

- Learning to be confident about what is ethical and not ethical to make decisions in an ethical way
 - Moral courage
 - Affect
 - Empathise with other people, to think about situation they are in and how they might feel
 - Perspective taking
 - Learning to put ourselves in another person's shoes
 - How will they feel/experience if i behave in this way
 - Moral reasoning
 - Understanding ethical principles, thinking about questions about justice, consequences

What can organisations do?

- Formal elements
 - Ethical guidelines everyone is familiar is
 - Important of ethical behaviour
 - Linking ethical behaviour with rewards
 - Punishing unethical behaviours
- Informal elements
 - Ethical leadership
 - Developing ethical culture
 - We as individuals can work on to develop skills to be ethical

Organisational Culture

What is organisational culture?

- Culture is the traditional way of doing things
- Culture is shared
 - Not individual level
 - Exists as a group level
- Way people socialise in organization and learn the culture

Culture as Shared Meaning

- Shared understanding/meanings about what is/ who is the organisation/why it exists, how members of organisations should behave
 - Relates to values, beliefs, assumptions about the world and organisations
 - Way language is used in organisations
 - Symbols (logo), rituals, systematic patterns which people engage in at work
 - The things people do in doing their job (evolved over time)
 - Culture is organic

How do we identify a culture?

- Signs in culture
 - Organised in hierarchy
- Set of values, assumptions and beliefs (important)
 - Difficult to observed
- Easily observable (symbols)
 - Company's logos, uniforms people wear, rituals/ceremonies they engage in (graduations)
 - Graduation → all professors attend wear robes, velvet hats][culture]
 - Infer that culture is serious, observative, old fashioned
- Physical layout
 - Furniture, offices, uniforms
 - E.g. law firm → rather conservative, decorative, high quality old furniture, old art, lawyers wear dark suits, conservative black shoes → infer that it is successful, conservativ, that it is prosperous
 - E.g. game design firm → find office with bean bags, open plan, video game consoles, people wearing hoodies, t-shirt, runners → infer that the culture is fun, creative, youthful, casual
 - (observable difference, make inferences that they are two different cultures)
- Communication patterns (jargon, metaphors, nicknames)
 - The way people communicate with each other tell us something about the culture of the organisation
 - E.g. motorcycle gang. If we look at this, we look at nicknames (people would have nicknames such as killer, dirt bag, the ape) → infer that this is a culture that emphasizes being tough, dangerous, irreverent exercising not caring about what respectable society thinks of you.
- Stories (legends, myths, anecdotes, jokes)
 - Organisations tend to be full of stories
 - How members of organisation see themselves
 - E.g. Apple → company characterise by stories/legends of the founders
 - Important the way apple was perceived by other, people who worked in it
 - Culture emphasises creativity, successful though brains, hard work, unconventional, creativity
- Practices and behaviours (formal vs informal)
 - E.g. law firm meetings → formal agenda, minutes kept, voting → culture is serious, risk averse,
 - E.g. games design → meetings held with not agenda, probably no chair, no minutes/voting, voting by consensus → infer relaxed culture, fun culture, youthful irreverent culture.
- Values, assumptions and beliefs
 - Base of culture
 - Difficult to see
 - Infer these things from patterns you can see

- Form inferences on bases of things you can observe

Integrationist Theory of Culture

- Uniform culture
 - Culture at ANZ bank, culture at mcdonalds
 - Culture is something that you can see characterise at the level of whole organisation
 - Interactionist theory
 - Says that single uniform strong culture is better. Said to improve organisational effectiveness. It inculcates in people a common set of values. This means that everyone in organisation knows what they are suppose to do. Everyone shares values, adopt a set of practices. This means less need for formal rules. Everyone knows what organisation is there for and how things should be done.
 - Single culture is reproduced over time as new members come into organisation. They are socialised into this culture. This means culture is quite stable overtime.
 - Tells us how culture should be if serving as a useful function for organisation
 - Organisation develop cultures which enable them to survive in the environment they operate in
 - Something that involves a particular context, in a way that allows organisations to function effectively in that environment

Using Integrationist Theory

- We would be looking for a dominant culture
 - Widely shared understandings and meanings
 - Consensus throughout the organisation
 - Different members would tend overall to an agreement in terms of their understandings, values and assumptions.
 - See individuals with strong organisational commitment
 - If you have a shared strong culture
 - Everybody is on the same team, they know what to do, why they are there for
 - Clear Organisational boundaries
 - What inside/outside
 - Who we are and who they are
 - All being on the same team
 - Control of culture by leaders
 - Leadership of organization, expected to try to control culture, make sure culture develop in ways that serve needs of organisation
 - Culture help organisation to function and be profitable

Managing an Integrationist Culture

- Emphasis on top down control of culture in this theoretical tradition
- Managers engineering right type of culture
 - Managers and leaders in organisation doing what they need to do to create a particular type of culture
 - Founders
 - In Apple, founders were part of the culture. They played a role in developing the kind of culture apple had, which was reproduced over time
 - Selection
 - Who they hire
 - Cultural fit (right type of person, do your values fit with the values of this organization), tools that are used in graduate recruitment (want people who share the values of the organisation)
 - Leadership
 - Leading by example
 - Socialisation
 - Management of organisation
 - Ensure people are socialised in what they see as the right culture
 - Induction program, training in the values of the organisations
 - Rewards and Punishments
 - People are rewarded for behaving ways consistent with the culture and punished for behavior ways which are inconsistent with the culture
 - E.g melbourne city law firm (conservative, ppl wear expensive dark suits in work, if someone started wearing jeans to work, likely they will be punished in some way, reprimanded or thrown out of social circle, sanctions for not enacting the culture of the organisation)
 - To improve organisational effectiveness
 - Strong culture is important and should be engineered cuz it makes organisations more successful.

However

- Assumed that culture drives performance (but not a lot of evidence, no strong theoretical basis)
- Many companies condemned to be excellent and have strong cultures
 - Very strong cultures can be restrictive, when circumstances change it may be quite difficult for organisations to adapt, we see some organisations which can't adapt to the time. When circumstances change they don't
 - Strong conservative cultures
 - Strong cultures=effective organisations, how is it some organisations that don't have strong integrative cultures succeed, that means strong culture is not necessary for success
- Strong integration of cultures are always good, but what about if the value which are bound out with that culture which form the basis of that culture and the behaviours etc that goes with those value what if they are dysfunction, strong culture that is based on greed, dishonesty, winning at

any cost, competitiveness with each other (easily that company that has strong culture founded on things which are negative e.g dishonesty/greed, get in the way of successful performance in the long term)

Differentiationist Theory

- Integrationist theory expects organisations to have a single/uniform culture
- Differentiationist theory → cluster of subcultures, subcultures related to particular challenge/task/responsibility of a unit of a group within an organisation
- Culture of the senior leadership of that corporation will be quite different from the culture of the cleaning staff or the maintenance staff (which are different from the culture of the people in accounts, because each unit do different things and hire different people)
- Consensus
 - Within sub culture, we would find shared values, beliefs, assumptions we find consistent behaviours, but only be at the level of one of these sub cultures
- Relations among sub-cultures
 - Complement each other (fit together)
 - May be in conflict
 - Vastly different and conflicting culture
 - Or operate independently
 - Sub-cultures have permeable boundaries (boundaries between inside and outside a subculture aren't as tight /strict than in an integrationist view)
 - Part of an organisation while part of subculture.

Managing Differentiationist Sub-Cultures

- Manage subcultures from the middle of the organisation than from the top
 - Managed locally
 - Multiple subcultures (managed at multiple levels spread across the organisations)
- Boundary between “inside” and “outside” is permeable
 - Individuals are likely to be members of different group with different sub-cultures
 - Lecturer → Member of different groups at the same time (cultural affiliation is more fluid/permeable in the integrationist culture)
 - Differentiationist view is still functionalist, see management of culture that can be done and should be done, is desirable
 - Culture managed well, organisations more successful

Critical Theory of Culture

- Critical theory → looks at the question of what culture means for employees, focus on the way power is embedded in the culture
- Talking about the way in which culture is used to make employees do what the organisation needs
- How strong culture is a way to control their employees