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Culture: Walk the Talk

Posted on [October 13, 2016](#) by [Satish Deshpande](#)

Corporate culture—chances are the term provokes a reaction for you. Maybe it is, “Yes, culture is an essential part of the very fabric of a company. I thrive on discussing culture and how to make it even stronger.” Or, maybe it is, “Oh please, not another lecture on company values.”

You feel the way you do about corporate culture with good reason. Experience teaches us whether a company’s culture is meaningful for us, and those experiences are varied.

Whether you have had positive or negative experiences with your company’s culture, the fact is that culture is a part of success. According to an article in the Harvard Business Review, 20 to 30 percent of an organization’s performance can be tied to its corporate culture.

Dr. Jennifer Palthe, professor of management, is an expert in corporate culture as well as change and international management. She points to several important concepts that organizations must keep at the forefront when seeking to develop a strong and healthy culture.

- The key components of corporate culture are the underlying values, assumptions, beliefs and norms shared by organizational members, together with the set of management practices and behaviors that both exemplify and reinforce those values. Great corporate cultures are distinguished by their unity with respect to their espoused values and the consistent operationalization of those values. Weak corporate cultures merely say they value certain things like diversity, teamwork or transparency but seldom actually practice or reward behavior consistent with those values.
- One size does not fit all when it comes to communicating corporate values to employees. Often, management team members assume that their view of why culture is important or of what motivates employees will resonate for all groups. Companies often base their models on a universal or “best practices” model, but that may be too limiting. In fact, companies have many subcultures that should be addressed in terms of strategies for communicating and operationalizing their values. Someone in a role that is highly task-based may be motivated by certain messages and human resource practices while someone in a role with duties that are less task-based may have different motivations. The concept of establishing a culture, communicating it to stakeholders and making sure that management practices align with culture seems simple. However, in modern work



environments that depend on a mix of full- and part-time employees as well as contractors and outsourcing, it becomes much more difficult for a single strategy to be effective for all subcultures.

- With globalization a part of our daily business life, national cultures and how those do or do not align with company cultures is important. Research indicates that a person is typically happiest and most successful if they are in a culture where individual, corporate, and national values align. For example, a competitive person may find a results-based corporate culture located in a Western culture particularly appealing because the reward for individual effort aligns in all three value areas. However, the flip side of this proposition is a homogenous culture that does not have enough diversity. Therefore, companies face a fine balance between fostering a culture where people have a shared vision while not driving out those who think differently from the dominant culture and who may bring tremendous value to the organization.

The bottom line is that a company's values and how employees at all levels of the company experience a deep commitment to those values is critically important to success and quite possibly the most difficult aspect of management.

So, the next time it's time for a discussion of your corporate culture, do a gut check. Are you pumped up or willing yourself not to roll your eyes. And then ask yourself, why?

Read Dr. Jennifer Palthe's research in this area:

Palthe, J. "[Regulative, Normative, and Cognitive Elements of Organizations: Implications for Managing Change](#)," Management and Organizational Studies, Volume 1 (2), 2014.

Palthe, J. and Kossek, E. E. "[Subcultures and Employment Modes: Translating HR Strategy into Practice](#)," Journal of Organizational Change Management, Volume 16 (3), 2003.

Palthe, J. "[Cross-level Cultural Congruence: Implications for Managing Diversity in Multinational Corporations](#)," Journal of Diversity Management, Volume 9 (1), 2014.