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Functionalistic models of organizational culture

Abstract: This article deals with functionalistic understanding of organizational culture which is still dominant paradigm of organizational culture in contemporary management. The objective of the article is to describe the characteristic of functionalist models of organizational culture characteristic to the functionalistic approach in management.
Key-words: fuctionalism, organizational culture, paradigms of organizational culture, organizational culture models.

Introduction

Functionalism is still dominant paradigm of organizational culture in contemporary management [Sułkowski 2004]. The objective of the article is to describe the characteristic of functionalist models of organizational culture characteristic to the functionalistic approach in management. This goal could be achieved by:

1. short characteristic of functionalistic understanding of organizational culture in management,
2. brief of the most popular models of organizational culture,
3. critical analysis of the functionalistic understanding of organizational culture, from the point of view of alternatives paradigms.

1. Functionalistic understanding of organizational culture

Organisational culture under functionalism is frequently described as an objectively existing entity of a systemic and holistic character. It consists of specific elements (subsystems) which function within cause and effect correlations. The elements of organisational culture which are most often mentioned include values, norms, basic assumptions, cultural patterns, heroes, stereotypes, myths, stories, rituals and taboos. In this sense, organisational culture is, apart from strategy and organisational structure, one of the subsystems of organisation understood as a whole. Such system models, including organisational culture among other system elements, were proposed by a number of authors [Morgan 2013, p. 51; Peters, Waterman, *Poszukiwanie,* p. 41; Sułkowski 2002], though many system concepts did not take culture into consideration [Krzyżanowski 1999, p. 34; Leavitt 1965, p. 160]. It is understood as an internal variable, which can be theoretically, methodologically and pragmatically analysed in organisations. Thanks to that, it is possible to find mod-

els showing the relationships between culture and other variables, such as leadership, strategy and organisational structure. This kind of research has been conducted by, for example, T.E. Deal and A.A. Kennedy, C. Handy and many others [House, Hanges, Ruiz-Quintanilla 1997, pp. 215–254; Deal, Kennedy 1982; Handy 1999]. Culture is treated pragmatically, or even instrumentally, so researchers believe it is possible to control it, which gives meaning to organisational culture management. Culture researchers should try to remain detached from organisation, which means striving for objectivity and avoiding valuation (axiological neutrality). It is also undesirable to interfere with the social reality studied, which could distort the objectivity of the research process. Organisational culture is one of many cultural circles that are hierarchically ordered. It is possible for values, norms and cultural patterns to diffuse from the level of the social culture to the organisational culture. The key subject of discussion is the effectiveness of cultural management, which leads to the diversification of culture typologies, of which the most important is the distinction between strong and weak, positive and negative cultures. The most significant current of functionalist research includes comparative cultural research, the effectiveness of organisational culture management and cultural integration. The preferred methodology includes qualitative, quantifiable, standardised and structured research, such as the survey method. The most important researchers of culture in management assuming the functionalist cognitive perspective include G. Hofstede, F. Tromperaars, C. Hampden-Turner, E. Schein, R. House, T. Deal, A. Kennedy, T. Peters, Waterman and C. Handy [Sułkowski 2002].

2.   Functionalistic models of organisational cultures

Assuming the analytical perspective on the elements of organisational culture, it is worth considering the relationships between them. The key to understanding culture is answering the question about the cognitive model, with the use of which we can formulate hypotheses concerning the state of culture. Organisational culture models, based on the neopositivist-functionalist-systemic paradigm, are characterised by:

– Systemic nature,
– Analytical nature,
– Reification,
– Striving for statistical balance.

A systemic nature is one in which elements of organisational culture, between which causative relationships in a model are described, form subsystems, and so a change in the state of one entails a change in the state of the whole system. An analytical nature is one in which the assumed model of culture can be divided into elements both theoretically and empirically. Thus, the elements of organisational culture described in the previous subchapter are not only a list of elements, but also constituents of a model. Reification means that organisational culture is treated as an extant, real entity, almost an object that can be studied. Understanding organisational culture as a process is much rarer. And finally, the striving for balance means that functionalist models usually describe the status quo, so they are static.

The subject literature offers a large number of models that have often been used to build typologies, and have been tested with the use of empirical research. The most important, or even canonical, culture models are those of E. Schein and G. Hofstede, while the most popular modern models were created by K. Cameron and R. Quinn, as well as R. Goffee and G. Jones. Later on, I will present my 3D model of organisational culture, based on G. Hofstede's model of dimensions, which I used for research in 2000.

E. Schein emphasises that organisational culture exists to some extent in order to answer two kinds of problems, concerning each organisation: problems related to the adjustment to the organisation's environment and problems related to its internal integration [Schein 1983, pp. 13–28; Schein 1984, pp. 3–16; Schein 1985, pp. 17–43; Schein 2004]. His model consists of three elements called culture levels, which were distinguished because of their permanence and visibility. This author perceives organisational culture as a collection of dominant values and norms of conduct, characteristic of a given organisation, supported by assumptions as to the nature of reality and manifested in the form of artefacts – external and artificial products of the given culture [Schein 2004]. According to the concept of this author, culture functions on three levels: artefacts can be found on the surface, below which are the values and norms of behaviour, with the lowest level occupied by the main, basic assumptions.

**Figure 1.** Organisational culture model according to E. Schein
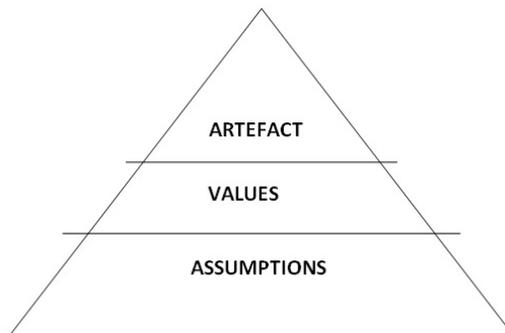
Source: Schein 2004, p. 14.

Artefacts include logos, the appearance and design of buildings, dress code, status indication, common phrases and mental shortcuts, jargon, mottos, myths, legends, ceremonies and rituals. Norms and values can be divided into declarative (which declare what is good for the organisation, what is praiseworthy, and what is bad and reprehensible), and followed (which we know about thanks to all kinds of informal conversations and behaviour). The basis and the essence of organisational culture are assumptions, or collections

of the basic patterns of orientation and ideas, as well as philosophical and worldview assumptions, which influence perception and actions.

G. Hofstede proposed a model of organisational culture, which orders the elements of culture hierarchically, comparing them metaphorically with onion layers.

Figure 2. G. Hofstede's 'onion diagram'
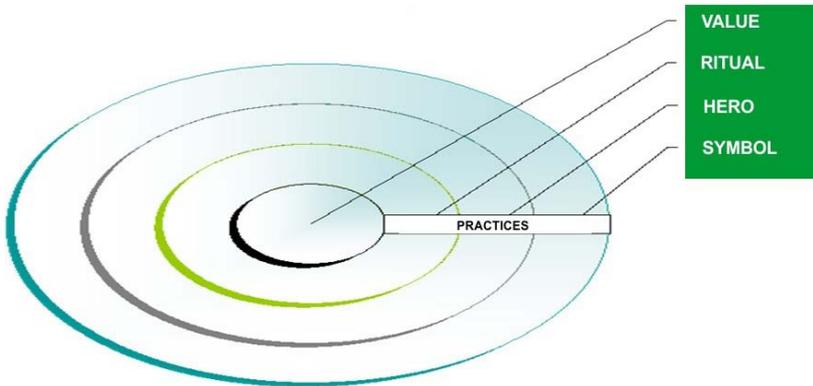
Source: Hofstede 2000, p. 43.

Values are located at the core of the onion, rituals and heroes are in the middle layers, while symbols form the outermost layer of the model. The last three elements of culture together form a broader category of practices. Symbols include words, gestures, objects and images, which are recognised by the members of a given culture. Heroes are people who symbolise the features most valued in a given culture, becoming role models. Rituals are repetitive activities which express and emphasise the basic values of an organisation. They can be found in gestures, ways of greeting, religious and social ceremonies. Symbols, heroes and rituals form practices, which are clear only to the members of a given culture, while values are the ideas of what is important in a given environment and society. These are often called a moral code. They point to what should be, and not to what is. The assumed system of values gives rise to organisation's cultural norms, which determine what is permissible and what is prohibited. These indicate the kinds of behaviour we can expect of the members of a given organisational culture. As G. Hofstede emphasises, the presented structure of culture refers to national and organisational cultures, but in both cases individual elements play different roles. Members of different organisations differ mostly in terms of practices, and not in terms of values. On the national level, differences mainly concern values. As Hofstede claims, the core of organisational culture is the sense of community of practice, which is not common to all values. The values of an organisation's members depend mostly on external factors, such as nationality and age, and not just membership in the organisation.

A different model of culture, quite often used for the purpose of empirical research, was proposed by K. Cameron and R. Quinn, based on the distinction between two dichotomous dimensions: flexibility vs. stability and internal vs. external orientation. The combination of these dimensions results in four types of ideal organisational culture:
1. Clan culture is inwardly oriented and flexible, and often conditions paternalist management styles.
2. Adhocracy is outwardly oriented and flexible, which leads to innovation-oriented leadership.
3. Market culture is a combination of outward orientation and stability, which leads to strong leadership in the context of high competitiveness.
4. Bureaucratic culture is inwardly oriented and strongly structured, the consequences of which are highly formalised management patterns.

Table 1. Cameron and Quinn model of organisational culture

Ideal culture type	Dimensions	Ideal leadership type	Effectiveness
Clan	Internal Flexible	Paternalistic	High, especially in the sphere of employee involvement and quality
Adhocracy	External Flexible	Innovative leadership	Moderate or low
Market	External Stable	Charismatic leadership	High, especially in economic and innovative terms
Bureaucracy	Internal Stable	Bureaucratic leadership	Moderate or low

Source: Own work.

Cameron and Quinn proposed linking organisational culture with leadership and effectiveness, and they developed a method and a tool for cultural diagnosis – the Organisational Culture Assessment Instrument, which allows us to identify cultural gaps [Cameron, Kim and Ettington, Deborah 1988, pp. 356–396]. The clan culture is characterised by friendly professional relationships, and the organisation's members think they are part of one huge family. Leaders in this case are perceived as mentors. There is a high level of involvement in the tasks received, as loyalty and tradition bond the organisation. Emphasis is put on long-term benefits, and the organisation is characterised with striving for agreement and it is oriented towards interpersonal relationships. The decisive factors are managerial skills related to managing teams and the development of employees. The culture of adhocracy favours creativity and dynamic development. Organisation employees are not afraid to take risks and they like experiments. A typical organisation leader is an innovator, a visionary. The decisive elements include managerial skills related to innovation management, orientation towards the future and managing constant improvement. A culture of hierarchy is typical of formalised organisations. In this case, a typical leader is a coordinator, organiser and observer.

Work has to go uninterrupted and has to be done on time. There is a rule, according to which control improves effectiveness. The decisive elements are managerial skills related to assimilation management (clear indication of expectations and standards), a control system and coordination. In the case of a market culture, a typical leader is a supervisor, competitor and producer. A characteristic feature of such organisational culture is achieving aims and beating the competition. It is important to fulfil the tasks, achieve results and success. The decisive factors are managerial skills related to motivating employees and propagating a customer-oriented approach. While the clan culture and adhocracy are flexible and allow freedom of action, the cultures of market and hierarchy value stability and control. The first two cultures are oriented towards internal issues and integration, while the other two deal are oriented towards the environment and diversity [Cameron, Quinn 1999].

R. Goffee and G. Jones assume that cultural patterns in organisation can be successfully explained with the use of the dimensions of sociability and solidarity [Goffee, Jones 1996, p. 134]. In this case, sociability is understood as honest liking between the members of a given community, while solidarity is understood as the ability of an employee group to achieve common goals. Goffee and Jones's model allows us to distinguish four types of organisational cultures. The combination of a high level of solidarity with an equally high level of sociability results in a community culture. Its characteristic features include maintaining friendly relationships at work and outside work, justice and a reduction of fear in uncertain situations, sharing clearly determined, deeply rooted values, a fair distribution of risk and prizes, clearly indicated competencies and the assessment system. An important role is played by social events, which means the culture includes strong rituals. The meeting of a high level of solidarity and a low level of sociability gives rise to a mercenary culture, which is characterised by the seizing of opportunities, quickly and effectively, and effectively dealing with threats. Mistakes and shortcomings are unwelcome in this environment. An important role is played by reports, containing specific data. All tasks are a result of top-down decisions, and their fulfilment is unquestionable. The personal interests of subordinates often coincide with the organisation's assumptions. However, in many cases employees are not loyal. Usually they stay in an organisation only as long as it suits their interests. Another kind of culture, distinguished by the above authors, is the network culture. This appears when a low level of solidarity and a high level of sociability are combined. This culture is oriented towards strong personal relations, deepening these relations and omitting formal procedures. Meetings in the office, gossiping and friendly chats are typical of this culture. Unlike the mercenary culture, in this case numerous informal meetings are organised at work, birthdays and Christmas are celebrated together, and an important role is played by rituals. The last type of culture, created by a combination of a low level of solidarity and a low level of sociability, is the inconsistent culture. Its characteristic feature is the striving for the achievement of personal goals; it does not include the identification of employees with the goals of the organisation. There is no agreement between the managers on different levels as to strategic aims and development standards. In or-

ganisations of this type, showing emotions and attempts at friendly behaviour are unwelcome. Professional life is separate from personal issues. Organisation members assume that all rituals are a waste of time. Resistance to changes and development is emphasised, while people are distrustful and unwilling to share information [Goffee, Jones 1998, pp. 21–43].

Critical assumptions

A characteristic feature of functionalism is the tendency to describe a stable state and balance, which makes it difficult to conduct research into as dynamic processes as organisational culture [Sułkowski 2012, pp. 62, 77, 121–122]. Because of the integration perspective, culture is perceived as a relatively cohesive and homogenous system of values, which is contrary to the image of organisation and culture, which often includes conflicting and mutually exclusive subcultures and counter-cultures. The assumption that a functioning organisation has to be integrated – at least to a minimal extent – should not be identified with the assumption that all organisation's elements contribute to its cohesion, while the basis for its activities is harmony and unity. In the context of rapid changes in the environment, radical, integration and functionalist perspective cannot be defended. Conflicts, incoherence and contradictions can dynamise organisation's changes and development, opening new perspectives and allowing a choice of creative solutions. Nevertheless, this does not change the fact that there still remains a minimal degree of cohesion in the organisation, thanks to which it is still a whole, despite the regularly escalating internal conflicts. Two issues related to an organisation's integration have to be noted. First of all, the management of an organisation should not strive only to enhance its cohesion, as a perfectly cohesive organisation is hermetic and poorly adapted to changes, both internal and external. Secondly, the sources of integration are complex, which means that a constant increase or decrease in the degree of the organisation's cohesion, and requires taking into consideration strategic, structural and cultural factors on the level of individuals, social groups and organisation in the environment. Historically, as criticism of the integration approach intensified, the functionalists developed a concept defending the integration approach, based on balance. T. Parsons proposed a concept of punctuated equilibrium, which assumes the possibility of changes and, at the same time, the system's tendency to regain balance in a process of transformation [Parsons 1961, p. 68].

Representatives of the critical current (CMS) accuse functionalism of creating a fake conciliation, cooperative vision of organisational culture, while it is ideological and conceals the interests and power of dominant groups. Thus, functionalism preserves the unjust status quo with the use of indoctrinating and manipulative organisational culture [Fournier, Grey 2000, pp. 7–32].

The systemic approach entails the presentation of culture in the form of mutually related elements, which can be described with the use of variables, indicating that they are plausible objects that can be subject to research. Because of the reification of culture, functionalism has more problems with grasping the procedural essence of culture, which is transformation and flow, rather than an object that can be studied.

According to the representatives of alternative paradigms, the assumption of the neopositivist cause-and-effect pattern in order to explain culture is problematic. They believe that the cultural discourse deals with meanings within a complex network of relationships and they call for the interpretation of correlations, and not the causative analysis of variables, drawn from the scientific method of the natural sciences. Interpretivists have methodological objections to functionalism, related to the lack of understanding and individual approach. According to the representatives of interpretative-symbolic current, the application of objectivist and statistical methods, used mainly for the purpose of research into mass phenomena, does not allow one to understand the essence and sense of organisation, which can be found in deeply internalised meanings.

Another criticised assumption of functionalism is related to the use of functions, which means its usefulness to explain the existence of certain phenomena in culture. It seems that many cultural phenomena are non-functional, or even anti-functional. It is difficult to find the benefits of the creation of, for example, some destructive counter-cultures in organisations [Coser 1977, p. 140]. According to the critics, the vision of culture in functionalism is over-rationalised, and sits closer to the idea of *homo oeconomicus*, and is in consequence deceptive. Moreover, interpretivists believe that functionalist explanations create an excessively determinist vision of man and culture, which assumes that human behaviour follows a pattern. There is not much space for free will, while interpretivists think that people are not cultural puppets. An overly optimistic approach is related both to the cognition and the improvement of culture. As research experiences show, many of the methods of getting to know and improving organisational culture are very unreliable.

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