may be insignificant.

The police force in the Netherlands used to score rather customer oriented – perhaps caused by changes in public opinion about the police during the 1960s and 1970s. Authorities and the higher echelons within the police started a drive for more customer orientation, which was successful, in spite of the traditional emphasis on maintaining law and order.

But how much customer oriented should the police force be? And what did they mean with customer orientation? That was not very clear. A lack of customer orientation does not necessarily imply that people should be approached in a rude or unfriendly manner. There was in those days indeed an issue among policemen about “mind your manners”. If the major task of the police force is to deliver services and meet the needs of citizens, they would have been positioned like the service industry: externally driven. But the main task of the police is not to supply services to individual citizens, but to maintain law and order. When this is done properly, the police delivers a great service to the public at large. This can be realized without necessarily being rude or unfriendly.
A financial institution scored somewhat internally driven (40). Top management was aware of this, but did not really care as they occupied a strong position in a niche market. Developments in the market made them rethink their strategy and they decided to expand their presence beyond their home market. In order to remain successful they needed an international department with a strong customer orientation. To achieve this, they located the new international department in a different office. The staff, many of them old-timers, worked in an open office space. In no time, the subculture achieved an externally driven culture of 85.

The research of Geert Hofstede shows that groups of employees are not able to make a distinction between internal and external customer orientation. This implies that if top management wants the service providers who deal with the customer, to be highly externally driven, then all groups servicing them internally should share more or less the same subculture. If that is not the case, it will be hard for the service providers to deliver good service to the customer.

What’s more, if the service providers do not receive proper support from the organization, it will be very difficult to create a highly externally driven culture among them. It is not uncommon that service providers become so frustrated by the lack of in-house support, that they develop a counterculture that scores overly high on D2. That may lead to identification with the customer while denouncing their colleagues. This in turn may escalate in polarization between the service providers and their in-house colleagues.

In the example of this financial institution, management was wise enough to locate the entire international department elsewhere and give them a fairly independent position. In that way a differentiation in scores on D2, internally versus externally directed, was very much feasible.

A utility company scored 70 on D2, nicely externally oriented. During the debriefing with management, the managing director remarked: “We have to become less customer oriented”. We rarely hear such a statement, so we asked him what he meant. He said: “Many of our mechanics go to clients to repair something. While they are there, the client often asks them to fix something else as well. The mechanics do not mind going the extra mile but do not report the additional work so we cannot charge the client for it.”

We commented: “Sir, your company does not score too high on D2, but too low on D3: it is chaos here”.

This was a Dutch company, so the managing director did not mind us being so direct. In other countries it may be advisable to phrase the recommendation otherwise.

Indeed, the company scored very low on D3, but that was not the whole story. When the managing director joined the company he found out that people behaved much too easy-going. So he introduced a time-clock to address this sloppiness. The employees had in no time developed three ways to get around the time-clock and still arrived and left as they pleased. The managing director assumed that the sheer act of installing such a device would make people comply - he never oversaw whether the time clock was used dutifully. Had he done so, then the time-clock might have be conducive in pushing the culture into a more disciplined direction. But his lack of controlling the use of the clock, made the culture even more easy-going. It is not much different from raising children. If the children are naughty and the parents tell them to stop but do not follow up, the children will become even naughtier.
This misinterpretation of the managing director is not exceptional. He identified the problem correctly: the client was not charged for the additional work. However, he fully misjudged the reasons and therefore came up with the wrong solution. A culture scan can help redressing such a situation, provided the model is sophisticated enough to clear up the confusion and the measurements are sufficiently accurate to describe the actual situation properly.

E)
Senior partners of an international management consultancy firm scored 80, i.e. very externally driven, but they rejected this high score right away. They commented that they always took an ethical approach towards their clients and that it was impossible that they scored so high on customer orientation. They would certainly not just do whatever their clients asked them, and would never sell hot air just to please the client. We stood our ground and told them that these findings were not based on our observations or on our interpretations, but on their answers to the questionnaire. A heated discussion between the senior partners evolved and after some time they agreed and commented: “We claim to the outside world that we hold high ethical standards. We may even believe in it. But the competition is fierce in our field and top management is putting us under tremendous pressure to achieve a high turnover, so in the end we do whatever the client expects us to do”. The client had learned a lesson, but did not see any option to redress the situation.

F)
The production unit of an international tobacco company scored 80 on D2. This was a very high externally driven score, certainly given that workers never saw a client. This high score reflected of course the overall attitude of the company: “We sell cigarettes to the customer, whether they are harmful or not.” We would have loved to scan the culture of the head office, but unfortunately were never invited to do so - probably for good reasons: we might have found a monster score on D2. It is often assumed that a high customer orientation is always good, but that is questionable. A culture with the maximum score on this dimension, say between 90 and 100, will enable the following:
- We sell products and services even if we know that they will harm buyers ultimately.
- We fabricate products and services which create dependence.
- We listen to each and every complaint and try to appease the complainant even if costs are much bigger than benefits..
- We sell hot air as it is not our fault that the client wants to be fooled.

All such behavior may be very unethical. For those who do not want to act in bad faith, the challenge is to indicate how customer oriented their culture should be. Without a model that can quantify such concepts and central tendencies, the question remains: “How much more is ‘much more’?

G)
Back office personnel complained about the enormous workload they had to cope with. A fair number of them were on sick leave with a nervous breakdown. Their problem was that they did whatever their internal clients asked them to do, without questioning the wisdom behind such requests. That resulted in daily overtime and stress. Management concluded that the back office had become too customer oriented, which offended them greatly. First their internal clients complained about their lack of customer support and now management tells them they should take less heed of their internal customers.
Results from the culture scan showed that back office scored 85 on D2. High, but not excessively high considering the environment in which their culture was embedded and the strategic requirements they had to meet. The stress and burnouts were not just the result of the high score on D2, but resulted from the combination with a low score on D1 (means orientation) and a high score on D6 (work orientation). In other words, they could not identify with the goals of the company while a tremendous pressure was exerted to perform. A perfect scenario for a burn out for perfectionists.

H)
The IT department of a bank consisted of two units. Each unit depended on the other, but its two managers hated each other. Each wanted to prove that he was better than the other and they were taking customer orientation as their battle ground. Everyone in the two units was drawn into the fight. Both units scored excessively customer oriented, with scores over 90. Such high scores are uncommon for internal service departments, yet everybody was demotivated. The two managers accepted any assignment although there were no sufficient resources to service the internal clients properly. Quite a number of internal clients turned to outside providers, which made the feud between the two managers even more bitter.

I)
Scores over 100 may be a reflection of “Trying to reach our goals at all costs”. Think of selling articles or services to the client when you know that ultimately, it is harmful. This could be a drug cartel or unscrupulous management consultants. We have to say “could”, as they are not in our data bank, so we have to speculate. Note that these positions are scores running from 0-100 and not percentages. Theoretically scores can be below 0 and above 100. If these are found the actual range of scores have to be adjusted so that they fit again a new scale running from 0 to 100.

3.7.3 Stories about D3: Easy-going versus strict work discipline

Diagram 14

D3: Control

A)
Management of a company producing consumer goods had decided that the emphasis in their R&D lab should shift from “research” to “development”. Until recently, the R&D lab had been successful, as expressed by the many patents the company owned. The problem was that it took too much time - according to top management - to transform innovations into marketable products.

They may have been right, but the “tell and sell” method is normally not effective to change people’s attitudes and behavior. Even after two years, the easy-going subculture of the researchers still supported innovative thinking rather than developing marketable products. The culture scan showed a score of 20 on the easy-going side of D3, while a subculture scoring between 30 and 50 was much more appropriate for an R&D lab developing marketable products.
Functional diversity between researchers and developers would have helped in overcoming the resistance to the cultural change introduced by management. Researchers and developers would have felt it “natural” to introduce such adjustments, if they would have been located in different premises.

B)
The backoffice of a tax office displayed a very easy-going work discipline in our culture scan. One of the middle managers disagreed completely with this finding, notably the conclusion that his administrative staff was far from cost conscious. He said he had checked this with his direct reports and they denied that they had given such answers. It was easy to show him that his team had indeed indicated that they were not cost-conscious. “Perhaps”, we asked him, “the way he had confronted his team with how they had filled out the survey, had been quite threatening and so they denied everything in his face”?
He acknowledged that this could have been the case, “but”, he said, “we are all very cost conscious”. Probing deeper into the issue, it appeared that he took all the decisions on costs and expenses himself, without consulting his staff. Our comments were: “But then the findings are in agreement with reality. You have not delegated any sense of cost consciousness to your direct reports, so they have described their work reality correctly. If you want to realize strict work discipline it is important to involve them in your costs considerations”. Later on we heard that the CEO was of the autocratic type, and apparently our middle manager had copied this style.

C)
A multinational had set up a subsidiary in the eastern part of the Netherlands, in a former peat bog area. The regional history of deprivation among peat workers and the ribbon villages, built along the canals constructed to transport peat to the cities, meant that the population had less regard for hierarchy and that there was less social control than in villages built around the church.

The company hired a new CEO with a very successful track record in Amsterdam, in the western part of the country. The new CEO thought that work discipline was much too easy-going among the workers. For two years he tried to introduce a stricter work discipline - and for good reasons, but it did not work out. The local people did not hold him in high esteem because of his urban mannerisms and his “autocratic” management style. Having been successful in Amsterdam implied that he could not have been really “autocratic”, but nobody had realized that he was almost an expat in his own country. The regional cultural differences are small in the Netherlands, seen from abroad. Yet, small differences can have a big impact if people are unaware of them.

Middle management had been promoted locally from within the company. They related to their colleagues on the shop floor and certainly not to that man from Amsterdam. Middle management acted as an impenetrable layer between the CEO and the workers. A culture audit showed that the CEO was correct. Work discipline was very sloppy among the workers (25). The CEO was replaced by somebody else, who, though not from that region, was able to adjust to the local mores. This new CEO of course, had been informed beforehand about the local attitudes and expectations.

D)
Overall, the culture of the police scores rather easy-going; between 30 and 40. This may come as a surprise, because we associate uniforms with discipline. The work of a police officer is often unpredictable. When on duty, they do not know where the next call may come from. Do they have to quell a riot? Will they have to intervene in a quarrel among neighbors? Will they have to hunt down robbers or will they have to assist in CPR?
It is impossible to plan their workday. An easy-going culture is supportive when you have to run and race all day, but it is definitely not helpful when you have to complete office work. It should not come as a surprise that many police officers abhor their administrative duties which are increasing ever more.

**E**

We conducted an audit in the centralized warehouse of a supermarket chain - an immense building where employees drove electrical mopeds. When they jumped off, the moped stopped automatically. They would take parcels from shelves according to notes with instructions, a kind of shopping lists so to speak. This was the most monotonous and disciplined work environment we ever saw. The results of the audit surprised us though: 30, very easy-going. We wondered whether our tools were correct, and followed up with in-depth interviews with branch managers of the supermarkets that were serviced by this warehouse, and there the cat was let out of the bag. According to the branch managers, everything that could go wrong did go wrong. At every turn they received articles they had not ordered or they did not receive what they had ordered. Apparently we had been fooled by appearance. It looked disciplined, but those moped drivers were hard to control and often just did whatever suited them. Many of them were temporary workers. Management knew this but stood empty handed as the trade unions were all-powerful. Among other things, the trade unions did not allow management to introduce personalized instructions to trace the orders. Therefore nobody could be held responsible personally if things went wrong.

Five years prior to our audit, management had made an effort to step up discipline in an unorthodox way. They hired a huge and strong fellow as a foreman, who would roam around the aisles with a fierce dog on a leash. He was able to impose a certain degree of discipline at the price of silent resistance. This was rather costly though, so he was replaced by an intelligent and lenient person. As a backlash, workers felt free to act even more laid back than before the threatening fellow had appeared on stage.

Management should have confronted the trade union instead, but they did not dare to. The warehouse no longer exists, and this story certainly contributed to its downfall.

This story may illustrate that management may have to pay a price if it does not take our recommendations to heart!

**F**

In a nuclear power plant one expects a strict work discipline. Yet, an audit conducted in a German nuclear power plant revealed that work discipline was rather easy-going (35). That is pretty threatening for everyone living within a radius of 100 kilometers or so. People working in a nuclear power plant tend to be too optimistic, playing down the risk they run, but they are of course not stupid. So, what was up?

Every manager held an engineering degree and everyone was fully aware of the safety risks. These clever engineers were constantly inventing new ways to diminish safety risks. By their behavior they induced others as well to have an inventive attitude: coming up with smart ideas to diminish safety risks. The engineers were continuously busy with devising better or new safety gadgets. It became so to speak, a hobby shared by all and who could deny such an attitude, since safety was the issue, right? But in the process they turned the culture ever more easy-going, they geared it to innovation rather than to realize safety through meticulous control and preventive maintenance.
Our recommendation was to concentrate safety innovation in the hands of a small group, physically disconnected from those being responsible for preventive maintenance and control. And, very important: to locate these inventors far away from the nuclear power plant so that no cultural “contamination” could take place.

G) In an exceptional case, we found senior management having a strict work discipline, while the workers in one of their factories displayed an easy-going culture (35). Considering the nature of the work, one would expect the reverse. The higher levels tend to have a more easy-going work discipline, because their work is less predictable. Senior and top management should have a helicopter view - they should not micromanage, and this high score might well point to a dysfunctional culture. Although the scores were not positioned at extreme poles, they deviate strongly from the optimal scores one would expect considering the work requirements of the various hierarchical levels.

The CEO thought, and rightly so, that work discipline on the shop floor was too easy-going. Instead of supporting senior management to initiate a stricter work environment on the work floor, he imposed a strict culture on his senior managers. The senior managers did not tell the CEO that his approach was wrong yet resented the strict work discipline imposed on them. That blocked them emotionally to promote a strict work discipline lower down in the organization.

H) A large factory of a Japanese firm, producing for the European market, is located in Germany. Though the items are produced in huge quantities, every separate item should function properly in the hands of consumers. This requires a strict work discipline. The actual culture in the factory was much too easy-going (40). The loose work discipline showed in the percentage of rejects and failures of the items coming from the production line. The combined German/Japanese management had tried everything to decrease the wasteful rejects, but to no avail.

Japanese management complained bitterly about those careless Germans. Germans are not often perceived as careless, so this finding came as a surprise. The national culture of Japan is reflected in a disciplined life and work style. Seen from a Japanese perspective, the Germans may not be very disciplined, contrary to how other nationalities perceive the Germans, yet the degree of rejects was also high by German standards.

After the quantitative data collection we conducted in-depth interviews and discovered why people in the factory worked rather sloppy. Japanese managers acted as if they were in Japan. After work they came together to discuss matters in Japanese. The Germans felt excluded, even more so because important decisions were taken by HQ in Tokyo, and this was reflected in the high score on D5 (open versus closed). The German subsidiary was required to report in Japanese to Tokyo and the consequence was that a Japanese employee lower in rank than a German senior manager had to do the reporting to HQ in Tokyo. The German managers had no control whatsoever over the reporting of their Japanese subordinates to Tokyo. German workers in the factory resented this Japanese way of doing things and reacted by behaving very, very laid back. Only when the Japanese CEO, to whom this was the first time abroad, had been replaced by a Japanese CEO who had accumulated experience in many countries, including Germany, was this trend reversed. He decided that the Japanese expats had to include their German colleagues in the meetings and decisions, whether formal or informal. It was then that German managers learned how much was actually decided by HQ, much more than by the Board of a German multinational.
They had initially assumed that their Japanese counterparts were incompetent, because they took an inordinate amount of time to reach a decision. The Germans had no idea how many rounds of discussions had to take place between their Japanese colleagues in Germany and HQ before HQ took a decision.

After work relationships between the Japanese and the Germans improved, work discipline also recovered, because after all it makes sense to avoid rejects and failures especially in their case. The only group that scored very disciplined (90) right from the beginning until the very end was the quality control group. They were managed by a Japanese who enjoyed working in Germany and who had learned German. Many Japanese expats either deplore their stay abroad or love it so much that they prefer to remain abroad. This Japanese manager belonged to the latter group. His German team members did not feel excluded, they acted disciplined by nature. Their high score on this dimension was supported because they opposed the laid back attitude of their compatriots, which led to so many rejects and failures.

At the request of management we conducted a cultural audit at head office and one of its technical division. Both at HQ and in the technical division we found a score of around 50 on D3. Most people working at HQ were secretaries, administrative assistants and bookkeepers. Most people working in the technical division were mechanics, who had to fix technical problems at the sites of business clients. Employees at head office found the culture too strict, while the mechanics found the culture too easy-going.

At head office, the boss was never far away and could check up on you by looking over your shoulder. The mechanics had to do their work independently. They were not always sure whether they had done a good job or not. They lacked standards to assess their work objectively. Control is normally associated with a boss controlling his direct reports. That does not need to be. Control may also be internalized, under the condition that smart standards exist, allowing employees to auto-assess their work.

It was therefore decided that the score on D3 in HQ had to be decreased whereas in the technical division it had to be increased.

We hope to have demonstrated that functional diversity is most frequently detected with dimension D3: easy-going versus strict work discipline. Even if it is not detected, it may be well worth considering creating diversity among different subcultures, in order to achieve the objectives effectively. D3 is, of all dimensions the most closely related to “the way we do our work here”. Work requirements may differ enormously per function group and per hierarchical echelon within one and the same organization. Are people working on call, do they have to be innovative, should they be proactive? Or should they instead execute their work in a carefully planned, meticulous and cost efficient way? If this is the case it is best to create functional cultural diversity.
3.7.4 Stories about D4: Local versus professional

Diagram 15

D4: Social control

A)
Let’s return to our pretender to the throne, the dominant manager who wanted to occupy the seat of the CEO (story A under Dimension 1). He was a very powerful man, both literally and figuratively, and was running his fiefdom with a firm hand. No one outside his Sales Department was allowed to make even the slightest suggestion to what he should do or not. Cooperation between him and the ones he needed most outside his own department, the people from Back Office, was more than problematic. His team members liked him and feared him at the same time. He could be amicable, but could also scold you in public, especially when he felt you had not served him loyally. But no matter what, he always defended his people against the rest of the world, be it the other departments or the world outside. He had composed his management team in line with his image. They too did not accept any interference from outside and looked down on those ‘suckers’ working in the Back Office, whereas they went out into the real world to make money.

The subculture of his management team scored 10, exceptionally local. Without the monopoly the company held, they would have gone bankrupt long time ago. The friction between Sales and Back Office came at a high price, which could have easily been avoided if the culture had enabled a smoother cooperation. Fortunately, the precarious situation was redressed to a great extent with our help.

B)
A platoon on the battlefield most likely displays a very local subculture. To face the threat and dangers of a combat and to be motivated to enter a fight from which everyone else would try to dodge, demands unquestionable loyalty among the members of a platoon. War movies often emphasize the attitude of “us against the rest of the world”, and though exaggerated for the sake of rating, also in reality strong bonds are forged in such extremely threatening situations. Scores on D4 between 0-20 can be expected.

A high-ranking echelon of air force officers participated in a culture scan some years ago. Their subculture scored 48 in peacetime, which is in line with their high ranking and education and the sophistication of technology in the air force, yet lower than similar civilian groups of high level engineers. These local military cultures demand a different strategy to motivate military personnel from various countries to engage successfully in peacekeeping missions.
Results achieved in the past do not guarantee future results. A manager with an excellent track record may not automatically be able to extend his past successes to his new position. In a different environment with different demands, his new function may be beyond his competence level to manage larger groups and assume more responsibility. Assessments centers and coaching can certainly decrease the risk of a mismatch, but on from certain management levels upwards, it is assumed that assessments and tests are no longer needed, especially not when it is not a new hire, but a “home-bred” executive.

It is not easy for a manager who works above his competence level to acknowledge that he is not good enough for the job. Promotion is normally accompanied by a substantial increase in salary, status and power and stepping down means losing all these perks and admitting that “I was not up to standard”. Anxiety slowly creeps into the victim of his own ambitions. The fear that others may see him as he is, creates an emotional war zone. He may start to act like a sergeant commanding his platoon and demanding unquestionable loyalty. Criticism or even a hint of doubt by his reports, may be perceived as a personal assault.

Managers who complain about their direct reports, may be positioned above their level of competence. It is easier to belittle your team than to admit that you are not good enough. Instead, it would be better to blame the superior executive - if there is still one - who did not supply sufficient support to learn how to handle a more demanding job.

The top manager of a financial institute rightly assumed that his organization was not professional enough to ward off competition. The culture scan showed an average score of 35, with all groups scoring more or less on the local side. The top manager had started his career many years ago in that financial institute and had worked himself up from the bottom ranks. He wondered whether he was the cause of the local culture. I did not have the answer at that moment, but two weeks later I did, when he told me over the phone that he had fired one of his two deputies and was about to employ somebody who was 100% loyal to him. So I broke the message to him that he was indeed one of the causes, if not the cause. During our conversation, I asked him: “Why do you emphasize loyalty so much? After all, you are the CEO and so you are in control anyway”.

He appeared to be able to reflect about himself in an objective way and said that the root of his quest for loyalty was laying in his youth.

It emerged that it was very difficult to change his management style because:

- He was part of the company for many years and had turned the company into a success.
- His leadership style had permeated the organization. Many people liked his style and those who did not like it had already left a long time ago.
- He complained that his reports did not take enough initiatives, but repeatedly took away their responsibilities and put them on his own shoulders.
- He was charming and showed attention to his people, as long as they gave him their unquestionable loyalty.

Being a brave man, he followed our advice and left the company.
E) The police in the Netherlands have a rather local culture, with a score of 30-40. Police officers face the dilemma of being courteous and helpful to civilians while catching criminals. They may face harassment or scolding from the public and have to enter threatening street scenes. Reliance on your colleagues is therefore paramount. The social control that arises from their specific culture, may turn small variances in dress code and behavior between police stations emotionally into “big differences”. People who dress, talk or look different may experience rejection from an inner circle who share many commonalities. Outsiders can have a hard time feeling at home and receiving the same level of support and reliability from their colleagues.

This makes it hard, but certainly not impossible, to diversify the police. Police officers themselves certainly recognize the added value of diversity in the corps. But it is key to deal simultaneously with the concept of security and trusting your colleagues.

F) In a company producing supplies for farmers, a unique picture emerged from the cultural audit. The scores on dimension D4 are constructed by the average responses to ten questions. This company showed strong social control (35), which is a sign of a local culture, but simultaneously a highly professional culture (80) based on the responses related to an outward looking attitude. The average score of all answers was 55. The split between the responses on social control and an outward looking attitude pointed to a unique history with unique traits.

Management at first rejected the average score of 55 and claimed their company endorsed a truly professional attitude. Closer analysis revealed the following: The company had invested a lot of money, time and energy in becoming a more professional organization. For example, assessment centers had replaced intuitive reasoning in recruitment and selection processes. Candidates were selected in a very professional way, but at the end of the day these assessment centers were used to select people “like us” they acknowledged.

In the early days of the company, the late founder, “Uncle John”, used to stand at the entrance gate of the factory early morning to supervise the timely arrival of the workers. Those who were on time received a cigar from him. Management concluded that the culture change had come a long way, but so far failed to overcome the spirit of their deceased founder which was still lingering on.

G) Professional groups, such as those doing research in Research Labs and universities, ought to display a very professional culture and score high on D4. However, universities often have a less professional culture than could be expected. A lot has been written about this phenomenon. Professors with an outstanding scientific performance, do not want to be bothered by administrative chores. Professors who are less apt at science and publishing, can cover up by emerging in administrative and managerial tasks, including funding control. In a truly professional culture, funding is based in the first place on merit, while in a local culture, funding is also based on connections. Universities that are recognized centers of excellence have taken up this gauntlet and turned their culture into a professional one.
3.7.5 Stories about D5: Open versus closed system

Diagram 16

D5: Attitude towards outsiders

Open system
Closed system

A) A senior manager responsible for a number of factories was excessively talkative, to the point where it became embarrassing. Even during our consulting sessions, which were charged per hour, he did not stop telling me about his wife, children and the car he had bought. To his team members, he used to gossip about top management. Not out of malice, but just because he was a chatterbox. He wholeheartedly supported us in conducting cultural audits in factories under his authority, but opposed to a cultural scan that covered him and his management team. Top management imposed the culture scan on him, they might have been just as curious as we were about the level of openness in his team. The subculture of his team scored 0 on D5. Our chatterbox was very pleased with this extremely open score of his team. A subsequent open information exchange with his team took place, who for the first time felt that they could question his talkative attitude, pointing out the repercussions for the people with whom he interacted and the confidentiality of information in his hands.

A Brit once remarked about the Dutch that they have a stream of thoughts passing through their head and at the moment it passes their head they must utter it. You might conclude that the protagonist of this story must have been Dutch. But in the case of culture: “never say never and never always”. This story did not take place in the Netherlands, the protagonist was not Dutch and the multinational was neither Dutch nor located in the Netherlands.

B) An international construction firm where we conducted a culture scan in the late 1980s, displayed a very open culture. It sounds unheard of nowadays, but you could just walk into the HQ building of the firm, without any appointment or without passing security checks. In between two of my visits industrial espionage had taken place. For the first time, strict safety procedures were imposed and over the years, the culture moved to a pronounced closed culture, where secrets were guarded and visitors checked.

C) It is not uncommon to find a more closed culture in the lower echelons and a more open one at the top. Top management controls the information flow and has a better overview of what the future holds in stock. The lower echelons may feel somewhat insecure, certainly in times of crises or fast changes. They feel that they do not receive sufficient information from the top. Interestingly, these feelings do not necessarily disappear if management gives more openness about its plans. But on two occasions the cultural audit indicated that the lower echelons were far more open than the top. An analysis can then reveal whether it is necessary to take action or not.
**Case 1:**

In a factory in the South of Belgium, top management had a fairly closed culture and the workers in the factory a fairly open one. The workers successfully kept management at bay. Part of the machinery was very sophisticated with thousands of options. Only machine operators who had completed at least 3 years as assistant machine operator could handle them. There was no way management could tell whether a machine was on periodical maintenance or whether they were taken for a ride. The relationship between management and workers had soured for a long time. Quite a number of workers had been laid off owing to automation. No money had been invested in employability nor did the laid-off workers receive any support. A powerful radical trade union stepped in and obtained informal control over the shop floor through some of its members. Management was therefore no longer in control of what happened on the factory floor, and the owners, a multinational firm, held the option for closure open. Factory management refrained from intervening, fearing that the workers then would go on strike, led by prominent members of this radical trade union.

Our culture scans showed that the silent majority feared that the factory would be closed down and were in fact, suffering by the uncompromising stance of the radical union. The culture scans gave management a tool to intervene and dismiss two agitators. Contrary to what they had feared – and predicted by us - people did not go on strike. The culture scans allowed to streamline production and motivate workers in such a manner that profits rose, and employment could be guaranteed.

**Case 2:**

In an intra-mural mental health institute, the professionals looked after their patients as parents look after their children, for 8 hours a day. The team members were very involved with one another and with the patients. Their subculture scored very open whereas the subculture of management scored closed. The professionals were much more senior than the managers, who had only joined the institute a couple of years ago. The professionals considered themselves the experts and were reluctant to accept anything from management. They held a lot of informal power, exacerbated by the shortage of good mental health professionals in the labor market.

A new round of economic downsizing from the government implied heavy budget cuts in the mental health sector. Management of this particular institute was unable to increase efficiency, no matter what they tried. Only after they involved the health professionals fully, could they comply with the demands from the government.

**D)**

A governmental unit located in a freestanding building scored very closes (70). When our team visited them for the first time, they were unable to find the entrance. After walking around the building for the second time, they noticed an inconspicuous staircase that led to a small door. In this particular case the closedness of the culture was perfectly symbolically reflected. This governmental unit was designated to process sensitive information, which should not fall into the hands of outsiders. The civil servants working there had no interference with outsiders at all. The closed score of 70 was a functional one.

**E)**

A multinational trading company that took part in the original research, displayed a closed culture (70). During the debriefing to the Board, one of the members wanted to say something, but before he could do so, his colleagues said: “You are new here, so better don’t ask any questions”. He dutifully complied and kept his mouth shut. During the lunch one of our colleagues asked him when he had joined the company. His answer was: “Ten years ago”.

©Bob Waisfisz, www.culturesharp.com
In this company, people would join at the age of 18 and then slowly climb the ladder. Only in rare cases were people with a university degree attracted, such as a controller or a legal counsellor, and they would be met with suspicion. This culture scan took place over 30 years ago, but the company still espouses a closed culture and is very successful. The founder preferred to work with youngsters so that he could form them. In addition, its main activities do not require a lot of interaction between employees and outsiders. Clients were not negatively affected by the closed culture.

**F)**

Anxiety in an organization correlates with the scores on this dimension. The managing director of a NGO (70) was extremely competitive and reigned with a firm hand. He took all decisions by himself. An interviewee vividly expressed this during an in-depth interview: “There is a circle of fire”. You are either in or out that circle. But even inside this circle you don’t know what the managing director is up to. Employees spend a lot of time on second-guessing. In this case, the score was a very dysfunctional one.

**Observation:**

Most people prefer an open culture. This is not strange, as in that case newcomers are made welcome, an open door policy exists and it will enable managers to support their direct reports in doing a good job. Managers are also more willing to listen to problems encountered either in work life or in their social life. Nevertheless, there may be reasons to create a fairly closed culture, for example to protect confidential information, or to shield intellectual property rights to maintain a competitive advantage. New EU regulations put heavy sanctions on not complying with strict protocols to protect personal data. Given people’s preferences, it is wise to limit such confidential information to the smallest group possible. For such groups a closed culture can be created, whereas the rest of the organization can then keep an open culture. Again, this is a plea for functional diversity, if so required instead of one size fits all.

3.7.6  **Stories about D6: Employee versus work oriented**

**Diagram 17**

D6: Management philosophy

<table>
<thead>
<tr>
<th>Employee oriented</th>
<th>Work oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>F</td>
</tr>
<tr>
<td>B</td>
<td>G</td>
</tr>
<tr>
<td>C</td>
<td>0</td>
</tr>
<tr>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

**A)**

The organization in our databank which scored very goal oriented (+D1) happened also to score the most employee oriented with a score of 0. We emphasize this here, because many managers think that an employee-oriented culture is soft and therefore no good. Forbes Magazine organizes an annual contest called, “The best employer of the year” in the USA . When checking the list, it is clear that most employees only put their employers forward as potential winners when they take co-responsibility for their welfare.

©Bob Waisfisz, www.culturesharp.com
This does not imply that low scores on D6 are by definition functional and high scores on D6 by
definition dysfunctional. For the consequences of combinations of scores on D1 and D6, please see
section 3.7.3.
In this particular case the culture of the department of an airline company enabled work motivation to the highest degree possible. This refutes the general notion that an employee-oriented culture is soft and therefore no good. In section 3.7.3 we will explore the combination of a goal orientation (D1) with an employee orientation.

B) In a multinational based in over 50 countries, the factory with the highest productivity also scored the most employee orientated. This specific factory was headed by a managing director with a HR background. His managing colleagues of the other factories all came from a financial or engineering background and were surprised to learn that this former HR manager was most successful.

It shows once again, that employee orientation does not impact productivity negatively. What it does is that it strengthen stay motivation. High productivity is enabled by goal orientation (D1) and a professional culture (D4). In times of crisis and for a limited period of time, a dedicated work orientation may also lift productivity. Unless the employees are a bunch of tough cookies who value work over a social life, and display what is also called a “strong work centrality”, taking co-responsibility for employees’ welfare has a positive impact on their motivation to stay on board.

C) In a retail and trading company the optimal culture as set by management coincided with the actual score (45, just on the employee oriented side). But considering the future challenges on the labor market, the CEO decided to make his company more attractive to qualified young people. The company was operating in a growth market and the type of activities they would be involved in might not appeal to young graduates. In other words, he opted to market the company’s image as a desired employer, by boosting its employee oriented culture. They are well on track to become more employee oriented - something most employees prefer.

D) In a multinational company, employees described the work pressure as overwhelming. They pictured a marked imbalance between work and private life where personal issues were never taken into account. Yet the cultural audit showed a sore on D6 of 60. This is on the work-oriented side, but not extreme. There seemed to be a discrepancy between reality and perception. One of the core values that was constantly repeated said: “We guarantee a balanced work life”. But in reality, leaving the office before 8.00 pm was considered a bad career move. It was this discrepancy between what was said and done that made people feel pressurized much more than they actually were. As an example, if employees had to look after their partner or children in crisis situations they could stay home.

A proper cultural audit describes work reality as it is and not how it feels. The latter is the domain of labor satisfaction surveys.

E) If a culture is both very work oriented (D6) and very means oriented (D1), the risk for burnouts is high. In such a culture, people are put under pressure but the culture hinders them to identify with goals and objectives of the company. They are put under pressure without a cause.

Many years ago we conducted a repeat audit in a company covering seventeen different units. We reported one unit as a potential high risk unit for burnouts. That unit scored substantially more means oriented (D1) and more work oriented (D6) than the other units.
During the debrief with the management team, one manager was missing: the manager who was heading that particular unit. He was staying at home with a nervous breakdown. The managers present thought that we knew this beforehand, but that was not the case.

F) An organization in the field of development assistance had a highly dysfunctional work-oriented culture, scoring even within the internal normative window. The managers told us that the staff was so committed that they never refused extra work. The CEO went even further to say his team regularly asked for more work. In reality, people did not dare to say “no” to extra work. There was of course no one walking around with a whip but every interviewee highlighted this excessive work orientation in one way or another. People made themselves small and suffered in silence as they were well aware that the CEO used several people as his eyes and ears.

People stayed on because they were passionate about their work for development assistance. It was challenging and took them to exotic places far away from the office. Others were foreigners on a temporary residence permit in the Netherlands, a country they enjoyed. Leaving the organization meant leaving the Netherlands, as their residence permit depended on their employment. In other words, they were prisoners in a golden cage with an open door.

G) Extreme work orientation is only feasible for restricted periods. When bankruptcy looms for example, it is a matter of all hands on deck. In such situations it is not management putting people under pressure but rather the context. If there is light at the end of the tunnel, people can bear hard work and no play for a limited period.

Extreme work orientation for prolonged periods of time is a reflection of human trafficking and slavery. It is unlikely that in such situations we will be called in to assess the culture of organizations involved in such inhumane activities.

Observation:
Some of the stories above imply that change can be relatively easily realized on D6. This is indeed the case. Moving towards the work oriented side can happen quickly in times of economic hardship. Moving towards the employee oriented side can also be realized quickly as long as sufficient trust in management exists. Whether cultures can be changed quickly depends on the dimension involved and the context in which people have to operate.
3.8 Typologies or combinations of dimensions

One way to structure reality is to classify cultures in different typologies. A famous typology comes from Charles Handy: Power, Role, Task and Person. Typologies may help to instill awareness that organizations are characterized by different cultures. But such typologies are far too simple to serve as a tool of analysis. Let’s explore the complexity of groups of people.

Boulding² designed a system of systems, in which systems are categorized according to their degree of complexity.

1. **Frameworks**
   - Comprising static structures such as crystals and stones

2. **Clockworks**
   - Simple dynamic systems with pre-determined motions such as clocks and the solar system

3. **Cybernetic systems**
   - Capable of self-regulation with an externally prescribed target such as thermostats

4. **Open systems**
   - Can maintain themselves through exchange of resources with its environment such as a cell

5. **Blueprint-growth**
   - Can reproduce themselves through seeds or eggs

6. **Internal-image**
   - Have (detailed) awareness of their environment such as animals

7. **Symbol processing**
   - Self-consciousness systems using language; humans and animals such as apes, dolphins and elephants

8. **Social systems**
   - Actors at level 7 who share a common order and culture

9. **Transcendental systems**
   - Everything that transcends human understanding

Already a cell is an extremely complex system as on-going research is showing. That is just on the 4th level of complexity. This book describes social systems, being infinitely more complex. To make sense of such systems it is wise to make use of models. The art of developing a model is to steer a middle course between oversimplifying and overcomplicating. That is exactly what Geert Hofstede did.

We could of course think up typologies using the 6 autonomous dimensions. If we combine two each time, we can draw up 15 diagrams with 4 quadrants, creating 60 typologies. Have a look at the combination of D1xD2 below.

---

If we add the 2 semi-autonomous dimensions and the homogeneity of a culture (strength or weakness), adding up to 9 variables, we can draw up 28 diagrams with 4 quadrants, that makes 112 typologies. We will spare you these 112 typologies. Apart from being too many to deal with, they still leave out salient information.

Moreover, to give a good picture of a culture, two dimensions do not suffice. We may need 3 dimensions to explain and analyze a specific feature. In theory we can then create 219 additional diagrams. A combination of 3 dimensions can still be plotted, but plotting 4 or more dimensions gives a graphical mess.

So let’s forget about typologies, and provide descriptions of features that can be explained through combinations of dimensions. For visual purposes we return to gliding scales running from 0 to 100 on which cultures score.
3.8.1 Combination of dimensions D1 and D2

Diagram 19

How to interpret the diagram:

- The diagram is divided into four quadrants. The upper right hand quadrant is number one, and so on clockwise.
- Quadrant 1 depicts a culture that scores goal oriented and is externally driven, even more so towards the upper right hand corner, and less so towards the center.
- Quadrant 2 depicts a culture that scores goal oriented and is internally driven, even more so towards lower right hand corner.
- Quadrant 3 depicts a culture that scores means oriented and is internally driven, even more so towards the lower left hand corner.
- Quadrant 4 depicts a culture that scores means oriented and is externally driven, even more so towards the upper left hand corner.
- The internal normative windows are in orange. The left hand orange band represents the internal normative window on D1, and the bottom orange band represents the internal normative window on D2.
- The red square shows the overlap of the two internal normative windows.
**Quadrant 1:**
A goal oriented and externally driven culture will support the successful realization of internal and external goals, especially if the culture is located towards the upper right hand corner, in the direction of the arrow.

It is not always wise nor allowed to go for the maximum score of 100. Goal orientation (D1) has its limits when safety comes into view. The degree of external drive (D2) may be limited by rules and regulations imposed by authorities.

Goal orientation (D1) plus external driven (D2) are often referred to in management literature as result driven. Its opposite is process driven. In general, the challenge for a company is to be more result driven than its competitors, that is, more goal oriented and externally driven, without crossing into the danger zone of their external normative windows. Note, that the external normative windows have not been plotted in this diagram. Whether they exist in a particular situation and the size of them depends on the context in which a culture is embedded.

So, does this mean that organizations can only survive in the long run if their culture is located in Quadrant 1? Not necessarily, although the other three quadrants all contain a fixed dysfunctional area: the internal normative window.

**Quadrant 2:**
Organizations in this quadrant display a goal oriented and internally driven culture. Let’s first explore the consequences of such a culture for companies. If a company occupies a strong position in the market, an internally driven culture will not have too many negative repercussions. When such a company does not need to spend a lot of time and energy on pleasing the customer, it can be very successful financially, notably when its culture is located towards the right (goal oriented).

If the culture is located in the orange band, it displays a dysfunctional culture where employees may focus too much on complacency, just for the sake of following the rules.

Companies that find themselves in this quadrant, can obtain and safeguard a strong position in the market by:

- Innovations protected by patents and intellectual property rights;
- Economies of scale, although competitors may quickly catch up by mergers and acquisitions;
- A monopolistic position granted by central government;
- Creating cartels. Though a widespread practice, this is normally against the law.

No matter how strong the market position of a company is, other parties will always try to enter the market, attracted by the financial gains of the dominant player(s). Monopolists or oligopolists should fear the moment when their products or services are made obsolete by newcomers who enter the market with cheaper solutions, more interesting solutions or better services.

This quadrant is equally valuable for not-for-profit organizations. A criminal investigation department should score somewhere in the white band of quadrant 2. Detectives are supposed to be very successful at catching criminals, while enforcing the law. Religious groups usually have a strong sense of ethics and can simultaneously successfully achieve their objectives, for example, by growing the number of adherents or collecting donations.

**Quadrant 3:**
In this quadrant cultures score both means oriented and internally driven, the more so the more cultures score towards the lower left hand corner. In quadrant 3 cultures are positioned according to their bureaucratic nature. Bureaucracies can be either functional or dysfunctional, depending on their role in society. Functional bureaucracies are characterized by being part of government while complying with the expectation that citizens are treated similarly in similar situations at least in countries having an individualist culture.
In other words, functional bureaucracies are exempt from preferential treatment and nepotism in such countries. Functional bureaucracies are not only positioned in quadrant 3, but they are anyway positioned somewhere in the middle of this diagram. Dysfunctional bureaucracies are located in the red square in the bottom left hand quadrant. Cultures positioned here reflect an emphasis on following the rules, even if this may hurt the realization of the professed objectives. In all such cases people have a hidden agenda. Examples of hidden agendas in these cases are:

- Realization of short term personal advantage, harming realization of long term success of the organization. An example is the bonus system used in most banks, which created the banking crisis in 2008
- Retribution for injustice committed by management. One way for employees to act against management in an elusive way is by following “stupid” rules
- Appeasement of the outside world. Private development assistance organizations for example, which are partly dependent on governmental donors will often try to please these donors more so than their beneficiaries in the Third World. Governmental donors will impose a lot of requirements regarding formulation of proposals, type of activities for which the money may be spent and rules of engagement – all of which these organizations have to follow. In other words, governmental donors impose their bureaucratic procedures on organizations which are involved in totally different activities such as grass-root activities.

Example:
The ministry of development assistance in a European country, here called donor ministry, asked us to scan the culture of one of its departments and of their counterparts at the ministry in an African country.

Data collection at the donor ministry was quickly done. But the Secretary General of the ministry of the African country was not enthusiastic about the project, to say the least, when we visited him. After all, the results of the cultural scan of his ministry would go to his counterparts in the donor ministry, but not the other way round. Our proposal then was that he should only go ahead if his counterparts in the donor ministry would give him their results. This made him change his mind and he went along with the measurements.

The results of the cultural scans shocked the Europeans: their culture was located in the dysfunctional area in the third quadrant, while the culture of the African ministry was located in the first quadrant. The Europeans reacted: “How is this possible, there are female civil servants in the ministry knitting under work time to make an extra buck”. To us this was not a proof of ineffectiveness, but rather of the low income of civil servants in that African country, that they complemented. It did not affect the work of the ministry, so why bother?

The Europeans decided that they would not share the results of their culture scans with the African Secretary General. This was, sad but true, totally in line with their means oriented culture: they did not keep their promise.

Quadrant 4:
Here we find cultures that score means oriented and externally driven.
Citizens all over the world expect a service oriented attitude from their government. But how client-oriented can and should a governmental bureaucracy be? Without a proper tool of analysis, it is easy to exaggerate the drive for customer orientation by which pleasing citizens becomes the norm. That may lead to unequal treatment of citizens, who in turn may have steeply raised expectations and become discontent when these expectations are not met. We see this nowadays in citizens who harass counter clerks at the social security, firefighters or ambulance personnel to get their way.
Example:
The commander of a regional police department had made customer-friendliness part of his credo. From the culture scans it emerged that the majority of the officers supported this focus on customer-friendliness, with the exception of the detectives. They wanted to catch criminals. To them, the call for customer-friendliness was not in line with the public call to cut back crime. The police should be normative and enforce law and order. A culture too much oriented to please citizens, can lead to a pragmatic and flexible attitude. Given the discrepancies between financial remuneration of policemen and the benefits criminals may obtain, it may induce at least a number of policeman to turn a blind eye to corruption. It may even induce them to go down that path themselves. After all, are they not supposed to be flexible and pragmatic, characteristics of a very externally driven culture? At the same time the means oriented attitude may induce them to keep a hidden agenda.

Example:
The Ministry of Finance in the African country of the previous example, allowed us to measure their culture. Here, we expected, or at least hoped, to find a strong ethical code to which the civil servants adhered. The culture of this ministry however, scored high up in quadrant 4: a clear client focus combined with a means oriented culture. It was clear that the organizational culture of this ministry was dysfunctional and most likely enabling corruption.

Reflections about process versus result orientation
You may recall that the professional literature talks about a process oriented approach versus a result oriented approach. The research of Geert Hofstede has refined this concept and shown that this is a combination of the two autonomous dimensions D1xD2.
Let us compare a culture scan which uses just one dimension: process versus result orientation in which our two dimensions: D1: means versus goal orientation and D2: internally versus externally driven, have been integrated.

Diagram 20 - Organizational effectiveness

If the two dimensions are collapsed into one dimension this will not create a lot of problems if the scores on Process versus Result Orientation are either low or high. When the culture of a client scores between 0 and 20 on this dimension, the implication is that the scores on our two separate dimensions will also be on the low side. If a score of 0 on the dimension above has been found, the scores on both dimensions will also be 0. If a score of 20 has been found, the biggest differentiation on the two dimensions will be between 0 and 40. The same is true at the other pole of the dimension. Scores which are positioned within the red ellipse in the middle of the diagram above may, in terms of the two dimensions in our model, vary enormously. Thus, if a score of 50 is found on the above dimension, this may imply that the scores on our two dimensions separately vary in the extreme case between 0 on D1 and 100 on D2 on the one hand and 100 on D1 and 0 on D2 on the other hand. It is though also possible that on both dimensions the scores are 50. Thus, the more a culture scores on process versus result orientation towards the middle, the more loss of information will occur.
Without a split into two separate autonomous dimensions, it is then impossible to know what to do in order to bridge a discrepancy identified between the actual and optimal scores on this dimension.

3.8.2 Combination of dimensions D1/D2 and D3

Diagram 21

In this diagram the scores on three autonomous dimensions have been combined. The dimensions D1 and D2 are collapsed into one dimension. That indeed means a loss of relevant information, so we cannot use this diagram for analytical purposes, but it is certainly useful for didactical purposes. How to interpret this diagram?

- Quadrant 1 depicts a culture that is result oriented with a strict work discipline.
- Quadrant 2 depicts a culture that is result oriented with an easy-going work discipline. This quadrant has a dysfunctional band.
- Quadrant 3 depicts a culture that is process oriented with an easy-going work discipline. It has two dysfunctional bands.
- Quadrant 4 depicts a culture that is process oriented with a strict work discipline. It has a dysfunctional band.
Quadrant 1:
The typology given for quadrant 1 is streamlined flexibility. In order to explain this, let us look at a chemical company specialized in the production of bulk chemicals. The culture of such factories should ideally support streamlined production. This will be the case if the culture scores between somewhat means oriented and somewhere in between means and goal orientation on D1, while at the same time scoring strict on D3. Nothing should go wrong, given the consequences in terms of safety risks. At the same time, if something does go wrong, this may create a lot of waste given the scale at which production on the shop floor takes place. This adds to the need to realize a streamlined production process in such a way that it cannot be disrupted by human mistakes.

In the case of bulk chemicals, there is no need to score externally driven since production runs in bulk chemicals are normally very long as adjustments to the needs of clients are not necessary. Thus, a position in quadrant 1 is not functional. Instead a position in quadrant 4, characterized by a streamlined bureaucracy is functional.

Suppose now that a chemical company wants to change the emphasis from the production of bulk chemicals to the production of fine chemicals because of an enormous increase in the realization of added value. The consequence is that machine operators will have to adjust their machines continuously, as production runs in fine chemicals are normally very short. In such a case, a streamlined production process remains required. Safety risks may still be prevalent, certainly so because human intervention will happen much more often than in the production of bulk chemicals. When it comes to waste, it may well be that in fine chemicals the quantity produced at any time will be much lower than in the case of bulk chemicals. At the same time, the value of fine chemicals is much higher, so that in this case too, rejection of the output of a production run will be very costly. Unlike bulk chemical production, those working on the shop floor need to simultaneously have a flexible attitude; machine operators will have to clean and adjust their machines continuously to meet the demands of clients. Unless special conditions apply, subcultures on the shop floor in factories in which fine chemicals are produced should score somewhere in quadrant 1.

A shift from bulk chemicals to fine chemicals requires simultaneously a shift in culture in order to realize such a transition successfully.

Quadrant 2:
This quadrant covers, among other topics, the degree to which culture will allow people to meet new challenges. We make a distinction between creativity and innovativeness to discuss this topic.

Creativity is here defined as the ability to come up with incremental solutions to do better the job one is already doing. This is also called, “thinking within the box”. This is enabled by a goal oriented culture. “Quality circles” are typically an expression of creativity enabled by goal orientation.

Innovativeness is here defined as the ability to come up with radically new ideas and solutions both directed at ongoing work and also unrelated to ongoing work. This is called, “thinking outside of the box”. This is enabled by an easy-going culture.

Innovativeness can be important, but it is nowadays often overrated. If everybody from high to low in an organization should be innovative, it is questionable whether day-to-day work can still be done properly.

A Research Lab’s culture does not need to score very externally driven on D2 and it also doesn’t need to score very goal oriented. Thus an ideal position on “Result orientation” is somewhat higher that a middle score. But such a Lab should score very low on D3; i.e. very easy-going.

IF one wants to change a Research Lab into a Development Lab one is supposed to become much more customer focused, to become much more entrepreneurial and costs have to be taken much more into consideration than in the case of Research Labs.
This may drive the culture, positioned in quadrant 2, towards a more strict work discipline, without it becoming too strict. It may also move towards a more results oriented direction than in the case of Research Labs. See the position of the culture of a Development Lab in the diagram above. When looking at the areas, in which both types of Labs will be ideally positioned, it is clear that the optimal position of a Development Lab is less well predefined than a Research Lab. Particularly in the case of a Development Lab it is important to define precisely which requirements have to be met in order to create success. Only in that way is it possible to define its optimal culture properly. Changing the emphasis in a R&D Lab from Research to Development, or the other way round, requires proper fine-tuning. If both functions should remain in place then one better creates functional diversity. This can be best done by dividing both parts physically and by creating different subcultures.

**Quadrant 3:**

This quadrant is characterized by one functional band and two dysfunctional bands. The bottom band is only 15 points wide. The way to interpret a score in this band, i.e. a very easy-going score, is that this may point to behavior which has become too easy-going, inducing waste, too much wear and tear and possibly theft, irrespective of the requirements to be met. In such a case it is advisable to look more closely at work reality.

We have not yet come across an organization, or a department or unit, which is positioned in quadrant 3. One can imagine that a unit of Navy divers should have such a culture, though scoring in the functional area of quadrant 3. Work life is fully unpredictable, yet in order to maintain safety, one has to follow rules and procedures precisely.

**Quadrant 4:**

This quadrant is also characterized by a functional and a dysfunctional band. The word “functional” should not be read as “by definition functional”. Whether a position is functional or not depends on the requirements one has to meet.

**Example:**

*In the technical department of an architect’s bureau the culture scored in the functional band of quadrant 4. They should indeed score strict, as they had to do all the proper calculations so that the buildings designed by the architects would not collapse. An easy-going culture would hinder them enormously in doing their work meticulously. At the same time, they should also come up with clever solutions for technical problems created by demands of the client and by esthetic principles used by architects in designing their constructions. Their subculture scored too process oriented to ensure long-lasting success. This was caused by the confusion we often come across when comparing dimensions D1 and D2 on the one hand with dimension D3 on the other hand.*

*In very means oriented cultures “rules and regulations” are emphasized. In a very internally driven culture the same applies, though for different reasons. It is often assumed that strict work discipline is characterized by rules and regulations. Dimension D3 is, however, not related to the degree to which rules and regulations are being used. Dimension D3 will tell us to what extent people are free to plan and execute their own work or whether a lot of control is exerted in order to avoid waste, rejects and failures. Control can be executed in two ways: either by the boss controlling his or her subordinates regularly or by self-control. Control - whether exerted by the boss or by oneself - can only be done properly if it is clear what is expected of the workers concerned. Control therefore can only be properly conducted if clear standards have been developed against which progress of work can be judged. Standards do not equal rules, regulations and procedures. These all tell people how things should be done. Standards will tell us how well things have been done until now. In other words, standards allow us to check whether we are still on track.*
Let us now go back to this architect. Architects run a lot of risks. If a building collapses because of errors committed by their firm, they are really in deep water. In this particular case, management had come up with a “yellow book” in which everything that had gone wrong or had almost gone wrong in the past and in the present was noted down. Due to the management style and the way this was presented, the book was perceived and used as a load of rules and regulations which stifled innovative solutions to technical problems that the engineers were facing. Only after the “yellow book” was repositioned as a set of work standards, instead of a bunch of rules, did the culture move towards quadrant 1, thereby supporting the engineering department to do their work in an innovative yet meticulous way.

3.8.3 Combination of sub-dimensions “Stay motivation” and “Work motivation”

In section 1.6 we already discussed ‘stay’ motivation and ‘work’ motivation in the context of the relationship between culture and labor satisfaction surveys. We shall now take a further look at these two topics to show that many dimensions can be usefully combined.

The sub-dimension “work motivation” shows to which degree culture supports or hinders people to realize productive (effective) task execution. You may have put in place infrastructure, processes and systems in order to create productive task execution. If, however, the culture does not support productivity by a motivated workforce, employees may well hinder productive task execution, either on purpose or subconsciously.

The sub-dimension “work motivation” is defined by the scores on D1, means versus goal orientation, and on D4, local versus professional. The more goal oriented and the more professional a culture scores, the more the culture will induce people to work smart and effectively and as a consequence making them more productive.

Note that from a cultural perspective a clear distinction is made between a culture that stimulates people to work productively and a culture in which people are put under pressure to work hard. The latter is described by D6, employee versus work oriented. Working productively may coincide with working hard, but this is then done because people in especially goal oriented cultures have internalized the need to do so. Above all, people in a goal oriented culture are motivated to work smart.

The sub-dimension “stay motivation” is particularly defined by the scores on D5, open versus closed system, and D6, employee versus work orientation. The more open and the more employee oriented a culture scores, the more the culture will induce people to stay on board. In addition to these two dimensions, stay motivation is strengthened if a culture scores simultaneously local on D4, high on D7, acceptance of leadership style and high on D8, identification with own organization.
In diagram 22, 6 dimensions are combined into Work and Stay motivation. Suppose that we would have only identified and used these two dimensions, then we would have sinned against the requirements of social research and given our clients insufficient and incorrect information, because:

- By combining these 6 dimensions much information is lost.
- These two combined dimensions do not have poles that are non-normative and clearly labelled. They are labelled “high” and “low” and have strong normative connotations. In spite of that, it may not always be wise to have a high stay motivation. In consultancy firms with an up-or-out policy, the work environment should not be too cozy, otherwise it will be hard to get rid of consultants who will never become a partner. It is certainly advisable to aim for high work motivation, but all kinds of limiting factors can exist. For means versus goal orientation (D1), the limitation can be the need to install and maintain strict safety procedures. For local versus professional (D4), the limiting factor could be the need for loyalty among colleagues in a threatening environment.
- D4 (local vs professional) loads both sub-dimensions. A local culture motivates people to stay on, and a professional culture stimulates people to work productively. In other words it is not possible to score 100 on both dimensions simultaneously - this would not be evident if only these two sub-dimensions had been identified.
Let’s now first have a closer look at quadrant 2:

**Quadrant 2:**
An organization with a low work motivation and a high stay motivation is in bad shape. Even more so if the culture is positioned towards the bottom right hand corner. Here, people will not work hard, but really like their colleagues, clients, the workplace, you name it. In such a case it will not be easy to fire underperformers. In the end, it is not their fault that they operate in such a culture. It is always top management who bears the final responsibility for the actual culture, because they created such a culture or did not change it effectively.

**Quadrant 3:**
An organization finds itself in a somewhat better shape if work and stay motivation are both low. It is easier to implement change in an organization with a shifting population than with a stagnant group. In some situations, however, stay motivation is low but nobody leaves. Then we are in trouble. Such a situation can occur if labor satisfaction is low but people see no options to leave, for example when:
- There are no opportunities elsewhere because of an economic recession;
- There are no opportunities elsewhere because the employees carry out highly specialized work that is not required elsewhere and the employer has not invested in employability of its employees;
- Remuneration and fringe benefits are much better than elsewhere. In such a case people work in a golden cage. The cage is open, yet it is hard to leave;

This shows again that the effects of culture can only be well understood when the context in which people work is taken into consideration. As indicated in the beginning, group behavior is defined by the personalities of dominant people, by culture and by the context in which the group operates. When we say “context” it should be read as “perceived context”. How people perceive their work environment can be partly influenced by their culture. If productivity suddenly drops, it will be perceived as a challenge in goal-oriented cultures (D1+) to overcome this. In means-oriented cultures (D1-) this will be perceived as a problem.

**Quadrant 4 and quadrant 1**
It is always good if work motivation is high. Whether management also prefers a high stay motivation depends on the situation and its personnel policies – take the case of many large consultancy firms as described earlier.

**Example:**
*A specialized consultancy firm scored close to the upper right hand corner in quadrant 1. Management wanted to decrease stay motivation, since the age distribution was very much weighted towards the age group of 50-60. Management initially wanted to realize this by making the work discipline tighter (D3), because in their words: “Our consultants hate any interventions from our side”. Yet, stay motivation is not loaded by scores on D3. Of course consultants hate to be controlled in person. Consultants in general are highly educated and spend most of their time at the site of their clients so that it is questionable whether they can be controlled effectively. By developing standards by which they could control their own work the culture would become tighter, but that would not decrease stay motivation. The best way to decrease stay motivation is to develop standards that put them under work pressure, so that the culture becomes more work oriented (D6+).*
According to the findings of Hofstede the impact of culture on performance can be measured through work motivation. In other words: there is more to work motivation than personality. Of course no one claims that only personality predicts whether people will do well, but it is certainly seen as the major factor. This contradicts Hofstede’s findings, which emphasize the importance of culture, in addition to other factors. In all likelihood both culture and personality are important in determining work motivation.
3.9 Additional diagrams
For those who want to get a better understanding of the model and all its combinations and permutations, we present several additional diagrams. This time without normative windows. It is just to give an idea about the wealth of information the model contains.
The statements in the different quadrants reflect reality more precisely, the further away the culture is located from the intersection of the x-axis and the y-axis.
Remember that culture is only an enabler or an inhibitor. It can never predict reality as many more factors shape people’s behavior.
Also here, the first quadrant is the upper right-hand quadrant; the next three quadrants are numbered clockwise.
The diagrams presented are:
Diagram 23: Result orientation
Diagram 24: Security risks and creativity
Diagram 25: Trust, cooperation, politics and work motivation
Diagram 26: Communication and supportive management
Diagram 27: Burnout and motivation
Diagram 28: Modalities of customer orientation I
Diagram 29: Inward versus outward looking
Diagram 30: Modalities of customer orientation II
Diagram 31: Typology of organizations
Diagram 32: Motivation
In combination with a strict work discipline (D3+) it can be instead read as: “Adjusting to needs and wishes of customers in an effective and efficient way”.

In combination with an easy going work discipline (D3-): “Adjusting to needs and wishes of customers in an effective and creative way”.

If it is the intention to “Adjust to needs and wishes of customers in an effective, efficient and creative way”, then functional diversity needs to be established on D3.
Security risks can only be fully controlled from a cultural perspective if at the same time the culture is:

- Not too means oriented (D1) and not so much easy-going (D3) that it induces sloppiness.
- Professional enough to allow employees to be critical and enabling cooperation between different groups (D4).
- Open enough for people to inform their boss when things go wrong, especially in threatening situations (D5).
- Enough employee oriented so that people are not continuously under pressure which lowers their span of attention (D6).

* Security risks can only be fully controlled from a cultural perspective if at the same time the culture is:
*An organization is even more a professional bureaucracy when the culture is also internally driven (D2).
* Caused by a lack of common cause and direction. Note that there exists a correlation between D1 and strength of the organization. This situation is more likely to be found if the culture scores weak
** In combination with a local culture (D4-), this can easily create even more negative energy and political games.
*** This is certainly the case if combined with low identification with the organization (D8)
Diagram 27
(D1 x D6) Motivation and burnout *

* Remember, culture is only an enabler or a hindrance, not a predictor.
** The work environment will be even more perceived as pleasant if there is high acceptance of the leadership style (D7) and if there exists an open culture (D5-).
Diagram 28
(D2 x D3) Modalities of customer orientation

* In combination with a goal orientation (D1+) it can be instead read as: “Adjusting to needs and wishes of customers in an innovative, effective and efficient way”.

** In combination with a goal orientation (D1+): “Adjusting to needs and wishes of customers in an innovative and effective way”.

*** If the organization does not occupy a monopolist or oligopolist position the culture may inhibit success
A particularly interesting combination. If people depend on the input of other units, while at the same time distrusting colleagues in those units, this can create a lot of frustration among people who interact directly with clients.
Client interaction will be even less of the culture also scores very means oriented (D1-).

This combination was found in a management consultancy firm: while striving to meet the needs of the client as much as possible, the consultants working at the client site are often perceived as arrogant and not open to input from the employees working for their client at the spot.

Both statements apply even more when the culture is scoring also very goal oriented (D1+).
It is not always easy to position the culture of a particular organization in these diagrams, but in the case of diagram 31, it should not be too difficult.

In quadrants 1 and 2 optimal cultures for a research lab and a development lab are described. Audits conducted in the army and the police show their positions mainly in quadrant 3 and 4. Yet, we may expect a shift of both police and the military towards a more professional culture (D4). The military are facing new tasks such as peacekeeping, at least in a number of countries. An increasing sophistication of weapon systems may require a similar shift. The police experience an increasing need for cross-border co-operation due to internationalization of crime and international terrorism. This pushes certain police departments and intelligence services towards a more professional culture.
The degree of motivation depends on many factors, of which culture is only one, therefore being only an enabler or an inhibitor.

- Note that here not dimensions but subdimensions are combined, also called “topics”. There exists a great deal of overlap of information in this diagram and in diagram 22.
- Clients with a culture in quadrant 1 find themselves in an excellent position: employees are motivated to work hard and want to stay on. Only if for whatever reason, management wants to increase the turnover of employees, this position may not be ideal. For example when there is an imbalance in the age composition of employees, or because of a downturn in the economic and financial position of the client.
- A position in quadrant 2 is probably the worst a client can find itself in, seen from a cultural perspective. It may be reason to reconsider the actual culture.
- A position in quadrant 3 is not to be envied either. Stay motivation in quadrant 3 is low, but that doesn’t necessarily mean that employee turnover (attrition rate) is high. Employees may stay on board even though they do not like to work for this organization, because they earn too much comparatively speaking, or they have no options to find another job. In such a situation an employer is even less to be envied.
- Stay motivation in quadrant 4 is low, but also here that doesn’t necessarily mean that employee turnover (attrition rate) is high. This can, however, be compensated by the high work motivation.
3.10 Neither typologies nor combinations of dimensions
As we have seen, 112 diagrams can be constructed and presented combining two dimensions. Combining more than two dimensions, yields 219 additional diagrams, although most of them cannot be presented graphically, unless we use shortcuts, as we did for diagram 32 above. Does this mean that Bob’s Model on Strategy, Culture and Change is too complex? That depends on the way you want to use it. For didactical purposes we have shown a number of combinations. Yet, the purpose of the model is not to teach, but to analyze complex work reality to assist clients realizing their objectives in an optimal way. There is no reason why clients should memorize all these dimensions and diagrams. Actually, we usually tell our clients to stop using the word “culture” once they have started changing things for the better. Organizational culture has no significance as a free standing entity as there is no such thing as one best culture.

“Bob’s Model on Strategy, Culture and Change” differs from the “Hofstede Model on National Cultures”. The second model describes value differences among nations and is particularly suited for didactical purposes. By absorbing this information clients will hopefully do a better job when working with people born and raised in different national cultures. This does not mean that scanning and analyzing differences among national culture is of no use. One can always try to outperform Hofstede, or add national cultures that are not yet included in the data bank. One may want to identify new dimensions or check whether any changes have taken place over time. This type of work belongs to the domain of scholars and statisticians. On www.geerthofstede.eu, under VSM and Research, the Manual gives some good guidelines on what is needed to conduct such research.

“Bob’s Model on Strategy, Culture and Change” can be used to analyze complex work reality at group level within organizations.

Typologies will not do justice to the complexity of work life and it is not very practical to make use of all possible combinations of dimensions to describe culture. The proper way to describe culture with help of the model is to show the scores on the dimensions separately. In that way no information is lost. If clients are interested in specific topics, these can be added, as we did for work and stay motivation. What should be avoided is describing culture only in terms of stay and work motivation. A single issue approach may do more harm than good (see section 4.6).

The sophistication of the model demands that proper report-generating software is in place, that can generate a couple of trillion different reports to do justice to the complexity of work life. Not that all those different reports will be ever generated of course, but by covering potentially so many combinations the chances that a specific report will cover a specific culture is high. At least, if the questionnaires cover work reality as widely as possible with little or no overlap between the questions. In all those years we worked with the model, we were able to cover every topic clients asked us by our questionnaire. We don’t dare to claim that there are no topics our questionnaire cannot cover, but so far, we have not come across them. This tells us something about the quality of the research of Hofstede on which our approach is based.

Yes, it has happened that a company asked us to measure client satisfaction. That is not covered by our method. We are able to measure to which degree the culture of a company hinders or enables client satisfaction. Whether a client will be really satisfied, however, does not only depend on the culture of the supplier, but also on price, quality, availability, timely delivery, etc.

©Bob Waisfisz, www.culturesharp.com
With the help of the six autonomous dimensions, the two semi-autonomous dimensions and the degree of strength or weakness a great number of topics or sub-dimensions can be measured. We have identified around 200 of them, including productivity, cooperation and conflict avoidance. A report becomes too voluminous if the position on all these 200 topics is presented, but a client can always select topics in which there the client has a special interest. These preoccupations are already implicitly described in the report, and made explicit by combining two or more dimensions, with a specific coefficient that defines the contribution of each dimension to a specific topic.
3.11 Subcultures and the price of functional diversity

An organization of any size and complexity seldom has a homogeneous culture. Even IBM did not have a homogeneous culture when Hofstede conducted his famous research on national cultures in the late 1960s and 1970s: national culture generated differences between the subsidiaries of IBM world-wide. During an intercultural management training course for IBM, a French participant explained that many French people working for IBM France in Paris who were transferred to the EMEA head office of IBM, also in Paris, no longer wanted to work for IBM France. In IBM France a subordinate has far less freedom than in the EMEA organization with its American work practices. The homogeneity of a strong organizational culture does not override national cultural differences. The study by Hofstede into national cultural differences was only possible because the national cultural differences in the world-wide organizational culture of IBM stood out.

But let’s zoom in on IBM in the United States: in all likelihood people in different divisions, departments and function groups relate to their work also in different ways. Those working for Sales require different attitudes to work than those working for R&D. Our scans also bring cultural differences between the hierarchical levels to the surface. In other words, organizations host a number of subcultures which may differ considerably. Top management often relates differently to colleagues and work than, say, employees in the admin department. This should not come as a surprise, but what’s more, the results of the culture scans shows that in a fair number of organizations, the cultural differences between hierarchical levels are larger than between function groups. Whether such gaps are functional or not, depends on requirements to be met. The challenge is to create cultural diversity only in as far as different tasks and objectives require functional diversity.

The dimensions on which functional diversity is normally required is, in order of importance, easy-going versus strict work discipline (D3), means versus goal orientation (D1) and open versus closed systems (D5). As employees on the work floor usually need to work more meticulously than management, diversity on D3 may be highly functional. In the same vein, safety procedures are more stringent on the work floor than in the boardroom, which makes it desirable to create diversity on D1. Departments dealing with sensitive data need to be more closed than those interacting with the outside world (D5).

Yet, if diversity is not really required, don’t create it. The price of broad diversity is a weaker core identity of the organization. Core identity is the part of the culture that is shared by all and that serves as a common denominator to work towards a common goal. The challenge is to create functional diversity so that each group relates in the most effective and efficient way to its work, but only in as far as this is really necessary. Core identity can be best conceived through, in order of priority on the following three remaining autonomous dimensions: , employee versus work oriented (D6), internally versus externally driven (D2) and local versus professional (D4).

Table 10 presents the dimensions from core identity to functional diversity. A strong culture can be best realized through D6, whereas the need for functional diversity may be more urgent on D3. But never say “never” and never “always”.

©Bob Waisfisz, www.culturesharp.com
Example: Need for functional diversity

A utility company in the Netherlands consisted of a head office and several technical divisions. While head office performed mainly administrative tasks, the technicians of the technical divisions repaired defects at the premises of customers. Both head office and the technical divisions scored around 50 on work discipline (D3), and both employees at head office and the technicians were dissatisfied, but for different reasons. People at head office felt work discipline was too tight, whereas for the technicians work discipline was too easy-going. People in administrative functions may become demotivated by even a moderate degree of imposed work discipline, because the boss is never far away; looking so to speak over people’s shoulders to take corrective action. For the technicians who were sent out alone, too few quantitative and qualitative standards had been developed against which they could check the expected progress of their work and the quality of their work. Here, functional diversity was needed. Perhaps not by lowering work discipline at head office, but by increasing work discipline in the technical division through developing clear-cut standards which allowed the technicians to monitor the quantity and quality of their work so that they knew whether they were on track or not.

The lesson of this story is that work discipline can be realized in two ways: “Imposed discipline”, that is, the boss controlling his people, and “Internalized control”, that is, self-control with the help of standards.
3.12 Four ways to look at culture

There are four ways to look at culture:

● Measure the actual culture
● Assess the optimal culture
● Measure the desired culture
● Assess the perceived culture, “The way we think we are”

For a recap on measuring actual culture, and assessing optimal culture, we refer to section 2.3. Here we will explore the two additional prisms.

3.12.1 Desired culture

Next to measuring the actual culture of our clients, we set out to measure the work paradise of respondents; that is, the ideal culture to work in. After numerous scans in many countries, it became obvious that people’s work paradise is fairly similar for groups all over the world. Since the 1990s we have conducted culture scans in Austria, Belgium, Brazil, Czech Republic, Denmark, Finland, France, Germany, Ireland, Japan, Kenya, Netherlands, Norway, Poland, Serbia, South Africa, Sweden, Switzerland, Tanzania, Thailand, Turkey, UK and USA.

We thought we would obtain a better picture of job satisfaction by measuring work paradise, but we failed to do so. What became clear instead was, that although individuals may foster a different work paradise, on average groups all over the world have a lot in common. On average e.g. groups prefer a very goal oriented culture (D1). We have yet to identify a group which prefer a means oriented culture, or even a work paradise scoring below 75.

People are in general well able to picture their preferred work environment. This does not mean that they always have strong feelings about their preferences. For example, people do prefer a goal oriented culture, but not strongly, certainly not compared to their preferences on dimensions relating to the work climate on D5, open versus closed system, and D6, employee versus work orientation.

Let’s explore how people feel about cultures that are very means-oriented and positioned in the normative window of D1.

Diagram 33

D1: Effectiveness of the organization

Such cultures reflect a lot of politics and scheming, directed at one’s personal interest. Unsuccessful individuals may deplore such a culture and successful individuals may thrive in it, but that does not say anything about the degree of motivation or demotivation of the whole group.

Actual cultures can score between 0-100, as every score is computed within this scale. Desired cultures tend to score on D1 between 85 and 105, and in exceptional cases between 75 and 117. In the model the highest score attainable is 117.
In other words, work paradise is much more similar to people all over the globe and covers a much smaller range on D1 than actual cultures do. The scoring range of work paradise covers normally 20 points and in exceptional cases 42 points whereas this is 100 for actual cultures.

Deviations from the norm reflect especially:

a. Traumatic events in the history of the organization;

b. Mismatch between strategy and real work practices;

c. Threatening or unpleasant changes in society;

Such deviations often describe the actual culture at deeper levels of reality, probably because respondents answer questions about their work paradise with less inhibition and without second thoughts, while the challenge when measuring actual cultures is to avoid socially desirable answers. Respondents do not realize that their work paradise gives meaningful additional information about the actual culture when compared with our data bank.

Some examples may clarify this:

**Example on D1 – very high score:**

*Work paradise of top and senior management of a small financial organization scored 117, the highest attainable score. This implied that they were always looking for new challenges and therefore were continuously starting up new initiatives without ever finishing them. It was widely recognized that the on-going work was too simple for their level of education, personalities and job description. Instead of looking for another job or for challenges outside work, they created a lot of unrest within the organization. At the same time, the CEO emphasized efficiency and cost reduction, and did not see that he would actually save more money if he stopped being penny wise and pound foolish.*

*We do not know yet whether our interventions have successfully been carried through.*

**Example on D1 – low score:**

*Work paradise of management in a factory scored around 75, somewhat on the low side. This was among other things, expressed by an aloof attitude of managers towards their teams. If not for the questions on work paradise, we would have never been able to identify this characteristic of their culture, as management would not have acknowledged it readily. Apparently, employees distrusted the managers enormously and warded them off. In return, the managers kept their distance while looking at themselves as a group of tough cookies.*

**Example on D1 – Singular response to one question causing lower scores:**

*In the technical support section of a multinational respondents expressed a preference in their work paradise for technical competence over creating trust. Normally It is the other way around: people tend to prefer trust over technical competence in their work paradise. During the debrief to management we interpreted this as a fear among employees of the technical support section that the company would lose its competitive edge. Management was speechless: this was exactly what the Works Council had tabled a week prior to our debriefing whereas they knew that respondents had not been asked to answer a question in this respect.*

*There is no way to know beforehand what a deviation from the norm in this respect signifies. It is a matter of interpretation, and it certainly helps to receive information from various parties to give meaning to these deviations from what people normally prefer in their work paradise.*
Example on D1 – Singular response to one question causing much lower scores:
In the case of a Front Office, the top manager in charge, who was also a member of the MT was an autocratic/paternalistic boss, who treated his employees like his children. He defended their interests vis-à-vis his colleagues in the MT, yet at the same time he could be very threatening towards them. He would often reduce his personal secretary to tears and then invite her for lunch. The actual culture of him and his managers was characterized by outspokenness and being good at delivering “bad news messages”. In their work paradise a relatively large minority of his managers preferred a situation in which people were not directly confronted with unpleasant messages. Although it was only a minority, we had never before found this to such a degree, certainly not among a group of managers - implying that the response might contain an important message. It was translated as follows: “The majority adjusted, through a process of selection and self-selection, to his leadership style. A minority, however, felt at the mercy of his management style, which they detested”.

Example on D3 – higher score on average than normal:
In this client case the actual culture scored somewhat easy-going. Management decided that the optimal culture should be more strict, more disciplined. Thus the optimal score was put at 70. Work paradise also scored around 70, whereas normally people prefer a more easy-going lose work paradise. So if people prefer a strict culture and that is also the best strategic option, why is it that the culture is still too easy-going?

1. In some countries, for example in Denmark, imposing a strict work discipline does not work unless there are compelling reasons, such as safety risks or a need for technical precision. In absence of such reasons, people can work disciplined if they can assess their own work against professional standards. If the report shows that employees have a clear need for standards to assess their work, it is worthwhile to discuss with the client whether sufficient standards are in place.

2. Social control on the work floor may inhibit employees to work in a disciplined manner, as their peers could interpret this as complying with management. If this is the case, the report may mention that it was also found that there exists strong social control as well as a low acceptance of management.

3. People may feel that a strict work discipline should apply to others and not to “me”. Employees may not live up to their responsibilities or the responsibilities do not match the authority they have received. If the report shows that identification with job content and the organization is low and managers do not delegate authority sufficiently, this then might be the case.

Respondents are always able to express their preferences regarding the way their work paradise should look. That does not mean that those preferences need to be strong. Of the eight dimensions, we have found that especially preferences are strong in the case of D5, open versus closed system, D6, employee versus work orientation and D7, degree of leadership style acceptance. People normally prefer open and employee-oriented cultures and a leadership style that matches their preferences. It is for this reason that stay motivation is made up by scores on these three dimensions particularly, which together also define work climate.
Below is an example of a mismatch between strategy and real work practices that underlies the deviation from the work paradise norm.

**A mismatch:**

*In a small management consultancy firm, the actual and optimal culture coincided highly. That made us expect that the respondents already worked in paradise, yet the survey on work paradise indicated something completely different. It turned out that the CEO was a very kind and intelligent man who did not want to impose his ideas on his staff. The result was that even the number of pencils to be ordered was under discussion, believe it or not. This unique work situation was not identified in the scan by which the actual culture had been measured. A natural assumption would be that the CEO was described as a democratic leader. However, his staff did not perceive him as democratic: everybody felt that he involved them into nearly everything, so that they would not feel overruled by him. Yet, such behavior felt “fake”. But because the CEO was so friendly and highly appreciated by all, no one wanted to offend him and tell him they did not like his leadership style. The solution was easy: the CEO was told that he should delegate simple tasks and that he should not try to play down his intelligence and creativity.*

The past twenty years or so has witnessed a slow but persistent change towards a stricter work paradise. Groups of respondents more frequently express a preference for more cost consciousness and less abuse of resources. We can only speculate about this change, but it might have to do with threatening or unpleasant changes in society, such as growing income inequality and the banking crisis.

3.12.2 *Culture: “The way we think we are”*

The fourth way to look at culture, how people think they are, is by asking clients to assess their actual culture. Clients can be invited to do during the workshop in which management assesses their optimal culture. If the managers reserve sufficient time and are not defensive, it may be an eye-opener to do so. A second opportunity to have people think over how they are, is during the debriefing of the results to a wider audience in the organization.

The first opportunity shows management how difficult it is to assess their culture. It rarely happens that all managers come up with correct scores on three or more dimensions. Newcomers may be better equipped to come up with a sound assessment, but the old-hands tend to react with: “How do you know? You just got here!”. But a newcomer with broad experience in diverse organizations, is usually well positioned to pick out the unique features and compare.

This exercise makes management immediately aware that a cultural scan based on proper research creates a useful value proposition.

It goes without saying that the subculture or culture, that has been assessed by e.g. management, i.e. the way we think we are, should coincide with the actual subculture or culture that has been measured. Thus, if the actual subculture of top management is measured separately, top management can be asked to assess the actual culture of their own group. If the actual culture of the organization has been measured without any differentiation, then one better only ask top management to assess the actual culture of the whole organization, otherwise they would have been asked to compare apples with pears.

The second opportunity presents itself if the results are communicated to everybody in a plenary meeting. People’s interest can be substantially raised if they have the opportunity to assess their actual culture before they receive the actual and optimal scores.
3.13 Reporting
The results of the scans are published in separate and consolidated reports. A separate report shows the results of one single measurement, while a consolidated report merges the results of the separate reports.

Small organizations with less than 20 people, will only receive one separate report. The number of respondents is too small to allow for split in subcultures.

Sometimes only one separate report is generated, for example when the client wants to:
- Do a try-out and experience the value for money before embarking on a full-scale scan;
- Check up its subcultures sequentially;
- Receive an average picture disregarding potential differences among departments or functional/hierarchical groups.

An organization of a certain size and complexity will have subcultures. If more than one subculture is measured, a consolidated report is ideally generated. Although a consolidated report consists of the consolidated information contained in separate reports very interesting additional information may be supplied, as described in section 3.13.3.

3.13.1 Input
The input of respondents through surveys, forms the basis of data used to calculate and describe:
- Actual culture
- Desired culture
- Environment in which the culture is embedded

a. Input to measure the actual culture
The actual culture is measured by collecting on-line answers of respondents to three groups of questions:
- 46 questions with opposite statements imposing a forced choice on respondents;
- 26 multiple choice questions;
- 4 demographic questions.

46 questions with opposite statements:
Respondents are put under time pressure to answer the first set of 46 questions. An example of such a question is:

“Doors are usually open - I cannot decide - Doors are usually closed”

Such “forced choice” questions will not work to assess the personality of individuals as it does not differentiate enough. To assess culture, however, it does work, as people never describe their reality in exactly the same way; not even when the culture appears to be very strong. These 46 questions load the scores on the six autonomous dimensions.

26 multiple choice questions:
Many of these 26 questions were also used by Hofstede to measure value differences between national cultures. Here, they are not meant to measure the country cultural profile of the respondents as a group because they form part of their national culture anyway. Moreover to measure country culture, precisely matched samples in various countries under similar conditions are required.
These questions have been added because they give meaningful information about the acceptance of the leadership style (D7), and partially about the identification with their organization (D8). In addition, answers to some of these questions give input to define a change strategy as well as to three so-called average personality characteristics of groups, viz:

- Masculine versus feminine
- Need for structure
- Work centrality

These three group personality characteristics will be further explored in section 3.13.2.

4 demographic questions:
Responding to the last 4 demographic questions is optional. The questionnaire is anonymous but not everyone may feel at ease to answer these demographic questions. We will at all times guard anonymity, even when our clients urge us to disclose who said what. However, for the respondents, it remains a matter of trust and to be honest, we can never guarantee a 100% confidentiality under all circumstances.

b. Input to measure the desired culture
If work paradise is assessed as well, the respondents answer the 46-item questionnaire once more, but then they should describe how they would like it to be, rather than how it is.

c. Input to measure the environment in which the culture is embedded.
From the research of Hofstede et al., a fair number of impediments was identified. These impediments often make it impossible to realize the maximum score, no matter how hard people try. If managers are not aware of these impediments they might invest time and energy to no avail. Think about an organization that finds itself in a strenuous economic and financial situation. Sometimes these impediments can be overcome, but at a price. Think about work with high health and safety hazards. If these hazards are not seriously considered, management runs into problems. This questionnaire on embeddedness contains 50 questions.

3.13.2 Output
In order to keep reports concise, not every bit of information that can be generated is actually presented. Next to the information collected on the eight dimensions, the report usually includes:

a. Additional information to complement the picture
b. Information to define the change strategy

Additional information to complement the picture
- Engagement index
- Variance
- Average personality characteristics
- Values

Engagement index:
The concept of engagement is very useful as the core yardstick for a culture’s functionality. More precisely: the engagement index shows to which degree a (sub-)culture supports or hinders achieving optimal task execution.
The engagement index is the core measurement of culture in which all discrepancies between the actual and optimal scores in Bob's Model on Strategy, Culture and Change have been consolidated.

The table below presents the engagement index of a functional culture.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Actual score (A)</th>
<th>Optimal score (B)</th>
<th>Absolute difference (A) – (B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1</td>
<td>60</td>
<td>70</td>
<td>10</td>
</tr>
<tr>
<td>D2</td>
<td>85</td>
<td>70</td>
<td>15</td>
</tr>
<tr>
<td>D3</td>
<td>40</td>
<td>45</td>
<td>5</td>
</tr>
<tr>
<td>D4</td>
<td>75</td>
<td>75</td>
<td>-</td>
</tr>
<tr>
<td>D5</td>
<td>30</td>
<td>35</td>
<td>5</td>
</tr>
<tr>
<td>D6</td>
<td>40</td>
<td>35</td>
<td>5</td>
</tr>
<tr>
<td>D7</td>
<td>55</td>
<td>80</td>
<td>25</td>
</tr>
<tr>
<td>D8</td>
<td>80</td>
<td>80</td>
<td>-</td>
</tr>
<tr>
<td><strong>Σ</strong></td>
<td><strong>80</strong></td>
<td><strong>80</strong></td>
<td><strong>65</strong></td>
</tr>
</tbody>
</table>

The engagement index in this case is 65 : 8 = approximately 8. This is a very functional score as the average difference for all eight dimensions is less than 10 points.

The engagement index does not give information on which a client could or should base action. By consolidating all information into one yardstick, action-oriented information is lost. Action should be based on specific findings. The only thing this yardstick tells us is whether a client should take action or not. In this case no action is required.
If the engagement would have been 20 then a client should be strongly advised to take action; see the table below.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Actual score (A)</th>
<th>Optimal score (B)</th>
<th>Absolute difference (A) − (B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1</td>
<td>40</td>
<td>70</td>
<td>30</td>
</tr>
<tr>
<td>D2</td>
<td>30</td>
<td>70</td>
<td>40</td>
</tr>
<tr>
<td>D3</td>
<td>40</td>
<td>65</td>
<td>25</td>
</tr>
<tr>
<td>D4</td>
<td>65</td>
<td>65</td>
<td>−</td>
</tr>
<tr>
<td>D5</td>
<td>70</td>
<td>60</td>
<td>10</td>
</tr>
<tr>
<td>D6</td>
<td>65</td>
<td>30</td>
<td>35</td>
</tr>
<tr>
<td>D7</td>
<td>55</td>
<td>55</td>
<td>−</td>
</tr>
<tr>
<td>D8</td>
<td>50</td>
<td>70</td>
<td>20</td>
</tr>
<tr>
<td><strong>Σ</strong></td>
<td></td>
<td>160</td>
<td></td>
</tr>
</tbody>
</table>

The engagement index of 160 : 8 = 20 tells us that there is scope for improvement. Referring to the table, a client may even be able to decide on which dimensions the actual score should be moved towards the optimal score. Yet, without more information about the content of these dimensions change cannot be easily realized. The steersman quoted earlier is still pretty nearsighted.

**Variance:**

Variance measures the degree to which respondents agree or differ on the description of their culture. In a heterogeneous (weak) culture, respondents tend to disagree on their description of work reality. In a homogeneous (strong) culture, respondents tend to give similar descriptions of work reality. Although “weak” and “strong” have normative connotations which should ideally be avoided, these terms have become part of common parlance so we will also use them here, rather than “heterogeneous” and “homogeneous”.

In a strong culture, a common purpose and a common direction exist which enhance effective communication and co-operation. In a weak culture, investments in creating vision, mission statements and core values and getting those accepted and internalized, may be in vain. Reasons can be:

- Management does not walk the talk, which leads employees to talk likewise, but not to act accordingly
- Vision, mission statements, core values and strategy are based on an ideal world, not on reality. If employees would take all those messages to heart and strive to realize them, their work would become counterproductive.
- Too much emphasis has been put on changing culture by telling the people how to behave (direct change approach) rather than adjusting the environment in such a way that employees would be stupid not to adjust (the indirect change approach)

(For more information about change please be referred to chapter 4.)

There exists a correlation between the variance and the scores on D1, means versus goal orientation. Normally, a strong culture with little variance scores more goal oriented.
A strong culture can give rise to a competitive advantage, but when a culture becomes too strong, this may turn into a competitive disadvantage. It is always to be good to have a number of “deviants” who view reality differently than the majority. Should everyone wear the same blinkers, then important new opportunities may be overlooked. In very strong cultures, people perceive the world around them similarly and may not pick up important clues about upcoming new trends. In short: strong is usually good, but too strong can be dysfunctional.

**Average personality characteristics:**
Geert Hofstede’s research on organizational cultures, revealed three average personality characteristics, called:

- Femininity versus Masculinity
- Need for structure
- Work centrality

As the research and our consecutive scans are sociological by nature rather than psychological, these are by definition average characteristics of a group and should not be interpreted as characteristics describing an individual.

- **Femininity versus Masculinity**
  Femininity/masculinity has been found on national level as a value and on group level as an average personality characteristic. The content of these characteristics is very similar. It tells us in how far respondents endorse a caring or an assertive attitude.
  Exceptional results are picked up by the report-generating software and explicitly presented. For example, normally good sales people are assertive and achievement oriented, which makes up masculine value patterns. If sales people score more feminine than the rest of the organization, as happened in one case – then the question is whether the right sales people have been chosen. Alternatively, if sales people have been made redundant and need to be outplaced, it would not be wise to look for jobs requiring a caring attitude, such as nursing or preventive maintenance of highly sensitive equipment.
  On average, women score more feminine than men when looking at a national level. If the reverse is found in organizations it may indicate that men do not accept women in positions of authority. In such cases only those women who are able to beat men in a men’s world do make it.

- **Need for structure**
  This characteristic tells us to which degree people require structure to execute their work comfortably. Normally, top management scores much lower on need for structure than rank and file. If the results point to the reverse, it will be presented in the consolidated report as they may have to be redressed. If management wants to increase goal orientation (D1) and certain groups have a strong need for structure, it may not be wise to introduce job rotation or job enrichment. In that case, there may be more effective interventions (“levers of change”) to enhance goal orientation. Job enrichment and certainly job rotation imply less clarity and may be rejected by groups who require more structure.

- **Work centrality**
  Work centrality describes how much importance respondents attach to work life compared to social life. If work centrality is high, work occupies a key position in respondents’ life satisfaction. If it is low, social and private life is more important to them. Note that work centrality does not say anything about how happy respondents are in general.
Work centrality and Individualism are interrelated. In countries scoring collectivist, people spend a lot of time and energy in maintaining good relations among the members of in-groups. This is less the case in Individualist cultures. Work centrality and Masculinity also seem to be interrelated at least to a degree. We have found that in Germany work centrality is on average almost twice as important as in Denmark and the Netherlands. The German culture scores rather masculine, with a score of 66, whereas both Denmark and the Netherlands score very feminine, with a score of respectively 16 and 14. When comparing the scores on Individualism among those three countries, no interrelationship is found as Germany scores less individualist than Denmark and the Netherlands. Of course, it only regards three countries so that no definite correlations can be established.

Large differences on Masculinity and work centrality between groups inside an organization may lead to similar friction as between groups from different national cultures who have to work together.

**Values:**

Geert Hofstede’s original research on national cultures generated four value patterns:

- Power Distance
- Individualism versus Collectivism
- Masculinity versus Femininity
- Uncertainty Avoidance

Hofstede’s research has been validated and correlated in multiple studies with a large range of societal issues and factors. Annex II gives more information on the model of national cultures.

Parts of the questionnaire Hofstede developed to study national cultures are included in the questionnaire on organizational culture, because answers to these questions give extra information:

- Some of these questions load acceptance of leadership style (D7), and partially identification with the organization (D8);
- Some questions give input to the three average personality characteristics of groups as described earlier on. The questions loading Masculine versus Feminine are the same for national and for organizational cultures. The questions loading the need for structure are partly similar to those loading Uncertainty Avoidance. This implies that respondents from countries with a strong Uncertainty Avoidance, tend to have a stronger need for structure at work.
- Work centrality; The questions loading work centrality are partly the same loading Masculinity/Femininity and Individualism/Collectivism. The correlation between Masculinity and work centrality has already been discussed. Individualist countries tend to have a higher work centrality, because task comes before relationship. In collectivist countries we find that relations come before the task and therefore, generate a low score on work centrality.
- Some questions provide input to define a change strategy.
- Although not scientifically sound, including questions from the research on national cultures can help us trace salient information about a particular organizational culture if the scores deviate substantially from the national norm. In general we have only come across this phenomenon for Masculinity/Femininity and Uncertainty Avoidance. In the case of the value pattern Femininity versus Masculinity this has been covered when discussing these two concepts as they fully coincide whether we talk about the value or the average personality characteristic. In the case of Uncertainty Avoidance we repeatedly noticed that groups scoring over 20 points higher on Uncertainty Avoidance than the country norm, are facing a higher level of anxiety at work than expected. The reverse, a group score of 20 points below the country norm, indicates that people feel more secure at work than compared with the country norm.
National culture is one of the factors loading organizational culture. The research on organizational cultures took place in Denmark and the Netherlands - countries with quite similar value patterns. Much more correlations between organizational culture and national culture might be identified if our international data bank becomes even larger and more diverse.

b. Information to define a change strategy
All information together allows us to generate input for a change strategy per group measured separately. Three findings are particularly essential for successful change implementation: trust, security and readiness to change, as diagrams 34, 35 and 36 show.

Diagram 34

In general, there is more distrust than trust

Broken down into the following components:
- It is not our strength to create trust.
- We can’t trust that people are committed to what they say.
- There is a lot of second guessing.
- There exists distrust between our group and other groups.

<table>
<thead>
<tr>
<th>100</th>
<th>-80</th>
<th>-60</th>
<th>-40</th>
<th>-20</th>
<th>0</th>
<th>20</th>
<th>40</th>
<th>60</th>
<th>80</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Indications of distrust  Indications of trust
The three diagrams together show a confusing picture. These three diagrams by the way have been taking from a real life situation as presented in one of the many reports generated by us.
On the one hand there is a lot of resistance to change based on the information presented in diagrams 34 and 35. On the other hand the change readiness presented in diagram 36 appears to be maximum. The way to read this information is as follows: The people in this unit, being responsible for “good governance” within their multinational, saw the need for change and were hundred percent prepared to change. The problem for them was, that they had only been established for serving lip service to the ideal of good governance, they soon had found out. Thus, they distrusted top management for good reasons as they didn’t get any support to realize “good governance”. The group was also characterized by a high degree of anxiety as the headcount would be diminished considerably when their actual culture had been scanned. Yet, they were not easily intimidated, see diagram 35 as their boss was pretty outspoken about this all and still very much tried to get support from top management against all odds.

More detailed information can be presented in the “diagrams with asterisks”. If the gap between actual and optimal scores on a certain dimension is over 15 points, a “diagram with asterisks” is generated. Diagram 37 may serve as an example:

<table>
<thead>
<tr>
<th>SPECIFIC INFORMATION ON D1; MEANS VERSUS GOAL ORIENTED</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Diagram 37" /></td>
</tr>
</tbody>
</table>

The second row shows that the actual score of the culture on means versus goal oriented (D1) is 53 and the optimal score is 70. The gap between these two scores is 17. As a rule of thumb, a gap between actual and optimal culture of over 15 points is an indicator to management to act. We say: “as a rule of thumb”, because work life cannot be captured in exact numbers, even when we use exact numbers to present the results of a measurement. A safety margin of 10 points should be hold on to.
It is up to the client to decide to take action (or not) if there is a gap of 15 points or more between actual and optimal culture. We have witnessed cases in which clients decided to leave matters as they are. Some examples:

- Much bigger differences occur on other dimensions to which the client gives priority.
- The client is confronted with so many other challenges unrelated to culture, that the client can live with a gap of 17 points.
- There is already quite some unrest in the organization. Addressing culture and starting up a change process may increase feelings of anxiety. It is not uncommon that in such cases nothing is done, and in all likelihood also because of feelings of anxiety among top management.
- Management only wanted a culture scan to show to the outside world that something was done about dysfunctionalities. In reality there was no intention whatsoever to change anything. This happened not so long ago in the case of a Central Bank who wanted to keep up appearances.
- The initiative to measure the culture was taken without real commitment from the top. Once the top manager realized that he was at least partially responsible for dysfunctionalities in the culture, he stopped the whole process.

But, let's suppose our client wants to take action and start a change process to become more goal oriented (D1). Diagram 37 will then be very helpful. In the diagram we see five statements followed by a certain number of asterisks.

Nine questions load the score of this dimension, which is 53 in this case. Among all organizations in the original research by Hofstede et al., these nine questions cluster and together form one dimension. This does not necessarily imply that in one organization these nine questions cluster. What holds true for a whole group of organizations or people in our data bank, does not necessarily apply to one organization or individual. In this case, we can conclude from Diagram 37 that:

The answers to the first four questions with asterisks in red indicate that the actual culture is much below the optimal of 70. Acting upon these answers will raise the level of goal orientation. The more asterisks, the bigger the gap between the actual and the optimal culture. The biggest gap is indicated by four asterisks and the smallest, yet still relevant, by one asterisk. Acting upon the answers with the most asterisks will have the largest positive effect.

The fifth answer with asterisks in blue shows a high goal orientation, of over 70. Here, it is advisable not to act upon it, as no further improvement is possible.

The average answers of the remaining four questions are not shown in this diagram, as they score around 70. That means they are sufficiently goal oriented and do not need to be addressed.

Diagram 37 shows which initiatives will have the largest impact on the change process. If trust can be increased the culture will move into a more goal oriented direction. It may also be helpful to address internal entrepreneurship, though the effect will be less than addressing trust.

We cannot just tell a client that all these statements with red asterisks have to be addressed. The client remains the owner of the change process and can assess which interventions would work or not. Take the statement about inspiring leadership. What if the managers just don’t have an inspiring personality? Then you can replace them, or go for an alternative intervention. It may be a relieve to know, that we do not need to address and redress all issues which can help a client to become more goal oriented. Only if the client wants to set its optimal culture at 100, then all discrepancies, indicated by the red asterisks, should be addressed. Our approach does not only address the ‘how’ of the change process but also ‘what’ should change to become successful.
3.12.3 Dysfunctionalities among different groups

A consolidated report does not just combine the findings of the separate reports into one report, but also contains additional information derived from comparing the subcultures within the organization, notably when the comparative findings are counterintuitive. It is then up to the client to explain such information and to decide. Whether these differences are really dysfunctional depends on whether the environment and requirements create exceptions to the rule. This is then something to be explained by management.

Some examples:

a. Head Office scores less goal oriented (D1) than other departments;
b. Senior management scores less goal oriented (D1) than their direct reports; c. Employees interacting with external clients score less externally driven (D2) than other group who are not in contact with external clients;
d. Senior management scores more strict (D3) than their direct reports;
e. Senior management scores less professional (D4) than their direct reports; f. Senior management scores less open (D5) than their direct reports; g. Different scores for different groups on employee versus work oriented (D6);
h. Senior management scores more employee oriented (D6) than their direct reports; i. Senior management has more need for structure than their direct reports; j. Sales scores less Masculine than their colleagues in other function groups; k. Preventive maintenance scores more Masculine than their colleagues in other function groups;

Some of these examples are elaborated below, but of course, many more examples can be given than are presented here, particularly when managers are compared with e.g. their direct reports. Once these exceptions and their causes have been identified, they can be redressed. In this case as well, measurement brings knowledge.

Consultants who measure the overall culture without distinguishing subcultures, will never identify such potential dysfunctionalities in a focused way.

Examples:

a. Head office scores less goal oriented (D1) than other departments
This is often the case, probably because head offices often tend to be located far away from the action. Seen from the field, head office comes up with solutions that do not necessarily fit the needs of the ones who do the real work. It is then imperative to ensure that head office does not become too big and bureaucratic.

b. Senior management scores less goal oriented (D1) than their direct reports
If management is located at head office, this is in line with the example above, but it also occurs among managers who are not based at head office. Ideally, people at higher levels in the organization should be more goal oriented than those at lower levels. Higher up in an organization, work tend to be more challenging and a helicopter view and a proactive entrepreneurial mindset are required. These are characteristics of a goal oriented culture.

If managers are less goal oriented, it may well be that political games are played to safeguard one’s promotion at the detriment of colleagues or to acquire so many fringe benefits that it will harm the organization in the long run.
c. Employees interacting with external clients score less externally driven (D2) than other groups
It is good to have a similar culture throughout the organization on internally versus externally driven (D2). Hofstede’s research shows that people in general do not distinguish between internal and external client orientation. And for good reasons: if people trying to take the wishes and desires of external clients very much into consideration, yet are not well serviced by internal departments, they cannot do a proper job.
It rarely happens that people who deal with clients are less externally driven. If they are, it points to high levels of frustration because they feel they do not receive sufficient support to service clients well. Then they may either take sides with the client and complain to them about management and the lousy service of other departments, or they consider their clients nagging nuisances who make a fuss out of everything. Both attitudes are dysfunctional, but can be well explained by the way the top manages the company.

d. Senior management scores more strict (D3) than their direct reports
You may recall the case where a new CEO rightly considered the culture at the work floor too sloppy and leading to lots of waste. To turn the tide, the CEO should have supported his management team to establish a stricter work discipline lower down the organization. Instead, he became so preoccupied with everything going wrong at the work floor that he used his power to make the whole organization stricter, starting with the management team reporting to him. Management teams should not have a very strict work discipline in view of their tasks and level of education. They detested the pressure of the new CEO and therefore did not transfer this drive for a stricter work discipline to lower levels.

e. Senior management scores less professional (D4) than their direct reports
Unless the organization operates in a threatening environment, such as the police, it is good to share the same culture throughout the organization on local versus professional (D4). Yet, in general, people with higher levels of education have a more professional outlook while groups with lower educational levels have a more local culture. Management should have a more professional culture than the lower levels, if indeed their educational level is higher than among those lower in the organization. Moreover, management is normally supposed to have a more outward looking attitude in order to monitor what is happening in the outside world. The reverse is normally speaking dysfunctional. This, however, has been regularly identified by us. It might concern managers who have risen above their competence level and who are afraid that it will be detected.

f. Senior management scores less open (D5) than their direct reports
If senior management has access to sensitive information, such as patents, new developments or the financial position of their clients, a more closed culture or a less open culture would be functional. In reality, in the rare cases of a closed culture at the top, it is usually dysfunctional. Top management always knows better what will happen next than the lower levels, even if top management gives everybody comprehensive information about plans and prospects. On two occasions, we stumbled across top management with a closed culture whereas the rest of the organization displayed a very open culture. In these two cases informal leaders at the work floor were able to depict management as good for nothing and to lock them out. The CEOs had to leave, which strengthened the power of the informal leaders who continued to work there for many, many years.
A closed culture among managers can also occur, but to a lesser degree, among middle managers who were promoted from the work floor and still cherish close ties with their former colleagues. In such cases middle management can act as an impermeable layer between top management and the work floor.
g. Different scores for different groups on employee versus work oriented (D6)
It is recommendable to have a similar culture throughout the organization on employee versus work oriented (D6). If some managers take co-responsibility for the welfare of their staff, whereas other managers are only interested in the output of their direct reports, it will result in jealousy. “It is not fair that my colleagues in the other department are treated so much better than in my own department”. This can occur if the CEO lets managers manage in their own way. This may affect the cohesion in an organization negatively.

h. Senior management scores more employee oriented (D6) than their direct reports
The same kind of resentment and jealousy will arise if senior management is employee oriented whereas other groups are work oriented. If employees discover that managers treat themselves nicely while putting people under pressure to produce more, productivity and efficiency can be impacted negatively instead.

i. Senior management needs more structure than their direct reports
Normally the work of senior management is less structured than the work of people lower down the organization. Managers who need more structure, may have risen above their competence level, for example, when excellent technicians are suddenly promoted to manage teams and become involved in strategic issues. Such newly appointed managers probably function better with concrete tasks than with abstract managerial levels. It may also be that the newly appointed managers do have the potential but never received any support to develop themselves to match the new job requirements.

j. Sales scores less Masculine than their colleagues in other function groups
Salesmen are often supposed to be more assertive than people working in other function groups, unless they have to sell very sophisticated products. We once found that sales scores by far more feminine that those working in other function groups. They had to be replaced as they failed miserably. That was of course not their fault. They should have never asked to become salesmen.

i. Preventive maintenance scores more Masculine than their colleagues in other function groups
Mechanics and technicians of preventive maintenance should have a more caring attitude than other colleagues, certainly when it concerns hi-tech equipment. We have to acknowledge that until now we have not identified such a dysfunctionality.

There may always be a good explanation for strange differentiations, but at face value they may seem odd. In general, the more scans are conducted within an organization, the better we can compare and learn about your work reality, which enables focused interventions to achieve objectives successfully.