

# **RETAIL EMPLOYEES' EXPERIENCES OF ORGANISATIONAL CULTURE**

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## NOTES

The reader is reminded of the following:

- The references and the editorial style as prescribed by the Publication Manual (4<sup>th</sup> edition) of the American Psychological Association (APA) were followed in this dissertation. The policy of WorkWell, the Research Unit for People, Policy and Performance at the Faculty of Economic and Management Sciences of the PU for CHE, prescribes the use of the APA in all scientific documents as from January 1999.
- The mini-dissertation is submitted in the form of a research article. The editorial style specified by the South African Journal of Industrial Psychology is employed. This style agrees largely with the APA style. APA guidelines were followed in constructing tables.

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## **ABSTRACT**

**Title:** Retail employees' experience of organisational culture.

**Key terms:** Retail, employees, organisational culture, change.

During the 1980's the focus on corporate culture had received revived attention. The key to corporate success was a strong unified culture and it soon became a secret weapon to gain a competitive advantage. Aligning corporate culture to the organisation's strategy is crucial in enabling organisations to respond to the rapid and ever-changing internal and external demands. Organisational culture is considered the glue that keeps an organisation together due to the impact of the culture on the organisation's survival.

The objective of this research was to determine how employees experience organisational culture and how it manifests within a retail organisation. A purposive (n = 13) was taken of managers on different managerial levels within a South African retail company. All participants attended a strategic leadership intervention that was implemented. Data gathering was conducted by means of interviews based on the phenomenological approach. The interviews were transcribed and data analysis was carried out by means of content analysis.

The results showed that the old culture of the organisation was typified by the power and role cultures as identified by Harrison and Stokes, whilst the new culture is typified by a move towards the performance culture with some elements of the support culture. The management style in the old culture was very autocratic with closed lines of communication. People relationships were formal and the focus was on individualism, where people were not regarded in the organisation. The new culture is very people focused and people feel a sense of belonging. There is a culture of continuous learning and there is a move towards collectivism. People live the values of the organisation.

Age, race, gender or years of service in the company did not significantly influence employees' experiences of organisational culture. There were no significant differences in the cultural experiences of employees on different managerial levels.

Recommendations for future research are made.

## OPSOMMING

**Titel:** Kleinhandelwerknemers se beleving van organisasiekultuur.

**Sleutelwoorde:** Kleinhandel, werknemers, organisasiekultuur, verandering

Die fokus op korporatiewe kultuur het gedurende die 1980's toenemende aandag ontvang. Die sleutel tot korporatiewe sukses was 'n sterk, verenigde kultuur, en dit het vinnig die geheime wapen geword om 'n kompeterende voordeel te behou. Die belyning van korporatiewe kultuur met die organisasie strategie is noodsaaklik ten einde die organisasie in staat te stel om op vinnig- en altyd veranderende interne en eksterne eise te reageer. Organisasie kultuur word beskou as die gom wat 'n organisasie bymekaar hou, weens die impak van die kultuur op die organisasie se oorlewing.

Die doel van die navorsing was om te bepaal hoe werknemers organisasiekultuur beleef en hoe dit in 'n kleinhandel organisasie manifesteer. 'n Doelgerigte steekproef (n = 13) is getrek uit bestuurders van verskillende bestuursvlakke in 'n Suid-Afrikaanse kleinhandel organisasie. Al die deelnemers het 'n strategiese leierskapsontwikkelingsintervensie bygewoon wat geïmplimenter is. Data insameling is gedoen deur middel van onderhoude gebaseer op die fenomenologiese benadering. Die onderhoude is getranskribeer en data-ontleding is gedoen deur middel van inhoudsontleding.

Die resultate het aangetoon dat die ou organisasie kultuur getipeer was deur die mags- en rol-kulture soos geïdentifiseer deur Harrison en Stokes, terwyl die nuwe kultuur deur die prestasiekultuur, met elemente van die ondersteuningskultuur getipeer word. Die bestuurstyl in die ou kultuur was baie outokraties, met geslote kommunikasielyne. Menseverhoudinge was formeel met 'n fokus op individualisme, en mense is nie geag in die organisasie nie. Die nuwe kultuur is baie mensgerig en mense het 'n gevoel van behoort. Daar is 'n kultuur van voortdurende leer en 'n beweging na kollektiwisme. Mense leef die waardes.

Ouderdom, ras, geslag of jare diens in die organisasie, het nie die werknemers se beleving van organisasiekultuur betekenisvol beïnvloed nie. Daar was geen betekenisvolle verskille in beleving van kultuur deur werknemers op verskillende bestuursvlakke nie.



Aanbevelings vir verdere navorsing word gemaak.

## **CHAPTER 1**

### **INTRODUCTION**

This mini-dissertation deals with the experiences of organisational culture in a retail organisation.

This chapter focuses on the problem statement, objectives of the research and the research method.

#### **1.1 PROBLEM STATEMENT**

During the 1980's, the focus on corporate culture has received revived attention. Top managers could easily build a strong culture by communicating a set of values and reinforcing it by informal rituals and formal policies (Wilson, 1997). The key to corporate success was a unified strong culture. These values would in time become shared by all employees leading to higher productivity and more profit. Corporate culture quickly became the secret weapon to gain a competitive advantage. With this increased focus on culture in mind, Schein (1999) raised the question of why people assume that it is easier to decipher organisations than countries, when organisations develop very strong cultures over the years, which inevitably influence the way their employees think, feel and behave in the organisation. Resistance to change is to be expected whenever things of value must be let go of and relearning has to occur. Schein further states that this process is so traumatic for some, they either leave the organisation, or they are let go of. Embarking on a process of culture change basically implies that entire groups and/or communities in the organisation must alter their shared characteristics (Schein, 1999).

Successful organisations able to maintain their competitive advantage have learned that change is an ongoing event needed to remain in prime position and meet customer needs (Kaufman, 1992). In order to do so, top managers must realise they should change the way the company is managed (Alpander & Lee, 1995). The adaptive perspective on organisational culture suggests that a functional culture assists organisations in the anticipation and adaptation to environmental changes (Kreitner & Kinicki, 1998). The correlation for long-term financial performance proved to be the highest for organisations with an adaptive

culture. In the process of creating an adaptive culture, leaders must start by articulating and implementing a vision and business strategy with clearly spelled-out objectives. An open flow of communication should be ensured, in order to allow the vision to filter down to lower organisational levels.

The retail industry is well known for its fast paced dynamic environment. The status quo of today, might change tomorrow, implying that the implementation of the organisation's strategies and business plans must be flexible enough to adapt to these rapid changes. This sometimes-unpredictable environment of the organisation, necessitates the employment and/or empowerment of the right people who are able to solve problems in the quickest, most productive way possible, without the fear of being victimised or punished for "stepping out of line". The environments of organisations have changed from being stable, orderly and predictable to those of constant change, complexity, ambiguity and globalisation (Veldsman, 2003). As a result the critical success areas have become innovation, speed, flexibility and value added. This inevitably necessitates an organisational culture in line with the strategy and business plans of the company (Alpander & Lee, 1995).

The retail organisation where this research took place has been in business for over 100 years, and forms part of a bigger retail chain in South Africa. It employs approximately 1100 full-time employees. Towards the end of 2001, the top management of this company embarked on a process aimed at a breakdown in boundaries, improving communication between different management levels and departments, and strengthening the focus on the company's vision, values and strategy. This process was formally started in April 2002, involving all employees in key managerial positions on different management levels, especially focusing on the Operations Department. In July 2002, 52 of its employees commenced on a leadership development programme. A programme of this nature involving different management levels and joining forces with one aim in mind, has not been presented before in the history of the company. This programme aimed at the personal and occupational development of participants, and was strongly supported by top management's continuous involvement and commitment. The implementation of the programme was a product of a shift in strategic direction by the organisation's management team and the necessary financial resources were allocated in order to ensure the success thereof.

The need arose to determine how these employees experience the organisational culture. The challenges facing an organisation of this size are in pace with its dynamic nature and constant research is essential in assisting the organisation in analysing its internal and external environment on a continuous basis. Research of this nature has not taken place in the organisation's history, hence the importance thereof. A lot of money has been invested in initiatives such as the leadership development program, and since research has not been carried out on the culture of the organisation, it is necessary to determine how employees who have attended this programme experience the culture. Their experiences and the meanings they assign to the elements of culture are crucial in determining the alignment of the culture with the organisation's strategy and to determine possible gaps which could lead to the initiation of future interventions. In terms of future interventions in aligning culture with the organisation's strategy, it is important to know what the current culture is and how it manifests, as well as what the desired culture is. This will assist management in determining future change management initiatives.

The need of the company to keep its competitive advantage and to move towards world class leadership practices, necessitates an understanding of corporate culture and will highlight some of the issues which are deeply embedded within the underlying assumptions which in turn can directly influence the success of certain initiatives. This might manifest in reward systems, socialising, recruitment and staff retention and productivity. Thus, the organisational culture and strategy of the organisation should be aligned in order to prevent the company from spending large amounts of money on initiatives that will not support the strategies of the company.

The general objective of the research was to determine how employees experience culture and how it manifests within the company. Information is also needed on how successful certain interventions have been that took place over the past two years, of which the leadership development programme was one.

Webber (2001) argues that culture is just another paradigm of looking at the brain of an organisation and that this cultural metaphor gives us vocabulary to talk about organisations and reactions that happen inside a company. Hofstede (1999) states that culture is the "software of the mind", thus, culture could just as well be described as the glue that keeps an organisation together. According to Nilson (1992), an organisation's culture serves as its tree

roots and culture can also be used to conduct an organisational analysis. Bass and Avolio (1994) emphasise that cultures strongly affect what employees regard as right and important in the organisation, and it includes the following elements: what the appropriate behaviour is; what employees' roles are; who really makes the decisions and according to what standards; what the unwritten rules entail; what the central purpose is; the influence of history on the structures and the way the organisation interprets information.

The values and ways of thinking of senior leaders in an organisation are partly determined by their shared experiences and own cultural backgrounds. Organisational culture is formed over time by the founders or leaders, organisational success and from new members (Bechtold, 1997). Founders and leaders implement their personal beliefs, values and assumptions about human nature, business strategy and the environment, in creating the culture (Schein, 1999). Culture is of great importance due to its powerful, often unconscious force, which determines individual and collective thinking, behaviour and values.

The majority of authors recognise two levels of culture, the visible and the deeper less visible level (Wilson, 1997). However, Schein (1999) believes that culture only relates to the deeper less visible level, although he uses visible evidence to describe different cultures. Schein defines organisational culture as: "A pattern of basic assumptions – invented, discovered, or developed by a given group as it learns to cope with the problems of external adaptation and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems" (Gibson, Ivancevich & Donnely, 1997; Schein, 1999).

From the above-mentioned definition, it is clear that culture involves assumptions, adaptations, perceptions, and learning by individuals and groups within organisations. Schein (1999) states that an organisation's culture has three identifiable layers, namely layer 1, being visible artefacts and creations, which is often not interpretable. Examples of artefacts could be the way in which people address each other within the organisation, the dress code (i.e. a specific uniform) or the layout of the workplace. Layer 2 embraces values, those conscious, affective desires or wants. These are the norms, ideologies and philosophies the organisation supports. Layer 3 consists of underlying assumptions people make which guide their behaviour. Included in this layer are assumptions that tell people how to perceive, think and feel about their work, their performance and their colleagues and human relationships. People

might say what they think but may have difficulty verbalising why they think this way (Gibson et al., 1997; Hayward, 1996).

The different cultural levels make it a complex concept, which necessitate analysis on every level, if it is to be understood. Culture is deep and cannot be treated as a superficial phenomenon. Schein (1999) supports this by saying that culture controls you more than you control it. He adds that one needs to have a specific focus or reason to understand an organisation's culture, because it is very broad and expresses himself against the use of theories and concepts based on questionnaires which produce numbers, putting them into boxes. Organisational culture has four general manifestations namely, shared things (objects), shared sayings (talk), shared feelings (emotions) and shared behaviour (actions) amongst employees of an organisation (Kreitner & Kinicki, 1998).

This evidence of organisational culture within an organisation could be used to gather information about it and its people by asking questions about these shared concepts. In trying to establish the culture of an organisation, it is important to note that there is a big difference between what people say, do or think and what they *really* do or think (Hendry, 1995). He also refers to the focus on symbols, language that people use, their ideologies, stories, rituals, ceremonial acts, role models and even myths about the organisation, which could all contribute to form a picture and understanding of what the culture of an organisation is. Culture is stable and therefore serves to make life predictable and provides meaning for organisational members. Changing elements within a culture implies changing some of the most stable aspects of the organisation, hence the emergence of resistance to these changes, which often occurs and manifests itself in different ways.

Schneider (1998) states that culture is an organisation's way, identity, or pattern of dynamic relationships. This implies that no change (including management ideas or policies) will work in implementation if it doesn't fit the culture. Every organisation has a core culture, which is central to the functioning thereof. The alignment of this core culture with the strategy and leadership practices however, is key to organisational success (Schneider, 1998). The force of the core culture is hence normally strong enough to literally ensure the success or failure of the organisation's mission. It is unlikely that only a core culture will exist in a big organisation, due to the individual and organisational factors which influence the perceptions of employees on culture (Helms & Stern, 2001). Sub cultures are created within the bigger

culture, which could differentiate into functional, geographical, product or market-based units. Schein (1999) elaborates on subcultures by stating that they may be highly functional and effective where the parts of the organisation need to succeed in their different environments. Attitudes, norms and behaviour may also vary in these different environments (Wilson, 1997).

The fact that no changes implemented will work unless they fit the culture, highlights the importance of this research. The organisation needs to determine what culture is according to its people, in order to identify gaps which could be bridged by implementing appropriate strategies. Management also needs to know what the desired culture is. This is often revealed through studying the underlying assumptions about the organisation and could provide valuable information on the most feasible direction to follow. The fact that culture is deep and stable, underpins the importance of preventing resistance to change and focusing on behavioural changes required.

## **1.2 AIM OF THE RESEARCH**

The research aim consists of a general objective and specific objectives.

### **1.2.1 General objective**

To determine what organisational culture is and how it manifests in a retail company.

### **1.2.2 Specific objectives**

The specific research objectives are as follows:

- To determine what organisational culture is, what the dynamics are and how it manifests within organisations.
- To determine the experiences of organisational culture of employees who are in a retail company.
- To determine if people on different managerial levels within the company experience organisational culture differently.

## **1.3 RESEARCH METHOD**

The research method consisted of a literature review and an empirical study.

### **1.3.1 Literature review**

The aim of the literature review is to determine what organisation culture is, what the dynamics are and how it manifests within organisations.

### **1.3.2 Research design**

A qualitative data collection method based on the phenomenological paradigm, is used in this study. The purpose of the phenomenological approach is to highlight the specific and to identify phenomena through how they are perceived by the participants. In its pure form, phenomenological research seeks mainly to describe, rather than to explain (Lester, 1999). Lester (1999) also states that it is concerned with studying the experience (of the phenomenon) from the perspective of the individual. If an interpretative element is added to phenomenological research, it allows to inform, support or challenge action and policy. According to this perspective, the reality that counts is the reality each participant comes to know (Meister & Nolan, 2001). In phenomenological research, the research process requires bracketing, a process of rigorous self-reflection in which the researcher suspends any biases and knowledge about the phenomenon under discussion (Cohen & Daniels, 2001).

The research is carried out from the perspective of empirical phenomenology. Cohen and Daniels (2001) refer to the following characteristics of empirical phenomenology:

- a. Emphasis is placed on commonality that is present in the diverse appearances of the phenomenon.
- b. The researcher relies on the actual words of the participants.
- c. Explicitness about the design and the steps taken to obtain findings.
- d. The characteristics lead to verifiability and ability of the research to be replicable.
- e. Acceptance that hermeneutic activity (the interpretation thereof) is the intrinsic process of research.



Interviews, based on the phenomenological paradigm, are conducted with a purposive sample, that includes some of the key role players from the management team of the organisation, as well as selected participants who attended the strategic leadership development programme.

### **1.3.3 Participants**

Participants are selected by using purposive sampling from a South African retail organisation ( $n = 13$ ). The participants had to have attended the Strategic leadership development programme mentioned that was presented; they had to have been within the organisation for at least one year, had to have an awareness of organisational culture and willingness to participate in the research. The operations department of the retail company where the research took place consists of three regions and every region has several areas that resort under it. The areas are divided into different stores where the store managers report to the area manager and the area managers in turn to the regional managers.

The selected participants are representative of the three Regions within the organisation, their years of experience (which range from 3 to 26 years) in the organisation, age, race and gender (as far as was possible). They have all attended and completed the strategic leadership development programme that was started in July 2002, and were willing to participate in the research. This programme took place over a 12-day period, which was divided into four sessions of three days each. These sessions took place approximately one and a half to two months apart. All three regional managers at the time when the research took place, as well as a newly appointed regional manager are included in the study. One area manager and one senior store manager per region are also included. This is done to get the views on culture as it is represented on different management levels. The Operations Director is included in the study, due to the fact that he was one of the champions for the start of the “sharpening the culture” process. The Senior Human Resource Manager is included due to the fact that she oversees the process from a Human Resource point of view.

### **1.3.4 Data gathering**

Reliability and validity of the interviews are ensured by considering the following control measures (Leedy, 1997):

- A detailed description of the situation, method of data gathering, data analysis- and interpretation is offered.
- A pilot study is used to determine the appropriateness of the opening response.
- Interviews are taped and are transcribed verbatim.
- Thorough notes are made of experiences and feelings of the participants after the interviews, preventing the influence of social interaction.
- A description of the researcher's influence within the research setting is given.
- The nature and development of the researcher's role is described.
- Authentic reporting of themes are made based on the words used by participants.
- A coding-decoding process is used during the analysis of data.
- Theoretical coding is carried out by at least 2 researchers.
- Conclusions are compared to published research.

Appointments are made with participants by one-on-one arrangement, or where this is not possible, telephonically. Prior to the actual administration of the interview, the participants are briefed where the researcher gave brief information about herself and outlining the frame of reference of the interview. The importance of this approach is mentioned by Meulenberg-Buskens (1994). The aim of the interviews is to explore the participants' experiences of organisational culture. Participants are asked to describe what they think, how they feel, and what they do within the organisation, as it related to organisational culture. They can refer to any event/s, in the past or present. An unstructured approach is followed and the researcher only intervenes for clarification purposes, or to further explore certain topics. All the interviews are recorded on audiotape. The interviews last between 40 – 70 minutes.

### **1.3.5 Data analysis**

The interviews are transcribed verbatim. The data is analysed using content analysis and clustering of data under recurring themes. Colman (2001) defines content analysis as the collection of techniques used in qualitative research, to describe and classify the manifest or latent subject matter of written or spoken verbal communication in a systematic and objective way. The incidence or co-incidences of responses or expressions that fall into pre-determined categories are counted. The following process is followed in analysing the data (Lester, 1999; Omery, 1983):

- The researcher reads through all the transcripts to get a feel of what is being said.
- The researcher reads the descriptions more slowly, identifying key themes or individual units.
- Redundancies are eliminated in the units/themes, clarifying the meanings of the remaining units. The units are related to each other and to the whole.
- The meanings are transformed from the concrete language into the language of science (i.e. psychological terms).
- The researcher integrates and synthesises the insights into a descriptive structure. This is submitted to other researchers for confirmation or criticism.

#### **1.4 DIVISION OF CHAPTERS**

The division of chapters in the mini-dissertation is outlined as follows:

Chapter 1: Research proposal

Chapter 2: Research article

Chapter 3: Conclusion, limitations and recommendations.

#### **1.5 CHAPTER SUMMARY**

In this chapter the problem statement, the aim of the study and the research method were discussed. A chapter division was also given.

Chapter 2 contains the research article.

# RETAIL EMPLOYEES' EXPERIENCES OF ORGANISATIONAL CULTURE

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## ABSTRACT

This study explores experiences of retail employees on organisational culture. A purposive sample ( $n = 13$ ) was taken of managers on different managerial levels in a retail organisation. A qualitative design using the phenomenological method was used, and data was gathered by means of an unstructured interview. The interviews were transcribed and content analysis carried out. The results showed that the 'old culture' of the organisation was typified by the power and role cultures of Harrison and Stokes; whilst the 'new culture' typified a move towards the performance culture with elements of the support culture. Employees' experiences of culture were not significantly influenced by age, gender, race, managerial level or years of service in the company and the integration perspective was strongly supported.

## OPSOMMING

Hierdie studie het ondersoek ingestel na die ervarings van kleinhandel werknemers van organisasiekultuur. 'n Doelgerigte steekproef ( $n = 13$ ) is getrek uit bestuurders verteenwoordigend van verskillende bestuursvlakke in 'n kleinhandel organisasie. 'n Kwalitatiewe ontwerp ondersteun deur die fenomenologiese metode is gebruik en data is ingesamel deur middel van ongestruktureerde onderhoude. Die onderhoude is getranskribeer en inhoudsontleding gedoen. Die resultate het daarop gedui dat die 'ou kultuur' van die organisasie getipeer was deur die mags- en rolaangeleenthede van Harrison en Stokes, terwyl die 'nuwe kultuur' getipeer was deur 'n beweging na die prestasiekultuur, en elemente van die ondersteuningskultuur. Werknemers se belewing van organisasiekultuur is nie beïnvloed deur ouderdom, geslag, ras, bestuursvlak of jare diens in die organisasie nie en die integrasie-perspektief is sterk ondersteun.

During the 1980's the focus on corporate culture received revived attention. Top managers could easily build a strong culture by communicating a set of values and reinforcing it by informal rituals and formal policies (Wilson, 1997). The key to corporate success was a unified strong culture. These values would in time become shared by all employees leading to higher productivity and more profit. Corporate culture quickly became the secret weapon to gain a competitive advantage. With this increased focus on culture in mind, Schein (1999) raised the question of why people assume that it is easier to decipher organisations than countries, when organisations develop very strong cultures over the years, which inevitably influence the way their employees think, feel and behave in the organisation. Resistance to change is to be expected whenever things of value must be let go of and relearning has to occur. Schein further states that this process is so traumatic for some, they either leave the organisation, or they are let go of. Embarking on a process of culture change basically implies that entire groups and/or communities in the organisation must alter their shared characteristics (Schein, 1999).

Successful organisations able to maintain their competitive advantage have learned that change is an ongoing event needed to remain in prime position and meets customer needs (Kaufman, 1992). In order to do so, top managers must realise they should change the way the company is managed (Alpander & Lee, 1995). The adaptive perspective on organisational culture suggests that good culture assists organisations in the anticipation and adaptation to environmental changes (Kreitner & Kinicki, 1998). The correlation for long-term financial performance proved to be the highest for organisations with an adaptive culture. In the process of creating an adaptive culture, leaders must start by articulating and implementing a vision and business strategy with clearly spelled-out objectives. An open flow of communication should be ensured in order to allow the vision to filter down to lower organisational levels.

The retail industry is well known for its fast paced dynamic environment. The status quo of today might change tomorrow, implying that the implementation of the organisation's strategies and business plans must be flexible enough to adapt to these rapid changes. This sometimes-unpredictable environment of the organisation necessitates the employment and/or empowerment of the right people, who are able to solve problems in the quickest, most productive way possible, without the fear of being victimised or punished for "stepping out of line". The environments of organisations have changed from being stable, orderly and

predictable to those of constant change, complexity, ambiguity and globalisation (Veldsman, 2003). As a result the critical success areas have become innovation, speed, flexibility and value added. This inevitably necessitates an organisational culture in line with the strategy and business plans of the company (Alpander & Lee, 1995).

The retail organisation where this research took place has been in business for over 100 years, and forms part of a bigger retail chain in South Africa. It employs approximately 1100 full time employees. Towards the end of 2001, the top management of this retail company embarked on a process aimed at a breakdown in boundaries, improving communication between different management levels and departments, and strengthening the focus on the company's vision, values and strategy. This process was formally started in April 2002, involving all employees in key managerial positions on different management levels, especially focusing on the Operations Department. In July 2002, 52 of its employees commenced on leadership development programme. A programme of this nature involving different management levels and joining forces with one aim in mind, has not been presented before in the history of the company. This programme aimed at the personal and occupational development of participants and was strongly supported by top management's continuous involvement and commitment. The implementation of the programme was a product of a shift in strategic direction by the organisation's management team and the necessary financial resources were allocated in order to ensure the success thereof.

The need arose to determine how these employees experience the organisational culture. The challenges facing an organisation of this size are in pace with its dynamic nature, and constant research is essential in assisting the organisation in analysing its internal and external environment on a continuous basis. Research of this nature has not taken place in the organisation's history, hence the importance thereof. A lot of money has been invested in initiatives such as the leadership development program and since research has not been carried out on the culture of the organisation, it is necessary to determine how employees who have attended this programme experience the culture. Their experiences and the meanings they assign to the elements of culture are crucial in determining the alignment of the culture with the organisation's strategy and to determine possible gaps which could lead to the initiation of future interventions. In terms of future interventions in aligning culture with the organisation's strategy, it is important to know what the current culture is and how it manifests, as well as what the desired culture is according to the employees. This will assist

management in determining future change management initiatives. The need of the company to keep its competitive advantage and to move towards world class leadership practices, necessitate an understanding of corporate culture, and will highlight some of the issues which are deeply embedded within the underlying assumptions, which in turn can directly influence the success of certain initiatives. This might manifest in reward systems, socialising, recruitment and staff retention and productivity.

The general objective of the research was to determine how employees experience culture and how it manifests within the company.

### **Organisational culture**

Webber (2001) argues that culture is just another paradigm of looking at the brain of an organisation and that this cultural metaphor gives us vocabulary to talk about organisations and reactions that happen inside a company. Hofstede (1991) states that culture is the “software of the mind”, thus, culture could just as well be described as the glue that keeps an organisation together. According to Nilson (1992), an organisation’s culture serves as its tree roots and culture can also be used to conduct an organisational analysis. Bass and Avolio (1994) emphasise that cultures strongly affect what employees regard as right and important in the organisation, and it includes the elements: what the appropriate behaviour is; what employees’ roles are; who really makes the decisions and according to what standards; what the unwritten rules entail; what the central purpose is; the influence of history on the structure; and the way the organisation interprets information.

The values and ways of thinking of senior leaders in an organisation are partly determined by their shared experiences and own cultural backgrounds. Organisational culture is formed over time by the founders or leaders, organisational success and from new members (Bechtold, 1997). Founders and leaders implement their personal beliefs, values and assumptions about human nature, business strategy and the environment, in creating the culture (Schein, 1999). Wilson (1997) refers to Kotter and Heskett (1992), who explain that corporate culture change slowly over time, and evolves as a result of turnover of organisational members, changes in market environment and other changes in society. Culture is of great importance due to its powerful, often unconscious force, which determines individual and collective thinking, behaviour and values.

The majority of authors recognise two levels of culture, the visible and the deeper less visible level (Wilson, 1997). However, Schein (1999) believes that culture only relates to the deeper, less visible level, although he uses visible evidence to describe different cultures. Schein defines organisational culture as: “A pattern of basic assumptions – invented, discovered, or developed by a given group as it learns to cope with the problems of external adaptation and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems” (Gibson, Ivancevich & Donnely, 1997; Schein, 1999).

From this definition, it is clear that culture involves assumptions, adaptations, perceptions, and learning by individuals and groups within organisations. Schein (1999) states that an organisation’s culture has three identifiable layers, namely layer 1, being visible artefacts and creations, which is often not interpretable. Examples of artefacts could be the way in which people address each other within the organisation, the dress code (i.e. a specific uniform) or the layout of the workplace. Layer 2 embraces values, those conscious, affective desires or wants. These are the norms, ideologies and philosophies the organisation supports. Layer 3 consists of basic underlying assumptions people make which guide their behaviour. Included in this layer are assumptions that tell people how to perceive, think and feel about their work, their performance and their colleagues and human relationships. People might say what they think, but may have difficulty verbalising why they think this way (Gibson et al., 1997; Hayward, 1996).

The different cultural levels make it a complex concept, which necessitate analysis on every level, if it is to be understood. Culture is deep, and can’t be treated as a superficial phenomenon. Schein (1999) supports this by saying that culture controls you more than you control it. He adds that one needs to have a specific focus or reason to understand an organisation's culture, because it is very broad, and expresses his view against the use of theories and concepts based on questionnaires which produces numbers, putting it into boxes.

Organisational culture have four general manifestations, namely shared things (objects), shared sayings (talk), shared feelings (emotions) and shared behaviour (doings) amongst employees of an organisation (Kreitner & Kinicki, 1998). This evidence of organisational culture within an organisation could be used to gather information about it and its people by asking questions about these shared concepts. In trying to establish the culture of an



organisation, it is important to note that there is a big difference between what people say they do or think, and what they *really* do or think (Hendry, 1995). He also refers to the focus on symbols, language that people use, their ideologies, stories, rituals, ceremonial acts, role models and even myths about the organisation, which could all contribute to form a picture and understanding of what the culture of an organisation is. Culture is stable and therefore serves to make life predictable and provide meaning for organisational members. Changing elements within a culture implies changing some of the most stable aspects of the organisation, hence the emergence of resistance to these changes, which often occur and manifest in different ways.

Schneider (1998) states that culture is an organisation's way, identity, or pattern of dynamic relationships. This implies that no change (including management ideas or policies) will work in implementation if it doesn't fit the culture. Every organisation has a core culture, which is central to the functioning thereof. The alignment of this core culture with the strategy and leadership practices however, is key to organisational success (Schneider, 1998). The force of the core culture is hence normally strong enough to literally ensure the success or failure of the organisation's mission. It is unlikely that only a core culture will exist in a large organisation, due to the individual and organisational factors which influence the perceptions of employees on culture (Helms & Stern, 2001). Sub-cultures are created within the bigger culture, which could differentiate into functional, geographical, product or market based units. Schein (1999) elaborates on sub-cultures by stating that they may be highly functional and effective where the parts of the organisation need to succeed in their different environments. Attitudes, norms and behaviour may also vary in these different environments (Wilson, 1997).

Kreitner and Kinicki (1998) identify four functions of culture, namely:

- *It gives members an organisational identity* – this implies that it gives employees a sense of belonging and provides a familiar framework with which they can identify. Giving employees appropriate rewards coupled to performance could strengthen this identity.
- *Facilitate collective commitment* - this implies a sense of pride to be associated with a specific organisation and employees who feel this sense of commitment, tend to stay within the organisation for longer periods of time.

- *It promotes a social stability system* – this implies that change and conflict within the organisation is managed effectively and the environment and atmosphere within the organisation is perceived by employees to be positive and reinforcing. This stability within the social system of the organisation will also contribute to the idea of collective commitment and could be a strong driving factor in increased performance.
- *It shapes behaviour by helping members make sense of their surroundings* – this function contributes to helping employees understand the mission and long-term strategy of the organisation.

### **The culture typology of Harrison and Stokes**

Harrison and Stokes (1992) developed a typology of organisational culture that divides it into four dimensions, namely role, power, performance and supportive cultures. These typologies occur in organisations in combination with one another and each is based on its own values, method of decision-making, motivating employees and typical management style. The behavioural patterns of each also differ. The ideologies are described as follows (Harrison & Stokes, 1992):

- **Power culture.** A power culture is characterised by authority and hierarchy, with unequal access to resources. People in power positions use resources to satisfy or frustrate other people, and leadership is based on paternalism and justice. If leaders are perceived to be right, they are considered visionary with regard to the needs of the organisation. Managers are often power-hungry and rule by fear. Employees are in conflict with each other to gain more power and internal politics is prevalent. These organisations' products and services need to remain exclusive if they are to be successful. Leaders adopt a view that they are obliged to their subordinates and with loyal employees they are strict, though fair.
- **Role culture.** This type of culture is characterised by bureaucracy where individuals rely on stability and predictability (Estienne, 1997). Predictability is seen as more important than skills and where the function is more important than the individual. The rule of law moderates the struggle for power. The values underlying the role culture are administrative order, dependence, rationality and constancy. Formal lines of

communication quickly become overloaded and this difficulty in handling information makes the organisation slow to adapt to environmental changes. Employees' autonomy, discretion and initiative are restricted activities within the rules, due to them being managed as if they cannot be relied upon. Large organisations particularly are characterised by a role culture and this type of culture is suitable in stable economic circumstances.

- **Performance culture.** Harrison (1993) is of the opinion that many employees find reward in their work. Employees in this type of culture have a high degree of commitment and personal satisfaction and take a positive view of a performance-oriented culture. They manage themselves because they believe they work for something larger than themselves and their morale is high. They have a sense of urgency, understand and support the values and errors are viewed as a learning experience. Employees in a performance culture are in support of a common vision and purpose, which everyone buys into (Harrison, 1993). Communication channels are open, and are not restricted to positional power. Employees on lower levels are empowered to make decisions and leadership is based on knowledge and skills (Hebden, 1986).
- **Support culture.** The support culture is characterised by reciprocal trust between the individuals and the organisation. Employees believe they are regarded as valuable human beings and good relations are encouraged. In this culture, employees care for one another and they enjoy going to work. They have a positive view of their colleagues, suppliers and clients because they feel that they are cared for by the organisation. The support culture is typified by a high flow of information, both informal and formal communication. The employees support harmony in the workplace.

Fam and Merrilees (1998) refer to Hofstede (1991), who identified four cultural dimensions. These dimensions are individualism versus collectivism; large versus small power distance, strong versus weak uncertainty avoidance, and masculinity and femininity. Individualism versus collectivism is concerned with the relationship between the individual and other members in a society. Individualism refers to a state where members focus on themselves and their immediate families; whereas collectivists may expect relatives or their surrounding groups to take care of them and each other. Large versus small power distance refers to

whether the members of a society accept inequality of organisational power. In a large power distance organisation, people accept unequal power distance, without demanding justification, whereas in a small power distance organisation, they do demand justification. The strong versus weak uncertainty avoidance dimension refers to the grade of anxiety regarding ambiguity. Strong uncertainty avoidance refers to intolerance towards uncertainty and ambiguous circumstances, whereas weak uncertainty avoidance indicates a tolerant attitude towards it. Masculinity and femininity refers to a division of roles between the sexes. Masculinity is characterised by a preference for competition, whereas femininity refers to a disposition to focus on relationships above money.

Harris and Ogbonna (1998) referred to Martin (1992), who developed a framework consisting of three perspectives towards organisational culture, namely integration, differentiation and fragmentation. This framework gives insight into organisational culture of retail organisations, by highlighting the limiting effect of researching organisational culture from only one theoretical perspective. The integration perspective focuses on consistency as medium to explain identified issues and excludes ambiguity. This perspective has dominated organisational culture research, especially supporting those researchers who have sought to explore cultural consensus. The differentiation perspective focuses on the lack of consensus and inevitable conflict that exists in organisations. The existence of sub-cultures in organisations is recognised in this perspective, although it fails to account for all existing ambiguities in the organisation. The fragmentation perspective acknowledges organisations being in a constant state of flux. The studies in this perspective seek to understand the interaction and conflict between opposing sub-cultures and focus on the construction and reconstruction of organisational reality (Harris & Ogbonna, 1998).

## **METHOD**

### **Research design**

A qualitative data collection method based on the phenomenological paradigm, has been used in this study. The purpose of the phenomenological approach is to highlight the specific, and to identify phenomena through how they are perceived by the participants. In its pure form, phenomenological research seeks mainly to describe, rather than to explain (Lester, 1999). Lester (1999) also states that it is concerned with studying the experience (of the

phenomenon) from the perspective of the individual. If an interpretative element is added to phenomenological research, it allows to inform, support or challenge action and policy. According to this perspective, the reality that counts is the reality each participant comes to know (Meister & Nolan, 2001). In phenomenological research, the research process requires bracketing, a process of rigorous self-reflection in which the researcher suspends any biases and knowledge about the phenomenon under discussion (Cohen & Daniels, 2001).

The research has been carried out from the perspective of empirical phenomenology. Cohen and Daniels (2001) refer to the following characteristics of empirical phenomenology:

- Emphasis is placed on commonality that is present in the diverse appearances of the phenomenon.
- The researcher relies on the actual words of the participants.
- Explicitness about the design and the steps taken to obtain findings.
- The characteristics lead to verifiability and ability of the research to be replicable.
- Acceptance that hermeneutic activity (the interpretation thereof) is the intrinsic process of research.

Interviews based on the phenomenological paradigm, have been conducted with a purposive sample that included some of the key role players from the management team of the organisation, as well as selected participants who attended the strategic leadership development programme.

## **Participants**

Participants were selected by using purposive sampling due to certain variables that the researcher wanted to control. The participants had to have attended the strategic leadership development programme mentioned that was presented; they had to have been within the organisation for at least one year, had to have an awareness of organisational culture and willingness to participate in the research. The operations department of the retail company where the research took place consists of three regions and every region has several areas that resort under it. The areas are divided into different stores where the store managers report to the area manager and the area managers in turn to the regional managers.

The selected participants were representative of the three regions within the organisation, their years of experience (between 3 to 26 years) in the organisation, age, race and gender (as far as was possible). They have all attended and completed the strategic leadership development programme that was started in July 2002, and were willing to participate in the study. This programme took place over a 12-day period, which was divided into four sessions of three days each. These sessions took place approximately one and a half to two months apart. All three regional managers, as they were at the time when the research took place, as well as a newly appointed regional manager, were included in the study. One area manager and one senior store manager per region were also included. This was done to get the views on culture as it is represented on different management levels. The Managing Director and the Operations Director were included in the study, due to the fact that they were champions for the start of the “sharpening the culture” process. The Senior Human Resource Manager was included due to the fact that she oversees the process from a human resource point of view. Table 1 lists the characteristics of the study population.

**Table 1**

*List of Employees Included in the Study*

<b>No</b>	<b>Participant</b>	<b>Age</b>	<b>Years Service</b>	<b>Race</b>	<b>Gender</b>
1	Managing Director	44	3 yrs	White	Male
2	Operations Director	42	15 yrs	White	Male
3	Senior Human Resource Manager	33	3 yrs	White	Female
4	Regional manager: Region 1	28	5 yrs	White	Male
5	Regional manager: Region 2	42	6 yrs	White	Male
6	Regional manager: Region 3	50	26 yrs	White	Male
7	Regional manager: Region 1 (previously, now Region 3)	31	6 yrs	White	Female
8	Area manger: Region 1	27	3 yrs	White	Male
9	Area manager: Region 2	31	11 yrs	White	Female
10	Senior Area manager: Region 3	30	4 yrs	Coloured	Male
11	Senior Store manager: Region 1	35	3 yrs	White	Female
12	Senior Store manager: Region 2	42	10 yrs	Indian	Female
13	Senior Store manager: Region 3	40	10 yrs	Coloured	Female

### **Data gathering**

The reliability of the entire research process should be ensured when conducting phenomenological research instead of only the reliability of the data gathering method (Krefting, 1991). Reliability was insured by considering certain control measures, including a detailed description of the situation, method of data gathering- and analysis and interpretation (Leedy, 1997). The data gathering process is described below:

Appointments were made with participants by one-on-one arrangement, or where this was not possible, telephonically. Prior to the actual administration of the interview, the participants were briefed where the researcher gave brief information about herself and outlining the frame of reference of the interview. The importance of this approach is mentioned by Meulenberg-Buskens (1994). The aim of the interviews was to explore the participants' experiences of organisational culture. Participants were asked to describe what they think, how they feel, and what they do within the organisation, as it related to organisational culture. They could refer to any event/s, in the past or present. An unstructured approach was followed, and the researcher only intervened for clarification purposes, or to further explore certain topics. According to Huysamen (1993), the opportunity to clarify and probe for ideas is one of the advantages of unstructured interviews. All the interviews, but one, were recorded on audio tape. One participant preferred that the interview not be recorded, and detailed notes were taken during this interview. The interviews lasted between 40 – 70 minutes.

### **Data analysis**

The interviews were transcribed verbatim. The data was analysed using content analysis and clustering of data under recurring themes. Colman (2001) defines content analysis as the collection of techniques used in qualitative research, to describe and classify the manifest or latent subject matter of written or spoken verbal communication in a systematic and objective way. The incidence or co-incidences of responses or expressions that fall into pre-determined categories are counted. The following process was followed in analysing the data (Lester, 1999; Omery, 1983):

- The researcher reads through all the transcripts to get a feel of what is being said.

Table 2

*Themes Identified in the Research*

	Theme	Head office	RMs	AMs	SMs	Total
1	The previous culture was task driven – results at any cost	3	4	3	1	11
2	Previously, the values were not lived	3	3	2	3	11
3	The leadership development programme is a life changing intervention	3	4	2	2	11
4	People are important in the company	3	2	3	3	11
5	People feared management	3	2	2	1	8
6	The previous culture was very autocratic	3	3	2	1	9
7	There were rigid boundaries between people/regions	3	3	2	1	9
8	Top management are involved and visible in the change process	2	3	2	1	8
9	People are passionate about the company	3	4	2	3	12
10	There used to be a blame culture in the company	3		2		5
11	There is a culture of continuous learning	2	4	2	1	9
12	People now live the values	2	2	3	2	9
13	There are open communication boundaries within the company	2	2	3	1	8
14	There used to be a male dominance in the company	1	1			2
15	The company's incentive system as culture forming process, is unsatisfactory		2			2
16	Socialising processes contributed to a culture of favouritism in the past		2	1		3
17	People are positive about the future in the company	3	4	2	2	11
18	The macro organisational culture is perceived to be different from the company's culture – change there is not visible	1	2		1	4

RMs - Regional managers; AMs- Area managers; SMs - Store managers

- Theme 1: The previous culture was task driven – results at any cost.** This theme was indicated by 11 of the 13 participants. The significance lies in the previous culture that was considered very task oriented and the importance of people, as opposite poles of the task-people continuum was downplayed. This notion is supported in statements such as “...there were casualties within people” and “you shouldn't use your brain, just carry out instructions”. This task focus orientation led to employees being extremely frustrated and left them feeling neglected and unimportant, “It was a big frustration,



people didn't count", and "It was expected that you worked throughout the night, family didn't count". The culture of "We talk, you do" had value therein that the results of the company were good, but there was a belief that "we could go out of business within a year". People were also not informed about the vision and strategy of the company, "there was a big race and nobody told me where the race was", "the strategic objectives were just told to the staff". This theme is in line with Hofstede's cultural dimension of masculinity (Fam & Merrilees, 1998; Hofstede, 1991). It is also characteristic of the role culture (Harrison & Stokes, 1992). Schein (1999) postulates in this regard that managers who worked themselves up in the company learned that the humanistic, spiritual and other non-economic values are subordinate to the pragmatics of running the business.

- **Theme 2: Previously, the values were not lived.** This theme was mentioned by 11 participants. The company's values were never a focal point, they were merely words on a piece on paper: "there were those who really live it, and those that only pay lip-service". The values were never visible in people's behaviour, and therefore didn't serve the purpose it was intended for. This is supported by "Values were words that were on a piece of card" and "...there was this element of distrust and I knew there was a lack of integrity". Behaviour was not in line with values, "swearing was a norm, it was an absolute given", including the practices in formal systems like performance appraisals, "where it comes to openness, we were never open with the discussions about staff".

**Some people still don't live the values.** Woodall (1996) states that value change is hardly an exact science and behavioural compliance with these values will often mask hostile or ambivalent feelings. Some employees who have attended the strategic leadership development programme are perceived to not live the values. This is supported by "5% of the people who attended the leadership development programme, still hasn't changed" and "we've still got a lot of negativity out there in terms of the past, in terms of things that happened". This could indicate that ambivalent feelings about the change process exist: "hulle is nog in die 'blame culture', ...jou areabestuurder moes gekyk het dat jy op 'training' gaan en hulle ontwikkel jou nie".

- **Theme 3: The leadership development programme is a life changing intervention.** Eleven participants mentioned this theme. It illustrates the significance of the leadership development programme that started in July 2002. The participants reported that it created a phenomenal turnaround in their personal and professional lives, supported by “it’s not a training course, it’s a life changing intervention”. The visible changes in people are described as “People that have been on it, have a balance between work goals and personal goals” and “Brilliant ... there was a rumble happening and people were starting to question ...”, “calling it the leadership development programme is probably the only bad thing about it”; “it put me on a totally different level in comparison to where I was a year or two ago”.
- **Theme 4: People are important in the company.** This theme was reported by 11 participants and is divided in six sub-themes. It is in line with the Hofstede’s cultural dimension of femininity (Fam & Merrilees, 1998; Hofstede, 1991), and is a characteristic of the Harrison and Stokes’ (1992) support culture. The sub-themes are described below:

**The culture now is people-focused.** This sub-theme is supported by “the culture has become very people focused, values are the foundation” and “people can feel free to share what they want to, which is quite a conducive environment to be a part of”. There is an underlying assumption that all people can make a difference in the company, “people realise they can be themselves” and “I believe the way in which we do things now versus then, is 90% people, the way we treat people, ...lead people”. “We don’t set people up for failure”. Statements like “it’s very participative, people are allowed to know what the managing director is thinking” and “it’s fantastic to see that it’s also happening on top-management level” are indicative of the openness of boundaries that started to become a priority in the company. “Every individual knew exactly after the one-on-one with Jill and Ralph, where he stands” and “our decisions are based on relationships”.

**Personal development is a focus within the company.** Personal development is a key focus in the company, and people are allowed to share their personal experiences without the fear of being rejected, or seen as not performing. This is confirmed by “we were doing a lot of sort of personal development, we were looking at individuals in the business and their potential” and “To start off with, I turned around my family life... I can’t explain it. It’s just mind-blowing”.

**People are recognised for their achievements.** Two of the participants felt that recognition of a non-monetary nature made them feel wanted in the company. This sub-theme is supported by “...we celebrate success, there’s a lot of recognition in the company, ...it’s not money” “the resources in terms of training and development are there and people are given the opportunity to grow”; and “People are recognised through the leadership development programme”.

**Making mistakes is allowed. Mistakes are now allowed in the company, whereas in the past, people who made mistakes were seen as “bad”. This is supported by:** “It’s easier for managers to admit when they make a mistake without feeling that they lose credibility or admitting when or more acknowledging that another person has a better idea”, “jy word toegelaat om foute te maak, ...in die verlede het dit jou ‘n slegte mens gemaak”.

**There is shared decision making in the company.** Two of the participants reported that the shared decision making process in the company enhances their self-esteem, and makes them more committed and confident to perform their day to day functions. This is supported by “everyone has a say when it comes to making a decision”, “dit maak dit makliker om ‘n besluite te neem, om te weet as jou waardes reg is, is dit reg om dit te doen”, and “You become so much more confident, you feel what you are saying is being participating, you feel more needed”.

**People were involved in the new business plan.** Three of the participants mentioned the importance of top management involving lower levels in the implementation of the operations business plan. This creates a feeling of ownership for the business, confirmed by “...everyone understands where the company is going” and “everyone

had a part in putting it together”. “Communication has changed from hiding facts, keeping people in the dark, to a place where people know what the objectives are”.

- **Theme 5: People feared management.** Eight of the participants mentioned this theme. Management by fear is characterised by the power culture of Harrison and Stokes (1992). The participants felt that this fear of management was very dysfunctional and contributed to certain people becoming physically ill when having to be contact with management. This is confirmed by “this was a fear of people ... he was physically perspiring, he had a tremble in his voice and he was physically shaking” and “if people knew certain people would go into the store, there would be panic, people wouldn’t sleep the night before”; “if you didn’t say the right things at the right time, it was held against you” and “in the past you were scared to admit when you’ve made a mistake; you were so afraid they would find out about it”. Management ideas or instructions were never challenged, which contributed to rigid boundaries between people, regions and even systems: “often you were scared to challenge, or in fact, you were not allowed to” “daar’s bitter min gesê wat reg is, maar jy’t definitief geweet as daar iets verkeerd is”. Promotions were based on favouritism in management: “in the past, promotions were based on ‘if they like me, I get promoted’”, “three years ago, ... you were just doing the necessary stuff to be seen for promotion”.
- **Theme 6: The previous culture was very autocratic.** This theme was mentioned by 9 of the participants. Some of the participants attribute the autocratic culture to the founders or leaders of that time. Schein (1999) postulates that the founders or leaders of companies often imposed their beliefs on the employees, directly contributing to the culture. This is confirmed by: (it)“... stemmed from the fact that the Lewis family ran the company and they had a lot to say in terms of the culture of the company”, and “the corporate environment was very stiff ...” “in the past, if you needed anything, you had to follow line management and the frustrations with them when things didn’t happen so quickly”, “the sad thing is, I rated him highly... I thought this was the way to behave” and “he had no people skills, destroyed people like you can’t believe” and he treated people like numbers: “people were people and people were numbers which you can dispose of” , “you did what you were told, and you did it very well, or else...”. Some people saw this autocratic style as part of life because if they could endure it, they were rewarded. This is supported by “you could almost endure the bad store visit,

because you will enjoy the nice week away”. The previous autocratic culture was functional in the sense that it gave certain people a reason to want to change the culture: “it’s good that I had the exposure to this, ... gave me the energy to want to change the culture” “never, never and never again, will we allow such tragedy to happen” and “never will we have somebody in a position of power to actually destroy good people”.

- **Theme 7: There were closed boundaries between people/regions and in systems.** Nine of the participants mentioned this theme. The rigid boundaries include boundaries in terms of communication; ownership was fragmented per department, internal competition that was sometimes unhealthy. This is supported by: “the culture was very much the north region and the west region”; “encouraging a boundary-less society was unheard of in the past culture”. The ‘blame culture’ mentioned later is apparent between different functional departments: “operations hated buying because buying was never buying the right things, so how could operations sell”. Boundaries relating to the individual sharing information with line management were also closed: “three years ago, I didn’t have rust in the organisation that I could go to my RM and say to him, I’m unhappy about the way you do this”; “jy bou mure om jou, ... ek bou dit so na moontlik aan my want ek durf nie vir iemand sê hoe ek voel nie”.

Four of the participants perceived departmental boundaries still to be too rigid. This is confirmed by: “some of the buyers, and maybe directors can still do some more to improve communication with the field”; and “the other thing is that level gives you in terms of organisational structure, certain boundaries where you don’t really pick up the phone and say listen, excuse me, ...you’re not living the values” and “I don’t think the culture is that sort of 360 yet”; “there’s a lot of self-preservation, I have got my job, I have got to look after my job, if you put me in a bad light, we will sweep it under the carpet”; “there are no clear guidelines between what a senior area manager and area manager are”; it’s at head office, it’s very prevalent because the competition is tight for very few spaces” “everybody is thinking in the same way, it’s the behaviour where the big problem is”.

- **Theme 8: Top and middle management are involved and visible in the change process.** Eight participants reported this theme. When business success is a result of the

strategies and philosophies initiated by the founders of the company (or new founders/leaders), it becomes credible to the whole organisation (Bechtold, 1997). The sub-themes are concerned with people from top- and middle management and are described as follows:

The managing director is seen as very supportive and encouraging since he took over in the company. This is supported by “he has been an unbelievable support”, and “he is behind this...changing the culture”. His efforts to put people first and to include a people strategy as part of the business plan are admirable: “he had a big focus on people and people were a key strategic objective for him” and “if you have something you want to propose, he will give you scope to actually try it”; and “I think that was his big success to say, you know you believe in something, you want to do it, try it and learn from it”. He is also seen as a charismatic leader “at that point we got ourselves a very charismatic managing director. He gave us vision and direction, he also started looking at different things like personalities ...”

The operations director is perceived to have made a mind shift in his personal life, thereby driving change and the focus on people in the company: “I can see a tremendous change in our operations director”, “the attempts he makes to communicate”. He is taking the lead in breaking down the communication boundaries. This is supported by “he makes purposive attempts to be accommodating and to improve communication”, and “it was said by the operations director, listen, go speak to the managing director, and I thought wow, I could not see this happening three years ago”. He acknowledges the importance of teamwork: “I have seen him grow in the company, he knows he wouldn’t be successful without his top management and even the salespersons in the stores”.

The changes in one of the regional managers are also visible, and people show an appreciation and admiration for this, “Our regional manager has also gone through tremendous change, he listens, he will stand by you, he has taught me so much”.

- **Theme 9: People are passionate about the company.** This theme was mentioned by 12 of the participants, which makes it one of the main themes of the research. This

theme has to do with staff retention and general feelings of people within the company.

Three sub-themes support this theme and are described below:

The participants expressed a sense of pride in being associated with the company. This is supported by: “it’s quite encouraging to know that you’re a part of this and there is no other place where I would want to be at this time”; “I don’t see any other company better than (this) now”; “there’s a lot of co-operation and everyone works towards the same goal” “you will rather stay if you know what you will get in future and what the culture is, than go work for double your salary and they don’t have values”. “We are not just working but we also know about one another”.

**People feel they belong.** This sub-theme is confirmed by verbalisations such as “I am definitely more focused now, I feel there is almost a sense of belonging”, although this is not the feeling with regard to all people: “but I am still qualified in that, because people can be too nice”, “you are elevated into that position based on trust and confidence, and people think you’ve got the ability” “I love being in the organisation, ... it’s difficult to explain, I find it difficult to shoot things down, anything”. “I’ve been asked the question in terms of performance discussions, so what other company, if the organisation closes its doors today? The answer is quite simple, unemployment, I will have to change careers”.

**People take ownership for their business needs.** This sub-theme is supported by the performance culture of Harrison and Stokes (1992). Since the company started involving people in the operations business plan, people take ownership for their roles in the company. This is confirmed by: “I now feel I’m a manager, because I manage”; “you get the feeling you are empowered, there’s ownership, communication...” ; “we sit and talk about our goals and objectives at any given stage and we review those...” “what also changed, is people asking: What have you done about it, that you take ownership of where you’re at”.

- **Theme 10: There used to be a blame culture that existed.** Four participants reported this theme, which typifies the ‘old culture’ within the company. The effects of this culture are supported by: “What the autocratic culture did, it created a blame culture within the organisation”; “people said: that’s not my fault, it’s the buyers’ fault”, or “the merchandisers didn’t send me my jeans, that’s why (turnover) is down” ; you put

the blame on other departments so you look good”. This blame-culture also manifested in people’s behaviour and shared sayings: “A year ago when you had three area managers stand together, everybody would moan and groan about their salaries, or “have you seen the car that guy can drive?” now, you won’t hear of that”. “On certain levels, blaming still exists. You will find that with head office for instance, it’s a case of the system doesn’t allow us to do that, so we can’t do it”.

- **Theme 11: There is a culture of continuous learning.** This theme was reported by 9 of the participants. People view the past year’s changes as very positive, but are of the opinion that the company is “not quite there yet” in terms of creating awareness and action throughout all the levels. This is supported by “You can’t change it (culture) overnight, we have a lot of heritage” and “we are maybe one quarter of where we can be, ...we’ve got a long way to go before world class...” Heritage creates a lot of traditions that, if still valid in terms of the new culture, contribute to binding people together in the organisation. Some participants reported closed boundaries of group membership as far as the values of the company are concerned. This is illustrated by: “you can see who has been exposed to the leadership development programme” (the leadership development programme); “It’s not that people in head office don’t have values, it’s an awareness that everything we do relates back to values”; and “we are not there yet in terms of real building bridges between head office, field staff and store staff”, and in fact completing the 360 to customers”. “I think this whole change thing is wonderful, but people mustn’t start acting like the big sister now” “let’s allow them to go through their own emotions, their own experiences” – said about the second group of delegates to go on the leadership development programme.

There is awareness amongst people that change doesn’t happen overnight and that everyone must come on board at their own time. This is supported by “if you force something you will destroy it” and “but if you force it, you mess it up”; “people are working towards a common goal but to varying degrees”. The assumption of who is ‘in’ and ‘out’ is apparent in the following statement: “there is nothing more disappointing to me if I hear something about leadership development programme delegates who have been exposed to it and they are negative about the way they are handling their people”.



- Theme 12: People now live the values.** This theme was reported by 9 of the participants. The responses indicated people in the company taking action against people not living the values, “the store staff are saying, hang on, I know you’re stealing, ...you stop now or I’ll report you”; “People say, I have changed my friends, with these values now, it’s not a fad”. The values have become “shared sayings” within the company. This is supported by “Values have certainly been the fundamental element in trying to change the culture that was there, ...whether we discipline staff, ...if we recruit staff, ...promotions”; “there’s a bigger openness, and the support, ...it’s much different than in the past”; “in the past, it was each person for him/herself”. Shared feelings are indicated by “I experienced great support over the last two months, not only from people here, but from Jill, Ralph and people across regions”; “80% of the people I work with, have got the values the whole time”; “our decisions are based on values” and “people are becoming a lot more open, ...honest about the feedback that they give”; and “people understand each other better and are willing to talk to each other”. “there is more openness, due to the leadership development programme and after the first breakaway this year”.
- Theme 13: There are open communication boundaries within the company.** Eight of the participants reported this theme. “Two Area managers asked to spend time with the Managing Director, purely to find out his thought and views on the business”; “North and West for the first time had a break-away together”. People feel comfortable in speaking out about their thinking and to contribute; “people can speak their minds now and there’s an open door policy where you can phone your Managing Director or Director”; and “People are allowed to speak out, to air their views and even if it’s different to the one the management team has” and “it’s not a bad thing to say you’re uncomfortable with a decision”. These open communication boundaries are also seen to have closed some of the gaps that existed between departments, which previously didn’t communicate so well; “the planners or merchandisers are now more open to be convinced”; and “I feel certainly on my level, the communication barrier is open and it was great to see it being initiated from management downwards” “we don’t stick to our own area only...people get trained in different areas”.
- Theme 14: There was male dominance within the organisation.** This theme was reported by two participants. Top management was perceived to have had closed

boundaries with exclusivity of membership. This is confirmed with “the management team was a very tough environment to get into”. The recruitment process is seen to have been aimed at people’s physical appearance, instead of competence: “it was also a very sexist environment, the women were extremely good looking, you were employed to look a certain way”. This theme contains elements of the power and role cultures identified by Harrison and Stokes (1992).

- **Theme 15: The company’s incentive system as culture forming process, is unsatisfactory.** Two of the participants reported this theme, but it is seen as significant, due to the culture forming function of incentive systems in an organisation. It is supported by: (During that time) “my Christmas bonus was something like a R20-00 gift from the Lewis family and not a 13<sup>th</sup> cheque at all” and “later they phased in a programme by saying that depending on how many years and it stretched over 10 years, and it was 10% per year that you would get of your salary as a bonus” “In the last couple of years they have actually reduced it and things like bonus leave came in an a 13<sup>th</sup> cheque only after five years” Top management was considered to rather not help people, than to find a way to help them. “there was a feeling for years that the company didn’t look after the people at ground level and middle management” “in terms of turnover, we would go through huge difficulties but you wouldn’t see it in the perks the directors and people at head office would take out of the business” “what is seriously lacking are words of encouragement, of thank you, well done” “reward should come into place, I think something like a shares option” “I think a bonus system of incentives, a system where people on branch level can sit with more money at hand”. There exists an opportunity within the company to improve the reward system, “the thank you culture, we have a lot of work to be done”
- **Theme 16: The socialisation process in the company led to a culture of favouritism.** This theme was reported by three of the participants. “it was a case of work hard and play extremely hard” “they would have good parties or they had spent a lot of money on, they would go through great lengths to try and motivate people in that way”. This money spending would make people feel rewarded for a short time, “this would get people on an emotional high, they invited guest speakers, there was a lot spent but there was the work hard” “before we used to have fun because we used to

party all the time and we used to drink a lot” “there’s a big difference in how we socialise now versus the past”.

- **Theme 17: People are positive about the future in the company.** Eight of the participants reported this theme. This theme links with the theme of the importance of people within the company. “My feelings now about the company, I am excited, nervous with a challenge” “I’m excited about working on our team roles instead of these little private talks” “I think that is why I’m so happy with the culture right now, ...you can be comfortable with exactly who you are”. “You are allowed to be yourself, to express yourself”. “Ek voel seker oor waar ek staan met die organisasie” and “ek weet waarvoor die organisasie staan”.

**People trust top management.** This sub-theme is supported by “die vertroue wat ek het in Jill, Ralph,... dit sal ‘n kwade dag wees as die vertroue verbreek word”. It is strengthened by describing the behaviour of some members of top management, “the blaming of us versus them, it’s come about because to the mannerism from the management team. ...(they) have become a lot more flexible, a lot more open, a lot more approachable”, “they listen, very intensively and their responses happen quickly” “we can communicate very easily with top management, senior management...”

**The empowerment process is dynamic and values are challenged.** This sub-theme is supported by: “it’s (the leadership development programme and the values) not a fad”, and “you can’t stop the process now, ...I can leave tomorrow the people will challenge you now”; “the 1000 employees will say, hang on a minute, what you are doing now is against the values”. People support the new direction the company is taking, “I am absolutely delighted to say that the organisation is taking a step in the right direction”; “We mustn’t stay there in the leadership development programme, ...it is the can opener, ...we need to progress, move on, put things into place”; and “There is this groundswell happening of people who are making these allegations on changes and they are treating people in a certain way and it’s working”.

**The process of culture change/empowerment is team based.** People’s behaviour is seen to be team based, and people rely on each other when taking on tasks. This is supported by: “it’s very much team driven, it just grows on itself all the time”, “nobody

can be successful without the support of the people below them”, “we need to operate as teams and units and yet building up to one team”. Middle management took ownership for the required behavioural changes. This is supported by “I believe there’s been a group of people at middle management that have proved to be very successful, and running a very dynamic business”. “They are seen as active in driving the desired value based behaviour,” “The change happened, not from top down, but from us in the field and people who think they can do it and people who are able to do it”, and “we are striving to be more in touch with each other”.

- **Theme 18: The macro organisational culture is perceived to be different from the company’s culture – change there is not visible.** This theme was reported by 4 participants. Schein (1999) remarks with respect to culture being stable, that humans do not like chaotic, unpredictable situations and will work hard to stabilise or normalise it. “Ek dink die Groep is nie heeltemal daar nie, maar ons is daar, ...ek raak baie keer gefrustreerd of kwaad vir, as ek sien wat ons doen, ...dat ‘n ander maatskappy in die Groep, dit binne 5 minute afbreek”. “where I deal with colleagues of the other trading companies, ...and values come into play, and I think to myself, people, have I been on a different programme?” The frustration experienced by the people, could be as a result of a very large system, where changes in the one part of the system (this company), haven’t affected the larger system as yet, or it can be attributed to different perceptions people have.

## DISCUSSION

The results of this study show how organisational culture manifested itself in the past as well as the new culture’s origin after the first leadership development programme was implemented. In the old culture, manifestations of culture were reported as follows:

For many years in the company’s history, it embodied a very autocratic culture which manifested in autocratic management styles, rigid lines of communication dictated by hierarchy, formal relationships with a large power distance and strong individualism. Strong uncertainty avoidance typified the employees in the company’s need for structure and certainty and an acceptance of the status quo. The managers were perceived to have ruled by fear, but the effect thereof on the people was sometimes justified by the incentive system,

where people were adequately rewarded if they complied with managements' standards and tolerated the behaviour of certain people in key managerial positions. People were not involved in the strategic picture of the company and had to follow instructions only. The culture was described as very task-oriented where results were expected at any cost, with serious implications for people if they didn't deliver on expectation. People were not a focus area, and there was no people strategy defined within the company. Business was perceived to be 'unpredictable' and the perception existed that the company then could easily have gone out of business within one year although business was mostly good. The values of the company were not lived, and were not understood by all. This could have contributed to the maintenance of a blame culture amongst employees and different managerial or functional levels or departments. People didn't take ownership for their own careers and/or business related needs, due to the culture also not supporting any empowerment of individuals or teams. This 'old culture' also resulted in staff turnover being high, although the culture wasn't perceived to be only negative. The company had a lot of heritage, of which many elements remained intact until present, due to its culture forming elements (like stability, good training and development opportunities). Masculinity characterised the company's 'old culture', implying a preference for competition (Hofstede, 1991). These characteristics are in line with those of the power and role cultures identified by Harrison and Stokes (1992).

The 'new culture' in the company is described as very people focused, and people are passionate about the company. This change is partly due to top and middle management, which are perceived very positively and are visible in driving the change process; and a strategic leadership development programme that was implemented. The company is currently continuing with the presentation of this programme, with a second group of delegates attending. Experiential learning is a core component of a leadership development programme, which involves practical exercises where participants have to solve problems and perform specific tasks to lead them to the outcome. Cacioppe (1998) views this approach as being very powerful, due to the fact that many, if not all of the emotional experiences that the participants have, had stay with them. It is that when the experience starts having the effect of moving the participants to want to go back to their working environments and "make it work". The effect thereof is empowerment. Cacioppe (1998) further states that many concepts covered in the leadership development programme are directly transferable to the participants personal (home) lives, due to the often generic nature thereof, for example, listening- and decision making skills. Empowerment, which is a product of a programme like

this, touches the participants not only on their respective occupational levels, but most definitely on a personal level.

The 'new culture' manifests in open communication boundaries that are not dictated by hierarchy, a tendency of moving towards collectivism (Hofstede, 1991), a small psychological distance between people (on certain levels) and people really living the values. The tendency towards more open communication boundaries enhances the flatter organisational structure and promotes the transparency of information. Functions like recruitment, induction, training and development, disciplinary procedures and promotions are all based on the values of the company and middle- and top management maintain this. People maintain a balance between their personal and professional lives, especially those who have completed the strategic leadership development programme. There is a culture of continuous learning and this is supported by people's willingness to challenge themselves and each other for continuous improvement; supporting the value of self-critical professionalism. People are committed to the company and its objectives, and take ownership for their business related needs. Femininity partly characterises the company's 'new culture', due to the focus on people, instead of only on money (Hofstede, 1991). These characteristics are in line with the support and performance cultures described by Harrison and Stokes (1992).

In a study made by Harris and Ogbonna (1998) in three retail companies. It was found that the members' perspectives of their company culture related to their hierarchical positions. Head office managers supported the integration perspective and reflected the views of consensus, where deviation from this culture is not tolerated. These head office managers were defined as employees who worked in the regional or central offices of the retail organisations. In this study, the head office managers' (including regional and area managers) responses supported the integration perspective especially for the following themes: The previous culture was very task driven, the values were not lived, the leadership development programme was a life changing experience, there were rigid communication boundaries between people, people are positive about the future in the company; and people are passionate about the company. Harris and Ogbonna (1998) found that store managers' views on their culture were consistent with the differentiation approach, whereas shop floor staff's views were in line with the fragmentation approach. In this study, store managers' views are in line with the differentiation approach, where the existence of sub-cultures and a lack of consensus are acknowledged. The frequency of their responses were often not in line with

those of the Head Office staff, and their responses were focused on a more practical, tactical level. The existence of the fragmentation approach could not be verified due to shop floor staff not being included in the study.

Kreitner and Kinicki (1998) state that leaders must encourage employees to accept a timeless set of values and philosophies which are focused on service rendering to the organisation's internal and external stakeholders. This philosophy must also emphasise an improvement of leadership. In practice this could be done by assessing the prevailing leadership styles and by developing leaders not only by using a top-down approach, but also bottom-up in terms of organisational levels. Bass and Avolio (1994) support this notion by saying that culture affects leadership as much as leadership affects culture. In this way buy-in regarding changes in the organisation's processes and systems could be ensured.

On the individual level, Hofstede, Neuijen, Ohayv and Sanders (1990) and Keeton and Mengistu (1992) showed that employees' perceptions of organisational culture might be influenced by their demographic characteristic and nationality and that different levels of management influence cultural perceptions. On an organisational level, Helms and Stern (2001) found that employees' beliefs are affected by organisational unit membership.

The following conclusions are therefore reached:

- This retail company's 'old culture' showed several elements that typify Harrison and Stokes' (1992) power and role cultures. The managers were perceived to have had autocratic leadership styles, there were closed communication boundaries and managers often used to rule by fear. Mistakes were not allowed and people seldom knew where they stood with management. There was a perception that the company was slow to adapt to external demands, which could easily have lead to the business failing within one year. Predictability was valued and employees were dependent on management to give them guidance and direction. Employees were not empowered, and they were not informed about any changes in strategy.
- The 'new culture' in this company contains several characteristics, which are in line with Harrison and Stokes' (1992) performance culture and some elements of the support

culture. The culture manifests in open communication boundaries, which are not restricted by positional power, shared decision-making, ownership and a very strong focus on people. Employees are valued as assets within the company and good relations are encouraged. Initiative is accepted as a trait. Management is perceived to be open towards new ideas and is seen as visionary and approachable. Continuous learning is becoming part of the status quo where errors are viewed as a learning experience. Employees feel that they are cared for and feel a sense of belonging.

- There are indications that the company's culture is moving towards Hofstede's (1991) cultural dimensions of collectivism, small power distance, weak uncertainty avoidance and a balance between masculinity and femininity.
- Head Office employees of the company's perceptions of organisational culture are in line with the integration perspective of Martin (1992), and store managers' perceptions are to an extent aligned with the differentiation perspective. The responses of the store managers contain elements that indicate that sub-cultures exist and that a lack of consensus is tolerated. The fragmentation perspective of Martin (1992) could not be verified as shop floor staff has been excluded from the study.
- The participants' age, gender and race did not have any significant influence on their experiences of culture. The manifestations of the 'old culture' seemed to have been more embedded for employees with longer years service, although it did not have a significant influence on the responses.

## **RECOMMENDATIONS**

This retail company has made a good start in sharpening its corporate culture by involving its employees on lower levels. The following recommendations are made based on the findings:

- Employees on all levels need to understand what their job in the company means and where it fits in the bigger picture. Leaders who understand this strategic picture are needed to empower employees on lower organisational levels towards taking ownership for their own performance and growth.



- The organisation's adaptability should be preserved and maintained by seeing management commit itself to reinforce and support the organisation's key values and philosophies. This reinforcement should be characterised by a correlation between what is being said (verbally) and their behaviour (which could be seen).
- The strategic leadership development programme should continue and the projects following from that implemented. Employees from lower organisational levels should be allowed to apply in order to create a bigger pool of change agents within the company. The influence of this pool of change agents is critical in building on the "new culture" that has started to evolve within the company.
- A follow up study on how employees experience culture could be made after completion of the second leadership development programme in order to maintain research history on the interventions that took place.
- A formal support structure should be created for middle- and top management. Coaching should take place on a continuous basis, using the open and honest communication system that already exists. Newcomers in the company must also get exposure to the interventions that have already taken place in order to sustain the changes that have already taken place in moving from the "old " to the "new culture".
- A culture audit, by using the values of the company should be made by means of random sampling involving all the different departments and levels. This would eliminate one of the limitations of the research, which was the inclusion only of employees who have attended the strategic leadership development programme.
- An opportunity exists for an organisational culture study to be made of the whole chain including all the different trading companies.
- An experimental study could be made of the strategic leadership development programme to determine the effect of the programme.

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## **CHAPTER 3**

### **CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS**

This chapter comprises conclusions regarding the literature review and the empirical study. Thereafter, limitations are discussed, and lastly, recommendations and suggestions for future research are offered.

#### **3.1 CONCLUSIONS**

This study aimed at describing the experiences of retail employees of their organisation's culture. The following conclusions follow from the literature review.

- The correlation for long-term financial performance is the highest for organisations with an adaptive culture. In the process of creating an adaptive culture, leaders must start by articulating and implementing a vision and business strategy with clearly spelled-out objectives. An open flow of communication should be ensured, in order to allow the vision to filter down to lower (all) organisational levels.
- Successful retail companies and hence those with an in-built capacity for change have several things in common. There is a trust relationship between managers and employees (Gardiner & Whiting, 1997; McLagan, 2002); they celebrate success and view learning as part of the status quo; and they focus on the "soft qualities", like creativity, innovation, insight and intuition to keep their competitive advantage (Gardiner & Whiting, 1997; La Vere & Kleiner, 1997; McLagan, 2002).
- Shim, Lusch and Goldsberry (2002) are of the opinion that the (United States) workforce need staff who are equipped to stand the pace with the technological advances and latest managerial concepts in the global marketplace and that the performance expectations and leadership skills for executives in retail are rising. Sharpening the culture of an organisation, especially in retail, is considered essential to its future success and the Chief Executive Officer of Wal-Mart (a leading retailer in the United States) strongly supports this notion (Chain Store Age, 1999).

- The organisational unit in which the employee works affects their beliefs about organisational culture and it is truly problematic to homogenise cultural perceptions in organisations. This implies that it is likely that sub-cultures will exist within organisations. Perceptions of organisational culture differed across levels of management in earlier research. Later studies, however, found little evidence to support this although one researcher found some degree of systematic heterogeneity in perceptions across managerial/hierarchical levels. Organisational function has shown no significant relation on employees' cultural perceptions; however, the results are very different for the personal dimensions.
- How employees experience organisational culture was found to be significantly different across age and ethnic groups as well as across the sexes. Personal experiences and backgrounds have a bigger influence on cultural perceptions as do work experiences.

The following conclusions are derived from the empirical study.

- This retail company's 'old culture' showed several elements that typify Harrison and Stokes' (1992) power and role cultures. The managers were perceived to have had autocratic leadership styles, there were closed communication boundaries and managers often used to rule by fear. Mistakes were not allowed and people seldom knew where they stood with management. There was a perception that the company was slow to adapt to external demands, which could easily have lead to the business failing within one year. Predictability was valued and employees were dependent on management to give them guidance and direction. Employees were not empowered, and they were not informed about any changes in strategy.
- The 'new culture' in this company contains several characteristics, which are in line with Harrison and Stokes' (1992) performance culture and some elements of the support culture. The culture manifests in open communication boundaries that is not restricted by positional power, shared decision making, ownership and a very strong focus on people. Employees are valued as assets within the company and good relations are encouraged. Initiative is accepted as a trait. Management is perceived to be open towards new ideas and is seen as visionary and approachable. Continuous learning is becoming part of the

status quo where errors are viewed as a learning experience. Employees feel that they are cared for and feel a sense of belonging.

- There are indications that the company's culture is moving towards Hofstede's (1991) cultural dimensions of collectivism, small power distance, weak uncertainty avoidance and a balance between masculinity and femininity.
- Head Office employees of the company's perceptions of organisational culture are in line with the integration perspective of Martin (1992), and store managers' perceptions aligned with the differentiation perspective. The responses of the store managers contain elements that indicate that sub-cultures exist and that a lack of consensus is tolerated. The fragmentation perspective of Martin (1992) could not be verified as shop floor staff has been excluded from the study.
- The participants' age, gender and race seem not to be related to their experiences of culture. The manifestations of the 'old culture' seemed to have been more embedded for employees with longer years service, although it did not have a significant influence on the responses.

### **3.2 LIMITATIONS OF THE RESEARCH**

The most significant limitations of the research are as follows:

- A significant limitation of this research is that only 13 employees were interviewed and they are all part of Management (on different levels) of the company. The participants have all attended or have been involved in the strategic leadership development programme, hence the results might not be representative of all the company's managers' views on the organisational culture.
- The shop floor staff and administrative staff were excluded, hence the fragmentation perspective of Martin (1992), could not be verified from the results. The studies in the fragmentation perspective seek to understand the interaction and conflict between

opposing sub-cultures, and focus on the construction and reconstruction of organisational reality (Harris & Ogbonna, 1998).

- Only interviews were used as data gathering method. Other methods like surveys could also have supplied valuable information regarding the organisational culture.
- Only employees from certain geographical areas nationally were included in the study. Employees from other geographical areas might have different views on the culture, due to different sub-cultures that might exist.

### **3.3 RECOMMENDATIONS AND FUTURE RESEARCH**

#### **3.3.1 Recommendations linking to the problem statement**

This retail company has made a good start in sharpening its corporate culture by involving its employees on lower levels. The following recommendations are hereby presented based on the findings:

- The strategic leadership development program should continue, and the projects following from that implemented. Employees from lower organisational levels should be allowed to apply in order to create a bigger pool of change agents within the company. The influence of this pool of change agents is critical in building on the “new culture” that has started to evolve within the company.
- A formal support structure should be created for middle- and top management. Coaching should take place on continuous basis, using the open and honest communication system that already exists. Newcomers in the company must also get exposure to the interventions that have already taken place, in order to sustain the changes that have already taken place in moving from the “old “ to the “new culture”.
- The reward and recognition system of the company must be aligned with the people strategy (i.e. based on teamwork).



### **3.3.2 Recommendations for future research**

The following research opportunities arise from this study:

- The company was busy redefining its brand strategy, whilst this research was taking place. Since the completion thereof, the new brand strategy has been announced. Projects will soon be started to create further awareness and implement this new brand throughout the company. This creates a big opportunity for the re-branding of the culture. The leadership development program has been a start in building the competence of the change leaders within the company. A need would arise in determining what the current brand status is which would necessitate an analysis of what the culture is now and what the desired culture is as it relates to the brand.
- A culture audit, by using the values of the company should be made by means of random sampling involving all the different departments and levels. This would eliminate one of the limitations of the research that was the inclusion only of employees who have attended the strategic leadership development program.
- An experimental study could be made of the strategic leadership development program to determine the effect of the program.
- A follow up study on how employees experience culture could be made after completion of the second leadership development program in order to maintain research history on the interventions that have taken place.
- An opportunity exists for an organisational culture study to be made of the whole chain including all the different trading companies.

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