CHAPTER 2

LITERATURE REVIEW :

2.1 Overview :

It is reviewed in the entire research study by referring various research journals and books in the specific field of Cross-Cultural work practices. We will see how cultural difference have frequently been conceptualized in term of the divergent values and meanings held by members of cultural group for example the work of (Hofsted 2001 & Shwatz 1992) and (Traumpenas and Hamden Turner 1997) this view of culture implies that the concept should be understood as compromising distinct layers, the outer strata consisting firstly of explicit observable differences either in individuals behavior or in cultural artifacts followed by a second deeper layer identifying norms or guidelines on appropriate behavior. These norms emerge from the core layer of the culture made up of deeply embedded values and implicit assumptions embraced by individuals and transmitted across generation through process of socialization. (it is also possible to lioacye values and assumptions in two separate layers. The work of (Hall 1976) which was identified difference in the context of communication also prompts a deep view of culture in which fundamental belief influence people’s perception of the world.

Much of the work exploring the nature of culture within the cross culture management literatures lays down the framework of culture which allow comparison between cultures along core dimension based on societies, underline values and usurpations. To what extent does this tradition within cross-culture study continue to bring forward meaningful data that can usefully inform the work of cross culture managers in the 21stcentury?

It is certainly the case that identified dimensions of culture for purport to focus on fundamental life questions. So profound that one could reasonably surmise that they are both universal and largely unchanging. For example we can see how the pioneering work of (KLUCKHOHN and STROD T BECK in 1961) had influenced the contribution of the later writers on culture, including the pubertal work of Halstad. It is worthwhile retreating the essential nature of
(KLUCKHOHN and STROD T BECK in 1961) dimension of culture based on underlying problem areas which the author claimed were faced by society.

These included attitude towards nature. The key question here being whether the people saw themselves as subjected by nature mere content to maintain a harmonious balance with it are able to go further by exercising mastering over nature.

(Warner & Joineth 2002) traced this fundamental issues though the theory of Halfsted where it emerged in uncertainty avoidance index and Tromtenaars who encapsulated difference in this regard by classifying societies as more or less inner or outer directed. Another of (KLUCKHOHN and STROD T BECK in 1961) universal problem areas related to human relationships. In this category they contrasted views stressing individual independence and responsibilities with those emphasizing more family or group of hierarchal dominated perspective on the natures of relationships Warner and Joynt (OP-CID) locates this basic dichotomy is Halfsted’s “I” dimension and Tromtenaars and Humpden Tuners distinction between individualist and communitarian society.

Throughout this research the researcher have sought to locate academic contribution to cross-culture management in time and space. In previous areas we saw how many of the key insight underpinning theories from the late 1990s to early 2000 it can be questioned therefore C Holden (2002) whether research data based on the Staplez theory can be usefully applied to current work organizations particularly in the light of the very rapid changes that have typically affected men more recent decades. While the overall conclusion in this research his that central assumption of cultural difference based oni the values traced back to the work of (KLUCKHOHN and STROD T BECK in 1961) are still valid, there is a need for cross cultural management study to focus more explicitly on topical and changing aspects of organizational life. The following two areas are highlighted in this context – these, it should be stressed form only a small portion of inevitable, infinite list of changing trends. Flexible strategies and structures.

Scholars of cross-cultural management and of course practicing managers are faced with the task of disentangling data and theories which are enduring (Hosfsted’s work has been so identified in
this research), while remaining acutely receptive to meaningful sudden changes, sometimes occurring with little advance warning, that have the power to profoundly affect their lives. Within the hubbub of a rapidly changing business world and the constant hurly-burly of the activity we feel is necessary to carry out our own jobs in such a fast-moving environment, there is a particular challenge to recognize the deep-rooted currents which drives those changes. Those of us committed to the field of cross-cultural management, not least because it is a relevant and dynamic subject area, can be grateful that we live in such interesting times.

2.2 Shaping Environment Towards Employee effectiveness:

The research is done referring various research journals, articles and books and this study can bring out prompt rectification of hazards in the workplace, prevent employees meeting with accidents or suffering illness, stress or other negative consequences of work. To provide it provides good working conditions, which can mean less sickness absence, enhance job satisfaction and dedication, help to improve the firm’s financial standing. A widely accepted assumption is that better workplace environment motivates employees and produces better results. Office environment can be described in terms of physical and behavioral components. These components can further be divided in the form of different independent variables. An organization’s physical environment and its design and layout can affect employee behavior in the workplace. Stallworth and Kleiner (1996) argue that increasingly an organization’s physical layout is designed around employee needs in order to maximize productivity and satisfaction. They argue that innovative workplaces can be developed to encourage the sharing of information and networking regardless to job boundaries by allowing communication freely across departmental groups. Statt (1994) argues that the modern work physical environment is characterized by technology; computers and machines as well as general furniture and furnishings. To achieve high levels of employee productivity, organizations must ensure that the physical environment is conducive to organizational needs facilitating interaction and privacy, formality and informality, functionality and cross-disciplinarily. Consequently, the physical environment is a tool that can be leveraged both to improve business results (Mohr, 1996) and employee well-being (Huang, Robertson and Chang, 2004). Ensuring adequate facilities are provided to employees, is critical to generating greater employee commitment and productivity.
The provision of inadequate equipment and adverse working conditions has been shown to affect employee commitment and intention to stay with the organization. The environment is man’s immediate surrounding which he manipulates for his existence. Wrongful manipulation introduces hazards that make the environments unsafe and impede the productivity rate of the worker. Therefore, the workplace entails an environment in which the worker performs his work (Chapins, 1995) while an effective workplace is an environment where results can be achieved as expected by management (Mike, 2010; Shikdar, 2002). Physical environment affect how employees in an organization interact, perform tasks, and are led. Physical environment as an aspect of the work environment have directly affected the human sense and subtly changed interpersonal interactions and thus productivity. This is so because the characteristics of a room or a place of meeting for a group have consequences regarding productivity and satisfaction level. The workplace environment is the most critical factor in keeping an employee satisfied in today’s business world. Today’s workplace is different, diverse, and constantly changing. The typical employer/employee relationship of old has been turned upside down. Workers are living in a growing economy and have almost limitless job opportunities. This combination of factors has created an environment where the business needs its employees more than the employees need the business (Smith, 2011).

2.3 O'Reilly, Chatman, and Caldwell Concept

Two common models and their associated measurement tools have been developed by O'Reilly et al. and Denison.

O’Reilly, Chatman & Caldwell (1991) developed a model based on the belief that cultures can be distinguished by values that are reinforced within organizations. Their Organizational Profile Model (OCP) is a self reporting tool which makes distinctions according seven categories - Innovation, Stability, Respect for People, Outcome Orientation, Attention to Detail, Team Orientation, and Aggressiveness. The model is not intended to measure how organizational culture effects organizational performance, rather it measures associations between the personalities of individuals in the organization and the organization's culture.
Employee values are measured against organizational values to predict employee intentions to stay, and predict turnover.\cite{1} This is done through instrument like Organizational Culture Profile (OCP) to measure employee commitment.\cite{1}

Daniel Denison’s model (1990) asserts that organizational culture can be described by four general dimensions – Mission, Adaptability, Involvement and Consistency. Each of these general dimensions is further described by the following three sub-dimensions:

- Mission - Strategic Direction and Intent, Goals and Objectives and Vision
- Adaptability - Creating Change, Customer Focus and Organizational Learning
- Involvement - Empowerment, Team Orientation and Capability Development
- Consistency - Core Values, Agreement, Coordination/Integration

Denison’s model also allows cultures to be described broadly as externally or internally focused as well as flexible versus stable. The model has been typically used to diagnose cultural problems in organizations.

### 2.4 Deal and Kennedy Philosophy

Deal and Kennedy (1982) defined organizational culture as *the way things get done around here.*

Deal and Kennedy created a model of culture that is based on 4 different types of organizations. They each focus on how quickly the organization receives feedback, the way members are rewarded, and the level of risks taken.\cite{11}

#### 2.4.1 Work-hard, play-hard culture

This has rapid feedback/reward and low risk resulting in: Stress coming from quantity of work rather than uncertainty. High-speed action leading to high-speed recreation. Examples: Restaurants, software companies.\cite{11}

#### 2.4.2 Tough-guy macho culture

This has rapid feedback/reward and high risk, resulting in the following: Stress coming from high risk and potential loss/gain of reward. Focus on the present rather than the longer-term future. Examples: police, surgeons, sports.\cite{11}
2.4.3 **Process culture**: This has slow feedback/reward and low risk, resulting in the following: Low stress, plodding work, comfort and security. Stress that comes from internal politics and stupidity of the system. Development of bureaucracies and other ways of maintaining the status quo. Focus on security of the past and of the future. Examples: banks, insurance companies.\[1\][1][12]

2.4.4 **Bet-the-company culture**: This has slow feedback/reward and high risk, resulting in the following: Stress coming from high risk and delay before knowing if actions have paid off. The long view is taken, but then much work is put into making sure things happen as planned. Examples: aircraft manufacturers, oil companies.

2.5 **Edgar Schein Theory**

According to Schein (1992), culture is the most difficult organizational attribute to change, outlasting organizational products, services, founders and leadership and all other physical attributes of the organization. His organizational model illuminates culture from the standpoint of the observer, described by three cognitive levels of organizational culture.

At the first and most cursory level of Schein's model is organizational attributes that can be seen, felt and heard by the uninitiated observer - collectively known as *artifacts*. Included are the facilities, offices, furnishings, visible awards and recognition, the way that its members dress, how each person visibly interacts with each other and with organizational outsiders, and even company *slogans*, *mission statements* and other operational *creeds*.

Artifacts comprise the physical components of the organization that relay cultural meaning. Daniel Denison (1990) describes artifacts as the tangible aspects of culture shared by members of an organization. Verbal, behavioral and physical artifacts are the surface manifestations of organizational culture.

Rituals, the collective interpersonal behavior and values as demonstrated by that behavior, constitute the fabric of an organization's culture. The contents of myths, stories, and sagas reveal the history of an organization and influence how people understand what their organization values and believes. Language, stories, and myths are examples of verbal artifacts and are
represented in rituals and ceremonies. Technology and art exhibited by members or an organization are examples of physical artifacts.

The next level deals with the professed culture of an organization's members - the *values*. Shared values are individuals’ preferences regarding certain aspects of the organization’s culture (e.g. loyalty, customer service). At this level, local and personal values are widely expressed within the organization. Basic beliefs and assumptions include individuals’ impressions about the trustworthiness and supportiveness of an organization, and are often deeply ingrained within the organization’s culture. Organizational behavior at this level usually can be studied by interviewing the organization's membership and using questionnaires to gather attitudes about organizational membership.

At the third and deepest level, the organization's **tacit assumptions** are found. These are the elements of culture that are unseen and not cognitively identified in everyday interactions between organizational members. Additionally, these are the elements of culture which are often taboo to discuss inside the organization. Many of these *unspoken rules* exist without the conscious knowledge of the membership. Those with sufficient experience to understand this deepest level of organizational culture usually become acclimatized to its attributes over time, thus reinforcing the invisibility of their existence. Surveys and casual interviews with organizational members cannot draw out these attributes—rather much more in-depth means is required to first identify then understand organizational culture at this level. Notably, culture at this level is the underlying and driving element often missed by organizational behaviorists.

Using Schein's model, understanding paradoxical organizational behaviors becomes more apparent. For instance, an organization can profess highly aesthetic and moral standards at the second level of Schein's model while simultaneously displaying curiously opposing behavior at the third and deepest level of culture. Superficially, organizational rewards can imply one organizational norm but at the deepest level imply something completely different. This insight offers an understanding of the difficulty that organizational newcomers have in assimilating organizational culture and why it takes time to become acclimatized. It also explains why organizational change agents usually fail to achieve their goals: underlying tacit cultural norms are generally not understood before would-be change agents begin their actions. Merely
understanding culture at the deepest level may be insufficient to institute cultural change because the dynamics of interpersonal relationships (often under threatening conditions) are added to the dynamics of organizational culture while attempts are made to institute desired change.

### 2.6 Charles Handy Theory

Charles Handy (1976), popularized Roger Harrison (1972) with linking organizational structure to organizational culture. The described four types of culture are:

#### 2.6.1 Power culture

Power culture: concentrates power among a small group or a central figure and its control is radiating from its center like a web. Power cultures need only a few rules and little bureaucracy but swift in decisions can ensue.

#### 2.6.2 Role culture

Role culture: authorities are delegated as such within a highly defined structure. These organizations form hierarchical bureaucracies, where power derives from the personal position and rarely from an expert power. Control is made by procedures (which are highly valued), strict roles descriptions and authority definitions. These organizations have consistent systems and are very predictable. This culture is often represented by a "Roman Building" having pillars. These pillars represent the functional departments.

#### 2.6.3 Task culture

Task culture: teams are formed to solve particular problems. Power is derived from the team with the expertise to execute against a task. This culture uses a small team approach, where people are highly skilled and specialized in their own area of expertise. Additionally, these cultures often feature the multiple reporting lines seen in a matrix structure.

#### 2.6.4 Person culture

Person culture: formed where all individuals believe themselves superior to the organization. It can become difficult for such organizations to continue to operate, since the concept of an organization suggests that a group of like-minded individuals pursue organizational goals. However some professional partnerships operate well as person cultures, because each partner brings a particular expertise and clientele to the firm.

### 2.7 Kim Cameron and Robert Quinn theory
Kim Cameron and Robert Quinn (1999) made a research on organizational effectiveness and success. Based on the Competing Values Framework, they developed the Organizational Culture Assessment Instrument that distinguishes four culture types.

Competing values produce polarities like flexibility vs. stability and internal vs. external focus - these two polarities were found to be most important in defining organizational success. The polarities construct a quadrant with four types of culture:

- **Clan culture (internal focus and flexible)** - A friendly workplace where leaders act like father figures.
- **Adhocracy culture (external focus and flexible)** - A dynamic workplace with leaders that stimulate innovation.
- **Market culture (external focus and controlled)** - A competitive workplace with leaders like hard drivers.
- **Hierarchy culture (internal focus and controlled)** - A structured and formalized workplace where leaders act like coordinators.

Cameron & Quinn designated six key aspects that will form organizational culture which can be assessed in the Organizational Culture Assessment Instrument (OCAI) thus producing a mix of the four archetypes of culture. Each organization or team will have its unique mix of culture types.

Clan cultures are most strongly associated with positive employee attitudes and product and service quality, whereas market cultures are most strongly related with innovation and financial effectiveness criteria. The primary belief in market cultures is that clear goals and contingent rewards motivate employees to aggressively perform and meet stakeholders' expectations; a core belief in clan cultures is that the organization’s trust in and commitment to employees facilitates open communication and employee involvement. These differing results suggest that it is important for executive leaders to consider the match between strategic initiatives and organizational culture when determining how to embed a culture that produces competitive advantage. By assessing the current organizational culture as well as the preferred situation, the gap and direction to change can be made visible as a first step to changing organizational culture.
2.8 Robert A. Cooke Concept

Robert A. Cooke, PhD, defines culture as the behaviors that members believe are required to fit in and meet expectations within their organization. The Organizational Culture Inventory measures twelve behavioral norms that are grouped into three general types of cultures:

- Constructive cultures, in which members are encouraged to interact with people and approach tasks in ways that help them meet their higher-order satisfaction needs.
- Passive/defensive cultures, in which members believe they must interact with people in ways that will not threaten their own security.
- Aggressive/defensive cultures, in which members are expected to approach tasks in forceful ways to protect their status and security.

2.9 Factors influencing culture

Where the culture of a business comes from, and how it develops, is the subject of much discussion within business studies. Every commentator seems to have their own list of key factors. One example is by Drennan (1992), who proposes twelve key factors that shape the culture of a business. These are:

1. the influence of a dominant leader – the vision, management style and personality of the founder or leader in a business often has a significant influence on the values that the business tries to promote;
2. the history and tradition of the business – how things have always been done (and why);
3. the type of technology used by the business and the types of goods and/or services it produces;
4. which industry or sector the business is in, and how much and what type of competition it faces;
5. the customers of the business – who they are and what they expect;
6. company expectations – based to a large extent on past performance;
7. the types of information and control systems used;
8. the legislation and wider business environment;
9. the procedures and policies within the business – ever-evolving, but often a good indicator of underlying values;
10. the reward systems and the measurement of performance;
11. how the business is organised and resourced;
12. goals, values and beliefs – reflected in objects, actions and language, that is, in Trice and Beyer's symbols.

It could be argued that some of the twelve factors in Drennan's list are integral parts of the culture of a business rather than influences that shape it. You may, or may not, agree with this list, and it might be worth participating in a unit Forum discussion on the helpfulness of such lists. What lists such as this do show us, however, is that culture in business, as in society, pervades every aspect of its operations.

Culture is "the specific collection of values and norms that are shared by people and groups in an organization". Culture of the organization depicts the background thought of the organization's owner. The basic factor which can affect the organization culture is the "Change".

- Change of Management.
- Change of strategies.
- Change of business.
- Change of Geographical location.
- Change of employees.

2.10 Learning Theories/Organizational Learning: Influencing Factors

2.10.1 Typical general influencing factors in organizational learning

The factors for gathering and managing knowledge are many and diverse within a learning organization. Three of the typical general issues or influencing factors in learning organizations are context, history, and survival. The idea of context is intrinsically tied to socially constructed
elements. Lane (2001) discusses this factor saying, “assumption of most organizational learning theory is that learning is socially constructed, that is, what is learned and how learning occurs are fundamentally connected to the context in which that learning occurs” (p. 704). How the culture, or context, of an organization functions is part of an influencing factor on the type of learning organization it will be.

One key aspect of organizational learning to remember is that an organization should not lose out on its learning abilities when members of the organization leave. The concept of organizational memory means that effective learning organizations should not only influence the current members, but also future members due to the experiences, beliefs, and norms that are accumulated along the way. Creating a learning organization is only half the solution to a challenging problem (Prahalad & Hamel, 1994). Equally important is unlearning some of the past that has not moved the company forward on a path of healthy growth.

Developing a work culture that values creativity and encourages innovation is imperative to an organization that desires to learn and produce new ideas or products (Kiely, 1993; Prather, 2000; Sternberg, 2003; Thompson, 2003). In an early article, Shallcross (1975) shares the role of the leader in creating an open environment to new ideas - “the role of the leader in creativity training is one of providing a climate that is nonjudgmental, of helping each individual to realize personal uniqueness and the uniqueness of others” (p.626). Suh (2002) concurs with the importance of managerial encouragement for the innovating thinking of the worker in the areas of planning, learning, and production.

Amabile (1998) points to six general categories of effective management practice in creating a learning culture within an organization: (1) providing employees with challenge; (2) providing freedom to innovate; (3) providing the resources needed to create new ideas/products; (4) providing diversity of perspectives and backgrounds within groups; (5) providing supervisor encouragement; and (6) providing organizational support.

Second is the issue or factor of history. The implications of past endeavors and attempts at growth or learning will affect the long-term view of learning overall within that organization. Lane (2001) wrote, “A related aspect of the process of learning is a view of the organization as
an embodiment of past learning. The concept of memory as the storehouse of either individual or organizational knowledge is further explicated by reference to the term ‘mental models’…

guide the acquisition and organization of new knowledge” (p. 702). The ability of an organization to assimilate and diffuse both new and old information will determine the longevity of developing a learning organization through healthy means.

Lastly, the issue of survival is the basic premise for becoming a learning organization. Ortenblad (2002) says, “according to the critical literature most or all organizational learning theorists indicate that survival is an important object for learning” (p. 95). This concept is basic to human nature, survival of the fittest. In order for an organization to exist long term, it must learn more than just new fads or moments of knowledge, it must learn consistently over time for this is a learning organization.

Neilson and Pasternack (2005) provide a convincing example of this survival anxiety in their account of Caterpillar’s change from what they term to be an over-managed organization to a resilient organization. Komatsu’s early 1980’s attack on Caterpillar and the first losses in Caterpillar’s history were anxiety provoking to the point that excessive bureaucracy, centralized authority and a highly political culture were jettisoned successfully.

2.10.2 Human resource factors influencing organizational learning

Organizations vary greatly in all aspects. Establishing an understanding of what influences organizational learning for the vast majority of organizations is extremely valuable. This would allow individuals in many different organizations to benefit from examining some key factors that would increase organizational learning in their setting.

Lohman (2005) found the factors of initiative, positive personality traits, commitment to professional development, interest in the profession, self-efficacy and love of learning enhanced the motivation for informal organizational learning. Conversely, an unsupportive organizational culture, others who were unwilling to participate, lack of time, and lack of proximity with colleagues negatively impacted this organizational learning.
Shipton, Dawson, West, and Patterson (2002) investigated the manufacturing environment and found that only two of five variables were associated with organizational learning: approach to human resources management and quality orientation. Profitability, environmental uncertainty, and structure were not significantly related to organizational learning. Albert (2005) found that top management support and involvement of consultants also facilitated organizational learning and change.

A European study showed that lack of motivation, extra work, unclear roles, lack of confidence, perception of role, insufficient learning culture, lack of innovation, lack of time, and lack of resources negatively impacted organizational learning (Sambrook & Stewart, 2000). From the positive perspective, motivation, enthusiasm, involvement, clarity and understanding of role, increased responsibility, perception as a strategic partner, a developed learning culture, senior management support, organization re-structure, job redesign, and investment in human resources, and the learning environment made a significant difference in organizational culture.

2.10.3 Time factors influencing organizational learning

Weber and Berthoin Antal (2003) describe six key dimensions of time that influence organizational learning: the organization’s time perspective and orientation to time, time pressure, simultaneity, synchronization and windows of opportunity, learning cycles and life cycles, and history (p. 354).

2.10.4 Time perspective

Within an organization, individuals, groups, departments, or functions, may all hold very different perspectives of time and the implications time horizons hold for the necessity of learning. Therefore, it is important that the top leadership of the organization clearly determine the time orientation for the organization as a whole, such that decision-making and learning take place in a manner consistent with the organization-wide time orientation and perspective.

2.10.5 Time pressure
Time pressure can influence learning from within the organization (top-down, bottom-up, peer-to-peer) as well as from external sources such as competitors, suppliers, customers, and communities. Time pressures can actually slow learning, as in the case when the organization is threatened by internal or external forces that paralyze the organization for fear that taking action could risk undesirable consequences. Likewise, learning and performance can be accelerated, for example, by the threat of deadlines or competitive maneuvers in the market.

### 2.10.6 Simultaneity

External events and opportunities happen simultaneously and at a pace so frenetic that no organization can take advantage of all of them, given finite resources and levels of knowledge. This aspect of time presents a risk to organizations that they will lose control over the timeframes of those activities they pursue.

### 2.10.7 Synchronization and windows of opportunity

This dimension refers to the sequence of events or the specific windows of time when organizations are best positioned and open to learning. The sequence refers to knowing which learning activities are best for certain times. Simply put, the right activity or learning moment at precisely the right time will lead to more effective learning. Windows of opportunity are relevant because there are times when organizations may be better positioned to embrace learning, for example during periods when the perceived threat to their survival is greater than the difficulty of learning.

### 2.10.8 Learning cycles and life cycles

Just as individuals learn through observation, experience, reflection, and transference to other situations, so too do organizations incorporate learning cycles into their culture and behaviors. The success of an organization often depends on how quickly the learning cycles can take place. The life cycle of the organization also has implications for organizational learning. For example, the age of an organization - especially the older that it is, can lead to difficulty when adopting
new practices and new learning because these organizations can become set in their ways. At times an older organization will battle "legacy" behaviors and cultural norms that are contrary to change and learning and adoption of new practices.

Weber & Berthoin Antal (2003) state, "History has an identifying effect for organizations" (p. 358). How an organization has applied learning in the past can be used to apply to learning opportunities in the future. The history, or identity, of an organization is in part built on the collective learning of individuals and groups within the organization over time. It is this historical dimension of time that actually captures all of the others and presents them as a composite of the effects of time on the organization’s ability to learn. Weber and Berthoin Antal (2003) state that “the influence of history on the organization can be positive as well as dysfunctional" (p. 358). Organizations can use to their advantage and potential success their collective and stored knowledge. However, they must beware of obsolescence that may come with strict adherence to past practices and procedures, without the consideration of new learning and opportunities.

Individuals, when given time, opportunity, and resources are quite often capable of implementing change 'expeditiously' when compared to teams or organizations. The lag in time that so often hinders organizational change is called 'organizational inertia' – a situation Starbuck and Hedberg say can arise from “slow sense-making processes and ineffective information systems...[or when] individuals learn without their organizations also learning” (Dierkes, et al., 2003, p. 335). One possible resolve to this dilemma is the Japanese concept of Kaizen – an applied system for implementing continuous improvement through small steps (Maurer, 2004). If we conceive of organizational learning as a necessary means for continuous improvement, then it is not a far stretch to also realize that learning – taken in small, applied steps, makes sense. Starbuck and Hedberg state that “continuous improvement, the daily challenging of status quo, supports the notion that everything can be improved…. [and that] evolutionary learning in small steps seems to work better than does revolutionary learning, [especially] during periods of repeated success” (Dierkes, et al., 2003, p. 337).

2.10.9 Group factors influencing organizational learning
Factors that influence group learning are explored by McConnell and Zhao (2004). In their study, they designed a diagram to show group learning in by integrating factors together. The first step was group planning. The planner has to be very clear about the learning task and the objectives. The learning community has elements that must be considered such as "creativity, norms, belief, and status" (p.7). Factors that must be considered "interaction, communication, negotiation, skills, strategies, feedback, leader, role play, brainstorming, and motivation" (p.7). Lastly in evaluation, the following factors must be considered, "performance, effectiveness, outcomes, contributions, history, experiences, and productivity" (p.7).

2.10.10 Follower factors influencing organizational learning

Though shallow on the surface, Maxwell's (1993) definition of influence substantiates the effect influence can have within an organizational structure, particularly as it relates to lower level employees affecting organizational change. Maxwell states, "Leadership is influence" (p. 1). Peter Drucker, as cited in Goldsmith, Morgan, and Ogg (2004), states, "'the great majority of people tend to focus downward,' writes Peter Drucker. They are occupied with efforts rather than results. They worry over what the organization and their superiors owe them and should do for them'" (p. 19). What is missing in this mindset is the ability to affect, or influence, change within an organization regardless of position. Goldsmith, Morgan, and Ogg (2004), state, "Organizations in all fields suffer when key employees cannot effectively influence upper management" (p. 20). These authors go on to suggest 9 guidelines for affecting change in an upward fashion:

1. When presenting ideas to upper management, realize that it is your responsibility to sell---not [upper management's] responsibility to buy.
2. Focus on contribution to the larger good, not just the achievement of your objectives.
3. Strive to win the big battles. Don't waste your ammunition on small points.
4. Present a realistic cost-benefit of your ideas. Don't just sell benefits.
5. "Challenge up" on issues involving ethics or integrity.
6. Realize that your upper managers are just as human as you are.
7. Treat upper managers with the same courtesy that you would treat partners or customers.
8. Support the final decision of the team.
9. Make a positive difference.

2.10.11 The board of directors as an influence in organizational learning

Another area of influence is the Board of Directors. Tainio, Lilja, and Santalainen (2003) suggest, "Boards represent the interests of the firm's shareholders...they have the power to hire, fire, and compensate senior executives and to provide high level counsel.; By performing these tasks, boards can facilitate or limit organizational learning" (p. 428). The insurgence of shareholders involvement is due largely to the mismanagement of many high profile companies in the 1990s, according to Tainio et al. (2003). This insurgence in board activity and influence on organizations has prompted significant changes in organizational learning. In turn, the situation has redefined the role of boards in many organizations. Tainio et al. (2003) suggest, "There is actually a fine line between managing a company and contributing ideas for managing a company" (p. 432). Boards who have become more active do not manage the nitty-gritty of daily operation, they press organizations to maintain high standards, closely watch goals and planning, and take a more active role in management succession (Tainio et al., 2003).

2.11 Case studies & workplace examples

The factors for influencing organizational learning were evident in a significant change that took place in a school setting. The administration presented a challenge to the high school: students were apathetic in living what they acknowledged to be true; find a way to help students apply what they are learning. A relative newcomer to administration, the high school principal began talking with his teachers, students and other administrators and listening to the feedback. Out of this came a program which meant restructuring the whole high school week. Each Wednesday afternoon, the entire high school was going to participate in small group interaction and then go out into the community for community service. The school was able to secure four mini-buses dedicated for transportation during this time period. This program has re-vitalized the high school. The program has been embraced by the majority of students and the remaining students are facing positive peer pressure to grow and change. The key to success was presenting the challenge, giving the decision-makers the freedom to innovate, providing the resources necessary including time and transportation, listening to the diversity of perspectives, encouraging the
principal with all the roadblocks that presented themselves, and committing to the program as an organization. (Amabile, 1998)

Organizational culture holds profound implications upon those organizations who wish to increase their effectiveness through organizational learning. Burke (1985) quotes Schein who theorizes that organizational culture is the "basic assumptions and beliefs that are shared by members of an organization, that operate unconsciously, and that define in a basic 'taken for granted' fashion an organization's view of itself and its environment" (pp. 6-7). These assumptions and beliefs are learned responses to a group's problems of internal integration. They come to be taken for granted because they solve those problems repeatedly and reliably. "This deeper level of assumptions is to be distinguished for the 'artifacts' and 'values' that are manifestations or surface levels of culture, but not the essence of the culture" (Burke, 1992, p. 10-11).

When persons within organizations operate in an unconscious manner due to the organizational culture, one can readily see how attempting to develop organizational learning in a suspicious, distrusting environment could be highly difficult. Developing organizational culture that prizes learning, growth, and knowledge sharing must be tackled in order to promote organizational learning. Subtle and undermining forces in an organizational culture can sabotage attempts at improving components of the organization, or even attempts at organizational culture change. Leaders must be in touch with the pulse of their organizational culture prior to or while seeking to implement change.

Leaders do well to understand the history of their organization. In the process of making significant changes, one cannot fully or adequately understand the culture, relationships, nor underlying forces at work. In a local church organization with modest length of history, this author found it highly beneficial to do an elongated review of the full history of the nonprofit organization. Understanding our roots and driving values and forces across the years deepened our appreciation for our history in honest fashion.

Individuals who had been involved for several decades helped us appreciate our strengths and passions while candidly assessing difficulties and even failures. While listening to individuals
share their individual, family, and organizational stories, we gained valuable insight into the past and some of the personalities who influenced for good or ill the culture of the organization. While understanding one’s history does not assume understanding of culture, it does at least help people gain a sense of where they fall within the history of the organization. While assessing the successes and becoming aware of failures, individuals and the whole of the participating persons discover more deeply the values, mission, and driving forces of the organization. In this instance, recalling previous instances of entrepreneurial behavior and resulting successes helped people to be open to new changes and new direction for the local church. Such success stories lessened the fears of change, while creating positive inclinations toward change in the future.

2.11.1 Governance

Many organizations have processes in place, but no one follows them. This highlights a problem with management governance. In simplistic terms, governance is the management function that has to do with making sure people do what they’re supposed to do. Typically, if your management structure is engaged and interested in projects, and if managers make sure that your project management process is followed, you’ll be more successful.

2.11.2 Training

Some organizations do a poor job of training project managers. Typically, these organizations do a poor job of training in general. If project managers generally don’t have the right skills, one can’t be successful.

2.11.3 Roles and responsibilities of people in Organization

In successful organizations, people typically know the role they play on projects and what is expected of them. This includes active sponsors, interested clients, and engaged management stakeholders. The sponsor, for instance, needs to perform a quality assurance role and be the
project champion in his or her organization. If your organization starts projects and leaves the project manager in a leadership vacuum, you’re not going to be consistently successful.

Culture plays perhaps the biggest role in whether your organization is successful in executing projects. If your organization has difficulty completing projects successfully, you can’t blame the project managers. They’re only toiling within a culture that’s not supportive of their efforts. Managers, including the head of the organization, need to step up and evaluate the project culture. Until the culture changes, project managers will consistently struggle to be successful.

2.11.4 Organizational structure can help or hurt project success

To a lesser degree, your organizational structure can get in the way of, or help support, the overall success of your projects. I say that this is a lesser problem because, to a certain extent, you can change your organizational structure. In fact, you can change the organization chart frequently, and some companies do just that. Culture, on the other hand, is not easily changed. It can take years for a large organization to develop a culture of excellence (although it doesn't take nearly as long to fall back into mediocrity).

Some organizational structures can definitely impair your ability to deliver projects. First are those organizations whose project teams are doing support work. If your project organization does support as well, it usually means that support issues will pop up and take the focus away from the project. A lot of multitasking and thrashing takes place as you move from support work to project work to support work. It’s usually very difficult to prepare good estimates and meet your scheduling commitments. You may be forced into this structure if your staff is small. In the last company I worked at, for instance, we had 15 people who worked on support, projects, and enhancements. However, we didn’t have enough people to specialize in either support or project work. This made it difficult to meet all of our project commitments. Instead, we had to do a good job of managing expectations.

Your organizational structure may also impede the ability to share resources. For instance, if
your project team needs a resource with a specific expertise, you may not be able to easily share that person with another functional area. Some of this is also related to your culture. Ask yourself whether a different organizational structure would help. If it would, you may have an organization problem. If it wouldn't help, your culture is probably not supportive of resource sharing. When I worked for a beverage company, for instance, we went through a period of two years when the management team developed a strong culture of resource sharing between projects. However, with the arrival of a new CIO and new director, resource sharing was discouraged (and punished). So, the culture quickly reverted to resource hoarding.

A number of organizational factors support or inhibit the ability of your project managers to be successful. Granted, *culture* is a broad term, but your organizational culture plays the biggest role in whether you're able to deliver projects successfully. You can’t attack a culture of mediocrity (or a culture of failure) one project at a time. You need to address it in a broad and multifaceted way.

Organizational structure can also help or hinder your success rate. The structure can determine how well you focus on projects and how easy it is to share resources between organizations. If you attack the broader cultural problems, you'll have a positive effect on many of the organizational barriers to success as well.