

CULTURE AND ORGANIZATION STRUCTURE

An important aspect of management is to organize personnel into a structure that facilitates the communication and coordination of the organizations tasks. Since organizations can use a variety of structures and vary in their size and complexity, this section will focus on culture's impact on certain dimensions or characteristics of all organization structures. Specifically, three broad dimensions that are characteristic of all types of structures are examined in this section.

Specialization - the way the organization has divided up its jobs, tasks, and responsibilities. This dimension has two aspects a horizontal one and a vertical one.

Horizontal Specialization - refers to the division of tasks and responsibilities which are located on the same authority level of the organization. This includes defining different jobs within a single department as well as organizing a group of jobs into different departments or divisions on the same level of the organization.

Vertical Specialization - refers to the division of responsibility between different levels of the organization; it permits the coordination of jobs or departments at the next level. This type of specialization defines the chain of command or hierarchy of posts/departments within the organization.

Centralization - refers to the location of decision authority within the organization. If most of the authority is retained at the top; we say the organization is centralized. If decision authority has been delegated to lower levels, the organization is more decentralized.

Formalization - also referred to as standardization is the term used for the policies, procedures, and methods that the organization has developed over time to guide people in their jobs; these guides often increase efficiency and consistency in the work and decisions made by personnel in the organization.

Since organizing a fundamental management function, it is greatly affected by different assumptions and values held by people, *ceteris paribus*. The cultural assumptions and values examined here appear to have considerable affect on horizontal specialization then centralization and formalization followed by vertical specialization.

Assumptions & Structure

Cultures which take the environment as a given prefer centralized structures because authority lies directly with those in a position of power at the top of an organization. Cultures that seek to control the environment feel that all have it in their power to do so; hence, tend to decentralize authority.

Cultures which view people as lazy or irresponsible tend to design simple jobs for them to do and centralize power because few are capable of using it well. Cultures which perceive people as essentially "good" are willing to enrich their job with planning and control responsibilities and consequently decentralize such responsibility to people throughout the organization.

In contrast to monochronic cultures, polychronic peoples prefer fewer levels of authority because like time authority is intangible and cannot be as easily segmented. Such cultures also prefer to design jobs, committees, and departments which emphasize relationships needed with others to get the job done rather than organizing around specific jobs as monochronic cultures do because of their segmented view of time and activity. Relationships enable polychronic peoples to work on several tasks or projects at once. Public (vs. Private) space cultures also prefer to organize around relationships but for a different reason. People from such cultures prefer to be in the center of organizational activity and a focus on relationships enhances this possibility. Private space people like to work in private so work must be divided into specific tasks to enable such people to work on a piece of it privately.

Finally, low context cultures like to have things explicit (spelled out), thus they prefer detailed written job descriptions and rules and procedures. High context cultures prefer more implicit information and do not need to have as explicit job description or rules because they feel they can determine what needs to be done from the context or situation.

ASSUMPTIONS AND STRUCTURE

<u>ASSUMPTIONS</u>	<u>Vertical Specialization</u>	<u>Horizontal Specialization</u>	<u>Centralization</u>	<u>Formalization</u>
<u>Environment</u> Submit Control	- -	- -	Centralization Decentralization	- -
<u>Human Nature</u> Evil Good	- -	Job simplification Job enrichment	Centralization Decentralization	- -
<u>Time</u> Mono Poly	Many levels Few levels	Task centered Relationship centered	- -	- -
<u>Space</u> Private Public	- -	Task centered Relations centered	- -	- -
<u>Context</u> Low High	- -	Detailed job description General job description	- -	Detailed policies, etc. Broad policies , etc.

Values and Structure

High power distance (PD) cultures tend to emphasize status in their organizations as they do in society hence they usually have more levels of management. Those with higher status also have more power in both society and organizations; hence their preference for centralized authority. Low PD cultures prefer fewer levels and decentralization because they seek to minimize status and power differences both in their societies as well as in their organizations.

In order to reduce their fear of the unknown, high uncertainty avoidance (UA) cultures prefer clear chains of command in their hierarchies, rely on expertise (more specialists), and a large set of clear cut rules and procedures. Specialization also reduces the amount of uncertainty because people need to be informed about a narrower field of knowledge. Low UA cultures who can tolerate more uncertainty rely on fewer specialists and

rules.

Individualist (IND) cultures prefer specific job description which defines an individual's responsibility as distinct from others; they also prefer policies which emphasize/reward individual initiative and the policies should apply to all members. Collective societies, on the other hand, use less detailed job descriptions as one's job is commingled with that of their work group and they prefer policies that recognize/foster loyalty to the department or organization and which may support their group exclusively.

The early breakthroughs in job enrichment programs (designed to provide more variety and responsibility in most jobs) were developed in feminine cultures that value quality of life ; working life in this case. Masculine cultures tend to design job to produce achievement or results consistent with their values.

The cultural impacts on structure discussed above reveal a people's preferences for certain organizational characteristics, *ceteris paribus*. The characteristics of any organization will also depend on the firm's strategy, size, technology, and competitive environment among other factors.

[References: 10, 11, 13, 24, 26, 31]

VALUES AND STRUCTURE

<u>VALUES</u>	<u>Vertical Specialization</u>	<u>Horizontal Specialization</u>	<u>Centralization</u>	<u>Formalization</u>
<u>Power Distance</u> Low	Few levels	-	Decentralize	-
High	Many levels	-	Centralize	-
<u>Uncertainty Avoidance</u> Low	-	Fewer specialists, depts.	-	Fewer rules, etc.
High	Clear chain of command	More specialists, depts.	-	Many rules
<u>Self-orientation</u> Collective	-	General job description	-	Policies - loyalty & vary by group
Individual	-	Specific job description	-	Policies - initiative & apply to all
<u>Assertiveness</u> Feminine	-	Job design - quality of life	-	-
Masculine	-	Job design -	-	-

		achievement		
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