

Faculty of Human and Social Sciences

Department of Psychology

Level: 3rd year LMD work and organization Psychology

Instructor: Ms. Saci Meriem

Module: English

Lesson n°1: The Impact of Organizational Culture

I. Introduction

Organizational culture is one of the most influential factors shaping how organizations function, how employees behave, and how effective a company can be in achieving its goals. It represents the shared values, beliefs, and norms that influence how members of an organization interact with one another and with the external environment.

According to Edgar Schein (1992), organizational culture can be defined as: “A pattern of shared basic assumptions that a group learns as it solves its problems of external adaptation and internal integration.” In simpler terms, culture is “*the way things are done around here.*”

II. Components of Organizational Culture

Organizational culture operates on different levels:

1. **Artifacts:** *Visible* elements of culture, such as dress codes, office layout, rituals, and symbols.
2. **Espoused Values:** The stated values and norms that are preferred by the organization (e.g., teamwork, innovation, respect).
3. **Basic Underlying Assumptions:** The deeply rooted beliefs that are often unconscious but guide behavior (e.g., beliefs about human nature, work ethic, or authority).

These three levels work together to form a powerful system that shapes employee attitudes and performance.

III. Impact of Organizational Culture

Organizational culture influences several critical areas:

a. *Employee Behavior and Motivation*

- A positive culture fosters engagement, commitment, and loyalty.
- A toxic culture can lead to burnout, stress, and high turnover.

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- For example, a **clan culture** enhances job satisfaction through teamwork and belonging.

b. Performance and Productivity

- When employees share values aligned with organizational goals, productivity increases.
- In contrast, cultural misalignment often leads to conflicts and inefficiency.

c. Communication and Decision-Making

- Cultures that value openness encourage better communication and collaboration.
- Hierarchical cultures may slow down decisions but improve consistency and control.

d. Innovation and Change

- Cultures that reward creativity and risk-taking (e.g., adhocracy) tend to produce more innovation.
- Rigid cultures may resist change and struggle in dynamic environments.

e. Organizational Identity and Reputation

- Culture shapes how the organization is perceived both internally and externally.
- Companies like Google and Apple are well-known for their innovative cultures that attract talent.

IV. Measuring Organizational Culture

Researchers and managers use different tools to assess culture, such as:

- *Organizational Culture Assessment Instrument (OCAI)*
- *Denison Organizational Culture Survey (DOCS)*
- *Interviews and Observations*

Understanding the existing culture helps leaders identify areas for improvement or transformation.

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V. Changing Organizational Culture

Changing culture is one of the most challenging tasks in management. Steps typically include:

1. Diagnose the current culture.
2. Define the desired culture.
3. Align leadership behaviors and HR systems (rewards, hiring, training).
4. Communicate and reinforce new values consistently.
5. Monitor progress and adjust when necessary.

Culture change takes time because it involves changing people's beliefs and assumptions.

VI. Case Example: Google

Google's culture emphasizes:

- Innovation and experimentation.
- Open communication (e.g., "TGIF" meetings).
- Employee autonomy and well-being.

This strong **adhocracy** and **clan culture mix** contributes to high employee satisfaction and creative problem-solving, giving Google a strong competitive advantage.

Conclusion

Organizational culture is the invisible force that drives behavior, decision-making, and overall success. Understanding its impact allows managers and psychologists to:

- Improve employee motivation and satisfaction.
- Create environments that promote innovation and productivity.
- Build strong, adaptive, and ethical organizations.