

# 22719C

# Developing Corporate Culture

Unit code: L/602/2063

QCF Level 7: BTEC Professional

Credit value: 5

Guided learning hours: 15

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## Unit aim

This unit provides the learner with an understanding of the importance of corporate culture in an organisation's success, and the managerial skills to influence the achievement of that culture.

## Unit introduction

The development of an appropriate culture is vital to the success of an organisation. It could be said that all the best policies, procedures, and technologies are supported by a culture that reinforces consistently what the organisation is about. This unit focuses on the importance of understanding culture and climate in a globalised, diverse and repeatedly restructured working environment, and how to develop a climate appropriate to the desired culture. The unit explores cultural issues at national and organisational levels and the differences between culture, climate and values. Learners will find out that establishing an organisation's vision and values is an important step in developing the desired culture. They will have the opportunity to investigate the development of these values, the climate in the workplace and the extent to which they, as managers, can influence it.

This unit gives learners the opportunity to explore the dynamic link between an organisation's objectives and its desired culture, and how a manager can interact effectively in different cultural settings and influence the development of a desired organisational culture.

Learners will explore work that has already been carried out to develop an understanding of both national and organisational cultural dimensions. This understanding will allow them to consider how this affects their interaction with stakeholders from different cultural groups.

Although the unit is underpinned by an exploration of relevant theory, the intention is that learners apply their learning to specific organisations and situations. They will develop realistic strategies for interacting effectively with people from different cultures and for contributing to the development of organisational culture. This will include the development of communications strategies for stakeholders that take into account of differences in beliefs, values, customs and language.

## Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

### On completion of this unit a learner should:

| Learning outcomes  | Assessment criteria  |
|--|--|
| <p>1 Understand how the characteristics of corporate culture affect the achievement of organisational objectives</p>               | <p>1.1 explain how models of organisation culture can be used to achieve organisational objectives</p> <p>1.2 explain the difference between organisational and national culture</p> <p>1.3 analyse the corporate cultural profile in an organisation</p> <p>1.4 discuss the impact of an organisation's corporate culture in achieving its objectives</p> |
| <p>2 Be able to propose organisational values that will influence corporate climate</p>  | <p>2.1 evaluate the existing climate of an organisation</p> <p>2.2 recommend ways to improve corporate climate in an organisation</p> <p>2.3 propose a framework of organisational values that meet the specific strategic and operational needs of an organisation</p>  |
| <p>3 Be able to develop strategies to communicate with stakeholders of an organisation who belong to different cultural groups</p> | <p>3.1 identify internal and external stakeholders of an organisation</p> <p>3.2 evaluate the effectiveness of an organisation's existing communication strategies</p> <p>3.3 develop new communication strategies for stakeholders of an organisation that address differences in belief, values, customs and language</p>                                |

## Unit content

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### 1 **Understand how the characteristics of corporate culture affect the achievement of organisational objectives**

*Culture*: culture as shared values, practices and customs; definitions of organisational culture; culture at ascending levels; sub-cultures; professional cultures

*Models of organisational culture*: Charles Handy – power, role, person and task cultures; Johnson and Scholes cultural web; organisational change programmes – activities, effectiveness, successful and unsuccessful cases, links to organisational objectives

*Organisational culture*: industry culture; national and supranational culture; models of culture eg Trompenaars's implicit-explicit factors, Schein's three levels

*National cultures*: methods of classifying national culture eg the work of Laurent, Hofstede and Trompenaars

*Impact on achievement of organisational objectives*: areas of differences and potential misunderstandings – communications; management, negotiation; buyer behaviour; misinterpreting conflicting cultural signals eg work of Trompenaars and Hampden-Turner 1998; cultural shock, importance of developing cohesive culture in merged organisations

### 2 **Be able to propose organisational values that will influence corporate climate**

*Climate profile*: how climate is defined; difference between climate and culture; key aspects of organisational climate eg flexibility; responsibility; standards; rewards; clarity; team commitment; impact of management practices on climate; impact of climate on efficiency and effectiveness

*Methods of improving climate*: recognising that 'improve' may mean change because a particular climate is no longer appropriate; understanding the climate that is required; understanding management styles; effective communications and rationale; continual review

*Values*: values or core values as a part of organisational culture; crisis of ethics in business and the new emphasis on value leadership – framework for developing and supporting strong corporate core values

### **3 Be able to develop strategies to communicate with stakeholders of an organisation who belong to different cultural groups**

*Stakeholders:* customers, consumers, employees; shareholders; governments; communities, business partnerships and alliances – the increasing need to cooperate with people from different cultural groupings (including beliefs, values, customs and language)

*Communicating effectively:* strategies; identifying potential barriers and ensuring strategies overcome them; developing self-awareness of own and organisational culture; benefits of a diverse workforce; acculturation programmes; intercultural communication skills

#### **Essential resources**

There are no essential resources required for this unit.

## Indicative resource materials

### Textbooks

- Brooks I – *Organisational Behaviour: Individuals, Groups and Organisations, 4th Edition* (Financial Times/Prentice Hall, 2008) ISBN 0273715364
- Brown A – *Organisational Culture, 2nd Edition* (Financial Times/Prentice Hall, 1998) ISBN 0273631470
- Chaney L and Martin J – *Intercultural Business Communication, 4th Edition* (Prentice Hall, 2005) ISBN 0131860097
- Goffee R and Jones G – *The Character of a Corporation* (Profile Business, 2003) ISBN 1861976399
- Handy C – *Understanding Organizations* (Allen Lane, 2005) ISBN 0713997796
- Handy C – *Gods of Management* (Souvenir Press Ltd, 2009) ISBN 0285638440
- Hofstede G – *Culture's Consequences, 2nd Edition* (Sage, 2001) ISBN 0803973233
- Hofstede G and Hofstede G J – *Cultures and Organizations: Software for the Mind* (McGraw-Hill Professional, 2004) ISBN 0071439595
- Rollinson D – *Organisational Behaviour and Analysis: An Integrated Approach, 2nd Edition* (Financial Times/Prentice Hall, 2003) ISBN 0582820766
- Schein E H – *Organizational Culture and Leadership, 3rd Edition* (Jossey-Bass, 2004) ISBN 0787968455

### Journals

- Academy of Management Perspectives* (Academy of Management)
- Business Strategy Review* (John Wiley and Sons)
- Harvard Business Review* (Harvard Business Publishing)
- International Journal of Project Management* (Elsevier)
- Journal of World Business* (Elsevier)
- Management Today* (Haymarket Business Media)
- People Management* (Chartered Institute of Personnel and Development)

Copies of articles from the above journals can be obtained from the Chartered Management Institute.

## Websites

[www.ccl.org](http://www.ccl.org)

Center for Creative Leadership – a non-profit educational institution offering research findings in areas of creative leadership

[www.haygroup.co.uk](http://www.haygroup.co.uk)

Hay Group – information on assessing climate in work groups

[www.hbsp.harvard.edu](http://www.hbsp.harvard.edu)

Extracts from *Harvard Business Review* articles

[www.managers.org.uk](http://www.managers.org.uk)

The Chartered Management Institute – searchable database which members can use to access journal articles and other publications

[www.nationmaster.com](http://www.nationmaster.com)

International statistics on a variety of subjects