WORKING PAPER
ALFRED P. SLOAN SCHOOL OF MANAGEMENT

CULTURE IN ORGANIZATIONS:
A CASE STUDY AND ANALYSIS

W. Gibb Dyer Jr.

WP 1279-82
February 1982

MASSACHUSETTS
INSTITUTE OF TECHNOLOGY
50 MEMORIAL DRIVE
CAMBRIDGE, MASSACHUSETTS 02139
CULTURE IN ORGANIZATIONS: A CASE STUDY AND ANALYSIS

W. Gibb Dyer Jr.

WP 1279-82

February 1982

I would particularly like to acknowledge the help and encouragement given in support of this project by Edgar H. Schein. I also wish to thank John Van Maanen, Lotte Bailyn, and Barbara Lawrence for their helpful comments on earlier drafts of this paper and recognize the editorial contributions of Theresa Dyer and Steven Barley. The research presented in this paper was primarily supported by a grant from the Office of Naval Research.
With increasing frequency the term "culture" is finding its way into the organization studies literature. Organizations have been described as having cultures (Silverzweig and Allen, 1976; Pettigrew, 1979; Baker, 1980; Louis, 1982) and organizational myths, stories, rituals, ceremonies, and other "cultural artifacts" have been discussed by a number of writers (Peters, 1978; Wilkins and Martin, 1979; Pondy and Mitroff, 1979; Dandridge, Mitroff and Joyce, 1980; Pfeffer, 1981; Wilkins, 1982).

This rising interest in the "cultural" aspects of organizations has led to a number of conceptual problems (not to mention the methodological ones) for those who wish to study "organizational cultures," not the least of which is the problem of defining culture. The extent of the confusion in the organization studies literature concerning the definition of culture is underscored by the sheer number of different conceptions of the concept (Sanday, 1979). Definitions of the concept range from O'Toole's (1979) conception of culture as "structure" to Wright's (1977) view that culture is primarily embodied in an organization's "leadership style."

Unsurprisingly, the definitions sometimes directly contradict one another. For example, O'Toole, in suggesting that culture is synonymous with structure (i.e. hierarchy, networks, reward systems, career paths) writes:

The anthropological approach to organization change thus begins with an analysis of the structures and sanctions that encourage and discourage certain kinds of behavior. If bureaucratic behavior is rewarded at Z, then it is bureaucratic behavior that Z is likely to get in response. If it is decided that bureaucratic behavior is unwanted, then the reward system at Z can be altered. This is not easy to do, but it is much less threatening than singling out bureaucrats and trying to change their personalities. Culture (structure) is simply easier to change than personality.

However, Schwartz and Davis (1981) claim that culture is primarily "be-
"liefs" and "values" and suggest that the structural changes that accompanied the reorganization at AT&T are not related to that company's culture:

Despite major changes in structure, in human resources, and in support systems, there is consensus both inside and outside AT&T that the greatest task in making its strategy succeed will be its ability to transform the AT&T culture.

With such diverse conceptions of culture, one must wonder whether the concept of culture can be useful as an analytic tool for studying organizations. We do not suggest that the various views concerning culture need to be unitary, but we do argue that such fundamental differences concerning the concept, and the increasing use of culture as a cover term for virtually every kind of organizational phenomenon tends to confuse rather than enlighten. But if the concept of culture is able to help us analyze such diverse phenomena as organizational structure, leadership style, and organizational values, then we may have discovered a very powerful concept. Conversely, we may have found a concept that purports to explain all but ends up explaining nothing, for if everything can be considered cultural, then the search for culture may become a mere tautological exercise.

During the course of this paper we will argue that the former rather than the latter is the case. We believe that the concept of culture can be a useful tool for studying organizations. Thus the purpose of this paper is to: 1. present a general definition of culture and suggest a framework for studying culture in organizations; 2. employ the framework to study and describe the culture of one organization; 3. outline the "cultural pattern;" and 4. delineate the boundaries of the culture.
What Is Culture?

The concept of culture has proved to be an elusive one for social scientists. In their 1952 investigation of the concept, Kroeber and Kluckhohn discovered over 150 definitions of the concept, and numerous definitions have been added since that time. Moreover, distinguishing the concept of culture from similar concepts such as "social system" and "climate" has been troublesome (Kroeber and Parsons, 1958; Tagiuri and Litwin, 1968). With this in mind, our purpose is not to merely propose another definition of culture, but to present a general framework from which to view and explore the concept. We believe that the concept of culture as applied to organizations can best be understood by examining it on three levels. These levels are: 1. Cultural perspectives; 2. Cultural values; and 3. Cultural assumptions. Each level differs from the other levels in its degree of abstraction and the degree to which the level is consciously recognized by humans. We will briefly discuss each of the levels of culture in turn.

Cultural Perspectives

The term "perspective," as it relates to culture, is discussed in the writings of Mead (1938) and Becker et al. (1961). A perspective is "a co-ordinated set of ideas and actions a person uses in dealing with some problematic situation" (Becker et al., 1961). Hence cultural perspectives can be viewed as solutions to common problems encountered by members of a given society. In an organizational context, these problems may become manifest in a wide variety of situations and settings. For example, situations involving the recruitment and socialization of new members may create certain problems that call for some sort of action on the part of the members of the organization (Becker et al., 1961). The strategies and
tactics used by members of an organization to successfully manage these problematic situations represent cultural perspectives, and these perspectives become the initial "building blocks" of culture (Lofland, 1976; Hall, 1977).

In the context of a given situation or setting, the ethnographer is interested in what people say, do, or use to define the situation and act appropriately. Thus the verbal, behavioral, and physical "artifacts" which help a group's members manage certain situations are the key creations or expressions of the group's culture. Verbal artifacts are primarily in the form of language, stories, and myths. Behavioral artifacts are represented in a group's behavioral patterns, rituals, and ceremonies, while physical artifacts can be found in the art and technology exhibited by the group (Dandridge, Mitroff and Joyce, 1980; Schein, 1981). Thus a given perspective that is embodied in these artifacts reflects a group's definition of a particular situation and dictates a course of action to be followed in dealing with the problems posed for the group by that situation.

Perspectives are present in the human mind at a high level of awareness and they are concrete because they specify the rules and proper modes of conduct in a specific situation. Moreover cultures are preserved and endure because perspectives are transmitted to newcomers. A perspective enables neophytes to define, act upon, and hence cope with problematic situations in a socially acceptable manner.

Cultural Values

At the second level of culture are the explicit values espoused by a group. While perspectives reflect rules and codes of conduct deemed useful for dealing with a specific situation, values are those rules and codes
of conduct that are seen as being instrumental in a number of problematic situations (Kluckhohn, 1951; Rokeach, 1968). Hence they are generalizable principles that can be applied in a variety of situations and settings (Becker et al., 1961). Values reflect the goals, ideals, standards, and "sins" of a particular group, and represent a group's preferred means for resolving life's problems. Because of their broad applicability, values are more abstract than perspectives, however they are usually present in the human mind at a relatively high level of awareness. Like perspectives, cultural values are also reflected in the artifacts exhibited by the group.

Cultural Assumptions

Anthropologists, psychologists, and sociologists have long maintained that a people's assumptions about themselves, others, and the world in which they live are the essence of culture. The term "assumptions" refers to those highly abstract, taken for granted beliefs that are at the innermost core of culture. Franz Boas, for example, suggests that the explicit, formal "classificatory concepts" used by societies originate in assumptions that they are not aware of, and that conscious meanings are merely "rationalized interpretations" of these assumptions (Rossi, 1974). Like Boas, Levi-Strauss (1966) argues that implicit categories are the determinants of the explicit system of meanings, thus "the true meaning is not the one that we are aware of, but the one hidden behind it" (Levi-Strauss, 1963). Bem (1970) calls these assumptions "zero-order" or "primitive" beliefs. He suggests that these beliefs are so taken for granted that they are only called to our attention when they are violated. Moreover they are the "nonconscious axioms upon which other beliefs are built." Other writers have also suggested that such beliefs exist although they use different terminology. For example, Rokeach (1973)
calls such beliefs "terminal values;" Cicourel (1967) refers to them as "background expectancies;" and Whorf calls them "background phenomena" (Kluckhohn, 1951).

Homans (1950) also believes that the foundations of culture are found in a group's tacit assumptions. According to Homans, these assumptions are the taken for granted "premises" which guide thought and action; the assumptions are "the premises from which logic starts . . . from different premises come different conclusions." While these assumptions may be implicit, Homans points out that they can be surfaced, because they are "implied over and over again in actual behavior and in casual remarks." Hence explicit artifacts, perspectives, and values are derived from a group's assumptions or premises. Indeed the consistency we see across cultural artifacts, perspectives, and values reflects the common premises from which they are derived. To illustrate how a group's assumptions or premises order the more explicit aspects of culture, Clyde Kluckhohn (1951) describes a key assumption of the Navaho Indians:

Experience shows that if one asks Navaho Indians about witchcraft, more than 70 per cent will give almost identical verbal responses. The replies will vary only in this fashion: "Who told you to talk to me about witchcraft?" "Who said that I knew anything about witchcraft?" "Why do you come to ask about this--who told you I knew about it?" Here one has a behavioral pattern of the explicit culture, for the structure consists in a determinate interdigitation of linguistic symbols as a response to a verbal (and situational) stimulus. Suppose, however, that we juxtapose this and other behavioral patterns which have no intrinsic connection. Unacculturated Navaho are uniformly careful to hide their faces and to make sure that no other person obtains possession of their hair, nails, spit, or any other bodily part or product. They are likewise characteristically secretive about their personal names. All three of these patterns (as well as many others which might be mentioned) are manifestations of a cultural enthymeme (tacit premise) which may be intellectualized as "fear of the malevolent activities of other persons." Only most exceptionally would a Navaho make this abstract generalization saying, in effect, "These are all the ways of showing our anxiety about the activities of others." Nevertheless,
this principle does order all sorts of concrete Navaho behavior and, although implicit, is as much a part of culture as the explicit acts and verbal symbols. It is the highest common factor in diverse explicit forms and contents. It is a principle which underlies the structure of the explicit culture and "accounts for" a number of distinct factors.

From this example and Kluckhohn's analysis, we can see that the Navaho's tacit assumption that "other men are not to be trusted" orders many of the explicit values, perspectives, and artifacts of the Navaho culture.

This notion that a society's assumptions are at the basis of explicit cultural phenomenon provides us with one reason why there has been so much confusion in the literature concerning the concept of culture. Those who have written about the subject have tended to focus their attention on describing culture in terms of the multitude of explicit artifacts, perspectives, or values rather than examining it in terms of the assumptions that underlie these surface manifestations. By describing culture only in terms of particular artifacts, perspectives, or values we divert our attention away from studying the implicit assumptions that create these overt forms and thus we miss the essence of culture.

Therefore, in the context of this paper the term culture will refer to a set of assumptions, usually implicit, shared by a group. These assumptions are reflected in the perspectives and values of the group and are expressed in the verbal, behavioral, and physical artifacts exhibited by the group. Moreover the assumptions, values, and perspectives of the group reflect the solutions to common problems facing the group and therefore are transmitted to succeeding generations of new members.

Categories Of Cultural Assumptions

In explicating and analyzing cultural assumptions, the works of Florence Kluckhohn (1955), Kluckhohn and Strodtebeck (1961), Hall (1959, 1977) and Schein (1981) provide us with a typology of assumptions which
seem to encompass all of the key assumptions which might be held by members of any society. Although the categories were originally designed to study and compare the cultures of various nationalities and ethnic groups, they may also be useful in studying organizational cultures. These categories reflect a group's assumptions concerning:

1. Human nature.
2. The relationships between members of the group.
3. The relationship of the group to the environment.

We will briefly describe each of these categories. (For a more detailed description of these categories as a means of studying culture in organizations see Schein, 1981).

Assumptions About Human Nature

Kluckhohn (1955) suggests that a group's assumptions about human nature are central to its culture. She argues that assumptions about human nature exist along a "good-evil" continuum. Thus humans may be seen as innately good or evil. Moreover these innate predispositions may be seen as being either mutable or immutable. For example, the Puritan's assumption that man was evil but could be perfected through diligent effort ordered many of the artifacts, perspectives, and values connected with Puritan life.

Douglas McGregor (1960) also notes the importance of assumptions about human nature in organizational settings. According to McGregor, managers' assumptions concerning whether humans are active or passive, trustworthy or untrustworthy, or hardworking or lazy are reflected in the managers' attitudes and behavioral patterns.
Assumptions About Relationships

The second category of culture refers to assumptions about the nature of relationships in a group. Kluckhohn suggests that depending on a group's assumptions, relationships may be ordered in a number of different ways. Some groups assume that relationships are arranged hierarchically and consequently the orderly succession of group members into the various hierarchical positions is the primary aim of the group. Other groups may value group solidarity and integrity. Therefore individual desires are subservient to group wishes, and group members are generally seen as peers rather than superiors or inferiors. Still other groups emphasize individual achievement rather than group solidarity or maintaining a hierarchical order. When this type of relationship is dominant, individual needs supersede group demands and hierarchical control of individual initiative is minimal. The Japanese, for example, tend to prize group solidarity while Americans are more individualistic in nature. Furthermore a group's assumptions regarding authority and status as well as age and sex roles underlie the types of relationships one sees in any society (Schein, 1981).

Assumptions About The Environment

A peoples' assumptions about the environment represent the final category of cultural assumptions. Kluckhohn outlines several assumptions that people have about their environment: 1. a basic belief that humans can master their environment; 2. a basic belief that people are subjugated to a powerful and immutable environment; or 3. a basic belief that people should neither master nor be subjugated by the environment but attempt to harmonize with it. Kluckhohn argues that a group's assumptions about the environment determine how members of the group respond to environ-
mental forces. For example, the culture of the Spanish-American ranchers in the American Southwest illustrates well the position that humans are subjugated to the environment. These ranchers passively accept as being inevitable the storms that damage their range lands and destroy their animals, and approach illness and death with the same fatalistic attitude (Kluckhohn, 1955).

Other assumptions regarding time, space, and the nature of reality which are related to the environment are also present in all cultures. Kluckhohn suggests that a group's general time orientation can be divided into the three point range of: 1. Past; 2. Present; and 3. Future. Although all societies have some conception of the past, the present, and the future, they will be primarily oriented toward one of them. The Japanese culture places great emphasis on ancestor worship and maintaining traditional values--thus they are primarily oriented to the past. Americans tend to be more future oriented, however they generally look only into the foreseeable future. Five to ten years may be considered long term for Americans, while the South Asians think of the long term in terms of thousands of years (Hall, 1959). Contrariwise, some Arab groups regard those who try to look into the future as being slightly insane (Hall, 1959).

A group's basic assumptions about space constitute another aspect of culture. According to Hall, the way humans define, maintain, and protect both physical space and social space (e.g. social positions, power) differs greatly from culture to culture. For example, the Japanese design buildings with the idea that space is a precious commodity and great care is taken to insure that no space goes unused. Americans, on the other hand, are much less careful in the way they manage space. Thus deter-
mining how members of a group define and use space is an important task for those who study culture.

The writings of Rokeach (1968) and Bem (1970) suggest that people's assumptions about the nature of reality are at the core of all belief systems. Such assumptions constitute "basic truths" concerning both physical and social realities. Rokeach believes that the assumptions underlying how a group differentiates the real from the unreal, fact from fiction, and truth from error, are the keys to understanding any culture. Bem also argues that whether one believes that truth can only be discovered by one's sensory experience or whether it can be obtained from some external authority is central to the belief system in any person or society. Hence the assumptions concerning the nature of reality and truth represent the final category of assumptions we will consider.

Eminent scholars of organizations such as McGregor, Homans, and Simon have suggested that an organization's key assumptions or premises are at the foundation of behavior in organizations. While students of organizations generally accept this notion, few models have been developed to systematically explicate, study, and compare such tacit assumptions. The categories just described do provide us with a framework, albeit crude, to begin to systematically examine these underlying assumptions. The following study is an attempt to describe the culture of one organization using these categories as a guide for uncovering the assumptions that govern the behavior of the people who work in that organization.
THE STUDY

The study was conducted over a period of seven months from March to September, 1980, at the General Engine Manufacturing Corporation (GEM) a large multi-billion dollar industrial organization (all names have been disguised). The company has grown steadily since its inception about thirty years ago and the company is expected to continue to grow substantially over the next few years.

The purpose of the study was to determine if the categories of culture previously described could be applied to an organization. While many writers have asserted that organizations do have cultures, few have attempted to use their theories of culture in actual data collection. Furthermore, the study is an attempt to systematically uncover the organizational assumptions that have been acknowledged by scholars as being important, but have rarely been explicated and analyzed in empirical studies.

Data for the study were gathered primarily from GEM managers through: 1. formal interviews with key informant managers; 2. informal interviews and conversations; 3. observations; 4. internal reports and documents; and 5. external reports and documents. A detailed description of each of these sources of data is presented in Appendix I. The purpose of gathering data from a wide variety of sources was to elicit as much information as possible concerning the company’s history, perspectives, values, language, codes of conduct, and other cultural artifacts, in order to discover, if possible, the assumptions that order these surface manifestations. The investigative process was one of gathering
information through observation, interviews, documents, etc., and probing the content, meaning, and context of these data with GEM managers. Inasmuch as the data were gathered from many sources, the method is similar to the approaches used by Gouldner (1954), Burns and Stalker (1961), and Kanter (1977). Formal and informal interviews with key informants provided many of the important insights.

While data gathering focused on explicating the verbal, behavioral, and physical artifacts as well as the values and perspectives of the GEM culture, the categories of culture previously described provided the framework for categorizing and analyzing the data. After identifying the artifacts, perspectives, and values and discussing their significance with GEM managers, each artifact, perspective, or value was categorized in terms of one of the categories of cultural assumptions. As the data were sorted into the categories, and as relationships of data within as well as between categories began to be uncovered, a picture of the underlying assumptions of the GEM culture slowly emerged.

The data gathered from this investigation primarily reflect three key underlying assumptions of the GEM culture. These are: 1. We are one family in GEM; 2. People are capable of governing themselves; and 3. Truth is discovered through conflict (although other assumptions regarding time, space, etc. are also present they will not be discussed in detail in this paper). The following description of the GEM culture is organized around these three assumptions and each major heading in the description reflects one of the assumptions. Under each major heading the reader will find a number of subheadings. Each subheading represents a value of the GEM culture which is explicit. The data presented under each of these subheadings are the more tangible artifacts of the GEM culture,
e.g. stories, slogans, language, behaviors, employee badges, layout, etc. that are used by GEM managers to describe particular settings and situations where the GEM culture is manifested. Thus these data represent some of the perspectives held by GEM managers.

Before describing the GEM culture a few additional explanatory notes are in order. First, in using primarily interview data for the description of the GEM culture we run the risk of picking up only the espoused values of the organization. We recognize that, as in all societies, espoused values may not always be reflected in actual practices. However, the data presented in this paper comes from many informants both internal and external to the organization as well numerous reports and documents in an attempt to corroborate data and separate fact from fiction. Second, because the data were gathered primarily from managers, we may be describing in part an "occupational culture" i.e. the occupational assumptions of a manager, rather than an organizational culture per se. Third, the assumptions, values, perspectives, and artifacts being described are those that are accepted by GEM "oldtimers." An oldtimer, who also may be referred to as a "tribal elder," a "culture carrier," or a "cowboy," is described by GEM managers as an employee who joined GEM when the company had only a few thousand employees. Therefore to be considered an oldtimer an employee would have had to have worked at GEM for approximately ten years. Thus Bill Henry, the founder, and most of the senior management are considered oldtimers. The oldtimers are considered to be the most powerful group in the organization inasmuch as they now occupy important positions in the company and therefore have the ability to mete out rewards and punishments. Thus the oldtimers' culture is the dominant culture in GEM and learning the culture of the oldtimers is
failing:

The bulk of the firings, if you want to call them firings, are really much more some form of negotiated or mutual severance. You just sit down with a guy and say you're not going to make it . . . I'll try and help you find another slot within the company--something that you'll be more suited for. I'll carry you for a couple of months and give you a chance to look around. I can think of a couple of cases where I really feel proud. One was a girl who was trying to be a secretary for us. She was lousy as a secretary! (But) we stuck with her and finally found her a slot in data processing as a technical operator. I think today she is one of the most respected operators around. That was exactly the right spot for her you know. And she came within . . . probably a week of getting her severance pay. It took so long. But when you see that happen you realize the importance of giving people an opportunity to try and find a slot.

Furthermore, they suggest that even managers who make serious mistakes are not fired:

They took out the old manager who was driving the business further into trouble by going every which direction. (We) finally got rid of him. He was given what to him seemed a lateral (transfer) or even a promotion . . . He was given more money actually (but) reports lower in the organization. (He) is still very much around and is now in (another) department. He was not punished. In any other company he would have been out right fired--no questions asked. He (made) some very serious business mistakes. He committed the company to contracts for delivering product that doesn't exist, won't exist . . . That product group lost $15 million last year largely because of buying our way out of commitments and not having product to sell.

A corollary to GEM's "hiring for keeps" policy is the practice of not laying off employees--even when market conditions dictate that a layoff might benefit the company in terms of profits. During the recession in the early seventies, many firms in the industry were forced to layoff many of their employees. GEM oldtimers point with pride to the fact that GEM has never had a lay off and vividly describe how GEM was able to keep all its members employed during this difficult period:

There have been a few times . . . in the early seventies when we were going through some recessionary periods, and like other companies . . . we had problems just keeping people busy.
I can recall very vividly something that always impressed me. I can remember seeing a line of men, all GEM employees, sweeping the parking lot by hand. And we were doing that to make sure that everybody was working—that they kept their jobs. Now there was a commitment there not to lay anybody off. We had plans for very aggressive hiring that year. We had on board in our personnel organization a lot of junior interviewers—people just out of college—who were in the personnel organization. They came in as recruiters. Because our recruiting had to be deferred for a time, we sent them out as salespeople selling a new product we manufactured at the time. And they were all delighted to do that. Better than being on the streets. That was a very visible example of the company's stated commitment of not wanting to lay people off.

Ostensibly, GEM's "sensitivity for people" is cited as the reason for avoiding layoffs:

Well, I think it starts for a whole bunch of reasons. First of all, you wake up ten years later and you find you don't have any (layoffs) and you say, gee, that's a good thing. It helps keep the unions out and it helps people feel good about GEM. And we are a people sensitive company... It's like a batting streak... and you say, gee, I never thought I was going to hit fifty-six straight games, but now that I'm here at forty-eight, I may as well keep going... So that's a piece of it. The other piece of it—if you go ask senior management, do we have a policy that we'll never have a layoff, they'll say no—because you can't make that sort of a statement... So I don't want you to think that there's a formal, written down policy. But to me... that notion is so important that you've got to go around believing it. If you believe it strong enough, then I think it's more of a self-fulfilling policy.

Thus the premise that "GEM is a family" engenders a feeling of commitment on the part of the oldtimers to keep all family members employed. Once embraced by the GEM family, a new recruit looks forward to a lifetime of secure employment in the firm.

Egalitarianism

Oldtimers believe that unity among "family members" is essential for the organization to function properly. To accomplish this goal, they suggest that emphasizing the similarities between all GEM employees, rather than the differences, is important. They claim that status differences interfere with establishing a feeling of community. As a result of this
belief, they attempt to minimize status differences while promoting egalitarianism:

We believe strongly, for instance, that there (should) be very little status . . . differences among the employees . . . That’s probably a very strong value . . . As much as possible, (we) make very little distinction among employees and react very negatively (to) that (which) would smack of executive privilege or status.

Oldtimers claim that the dearth of overt status symbols symbolically represents an egalitarian philosophy. When oldtimers discuss the lack of overt status symbols they usually point to the following:

There are no private parking places. There’s not a tremendous difference between people’s offices or the environment they work in. There (are) no perks . . . (I have some) good friends . . . about at my level at Company A. (They have) a car, a private parking space. It doesn’t happen here at all. It’s a very deliberate thing and I think that comes right from the top. Bill (the president) is very big on that. For example, you won’t find offices against windows around here with floor-to-ceiling (walls). When I was in (a different) job I had my choice of an (office with) floor-to-ceiling (walls) or a window with five foot partitions. I took the window because I like windows. There are windows right out here (pointing to the windows with a view of the outside) but there’s a corridor along (them). There are no floor-to-ceiling offices anywhere out in the middle . . . You cannot have an office that blocks the view of the other people . . . so everybody can look outside, not just the president.

Bill Henry used to say in fact that we don’t have reserve parking places for anybody in the company. The way to get the best parking place is to be the first one at work. That’s true! And that’s the kind of culture that pervades the whole company. It’s an extremely egalitarian kind of a culture. I can recall when I was a sales manager dealing with the question of car policy for the sales organization--what kind of cars should we provide them with? Looking at what some other companies did, we found for example that Company B’s salesmen got a certain kind of car, first level managers a slightly fancier car, (and) second level managers an even fancier kind--a Buick or something like that. And then looking at another company, sales people got one kind of a car policy and production people got a slightly different, less attractive, car policy. But not so at GEM. (All) managers get the same kind of car.

GEM managers see Bill Henry as the author of this notion that status symbols are to be disdained, and his behavior embodies this value:
Bill never got carried away with the trappings of power. Never drove a Cadillac. Even now, his office is nice but very simple—still in the old building. He never acted wealthy. He never lost a very simple appreciation of things and people... It's the symbols... he never adopted any of the symbols of power or wealth or status, and by and large most of the senior managers have not.

Furthermore, Bill Henry's casual manner and informal dress contribute to this egalitarian value. Managers proudly declare that Bill used to drive a sub-compact to work, that he cuts his own grass, and that they can call him by his first name. Stories are legion about Bill Henry talking to or working with "ordinary" employees:

In this plant there is a crew of women that have had a very close relationship with Bill over the years because many of them are the women that came to work for him. And he will periodically go up and sit down and have tea with them just to find out how they are doing.

Bill may find himself down in the design area... and he may spend three or four days working with a very low level designer on improving the aesthetics of some packaging. Or he gets totally enraptured with some other design problem someone is having, and he'll roll up his shirtsleeves and get involved himself.

Managers delight in reminiscing about the times when Bill Henry or some other high ranking manager was mistaken for a janitor:

Bill walks around here in his white shirts which are generally tell-tale gray. There have been people who thought he was the janitor--didn't know who he was.

This is a story that I tell on myself that really happened to me. I'm sitting in Jim Smith's office and this guy walks in with a badge on--he kind of shuffles in--and he's standing there while Jim and I are talking. And I thought it was the maintenance guy that was there to move a desk or something. And he was a guy in a knit shirt with a pocket and blue jeans. It turned out to be Tim Sorenson (a) senior manager.

Oldtimers point out that GEM also promotes group activities which minimize status differences. All GEM employees in the United States receive a gift from the company for Christmas. All employees can participate in company sponsored athletic teams. One edition of the company newsletter...
printed a picture of Bill Henry playing baseball with his employees. These activities along with company picnics, parties, and award banquets (awards are given for length of service) play an integral role in GEM "family life:"

So Christmas gifts, the awards, summer outings, in a very old fashioned way . . . It's like Fiddler On The Roof . . . and people look at that . . . (and) the message is tradition. There are some aspects of what we do around those things which hold time still for a moment . . . and the good parts of history around people's values of taking the family out to have fun on a Sunday afternoon in the park--where you don't have TV but you have one-on-one direct relationships with others. That's really important.

The oldtimers contend that regardless of rank or tenure, all GEM employees are supported by the company in times of personal crisis. They indicate that the personal concern that the company has for them is demonstrated in the cards and flowers they receive from Bill Henry and their coworkers when a death occurs in their immediate family. GEM managers often refer to the times they were taught this principle:

If somebody has got a personal problem at home, off the job or something, (the company) gives you space to work on it . . . I had a personal tragedy last year . . . a couple of family members of mine died, and I must say the company bent over backwards to support me--to give me the freedom that I needed then and the support that I needed . . . I had a letter from Bill Henry--my wife and I did . . . That's not an isolated situation. There's a guy in my group whose father had to go in for emergency open heart surgery about ten days ago. The pattern had been set. I learned the norms, and I didn't have any hesitation in responding in exactly the same way.

We (this manager and Bill Henry) were down in the machine shop . . . and we got this Black machinist that's fairly new to the company. Pete has only been here about a year. About two months ago Pete lost his wife. Well as a normal practice in the corporation when someone's immediate relatives die, a letter goes out from Bill, flowers go out from the plant . . . and a small letter of bereavement of some kind . . Well, we're standing in there talking and Pete came in and said: "excuse me Jack, excuse me Mister Henry, my name is Pete Wilson and I'm really new at GEM and I just wanted to meet you and say thank you . . . About a month ago I lost my wife and I got a beautiful letter from you and I just wanted to say thanks." That's
got to make Bill feel good. There's one of his people coming up and saying "hey man, thanks"—that's got to make him feel good because he created that environment. He created the looseness that allows somebody to come off the floor and go to the president of a large corporation to say thanks for something like that.

The oldtimers believe that these stories reflect the deep concern that Bill Henry has for all GEM employees. Even the most humble GEM employee is supported during difficult times, and "good" managers know how to help subordinates who are facing a personal crisis off the job.

The openness of GEM's physical environment is also seen as contributing to the egalitarian atmosphere. Most managers, regardless of rank, are separated only by small partitions and offices and work areas are readily accessible. Enclosed offices must have a window in the door. Thus no office is completely private. One manager described the origin of the "window-in-the-door" policy:

The story was that either Bill Henry or someone very high up, opened a door to an office and found a couple of people involved in, shall we say, some interpersonal activity frowned on by the corporation. And if Bill Henry wasn't the one who saw it, he's the one who heard about it and ordered that there be no doors without windows in them.

The open office spaces and the windows in the doors suggest to GEM managers that they should be open in their dealings and communications with others. A manager should not be secretive, have "hidden agendas," or hide behind "perks."

Although they do not emphasize traditional perquisites, oldtimers admit that there are status differences between managers. While GEM managers assert that "recognized accomplishments" bring status (as they do in all organizations) length of service in GEM is considered to be a key factor in determining a GEM manager's standing. Length of service indi-
cates to what degree a manager "knows the ropes" and has developed influential contacts throughout the organization. GEM managers equate length of service and its accompanying status to the rings on a tree:

One of the ways I kind of think of the company . . . every once in a while--I've heard some other people refer to it that way--is like a tree growing and the rings. You can plot more in terms of influence on the annual rings and who is in close to those center rings. The sphere of influence . . . (is) around that.

One overt symbol that represents length of service is the employee badge and the employee badge number. Employees who joined the firm in the "old days" (in the sixties) have red badges (they have since been replaced by white badges) and low badge numbers (the badge number indicates the number of GEM employees that had been hired prior to the time an employee is hired). In describing the significance of the red badge and the badge number, one manager explained:

You don't see them often, but they wear them. Anybody who has got them . . . I heard a guy talking the other day and he said: "I've got one of the old ones, I'll never give that up." And there's pride in that, and there's pride in the number on your badge too. Someone the other day in this building . . . had a badge number thirteen, or something like that--boy, that is exciting!

Covertly, stock options are considered to be a good indicator of a manager's worth. The amount of options managers receive is described as "one of the company's better guarded secrets." Managers refrain from discussing stock options with others--regarding the topic of options as a "taboo subject." Not all GEM managers receive options, and receiving options for the first time is seen as a sign of acceptance by one's superiors:

The first time I got a stock option it was the greatest thing that ever happened to me . . . The first couple of shots its the greatest thing since sex--(it means) man I'm in the club, I'm recognized, they must really value me. It's significant--something that hasn't ever happened.
I sure feel appreciated when I get options. I think there's a lot of symbolic value in that, because I know they have to be signed off by some number of senior people in the organization. It's a recognition that you're doing something that's a little extraordinary because not everybody gets options.

In summary, although GEM managers support egalitarianism by having few overt status symbols, interacting with one another in an informal manner, sponsoring group activities, promoting openness, and showing concern for all employees, there are still status differences between managers. The older managers have the most power and influence in the organization. Much like older siblings, they have higher status positions vis a vis their younger "brothers" and "sisters," but this status is recognized tacitly.

Consensus Decision Making

As members of the GEM family, managers believe that they must consult other members of the family before making a decision. Decisions affecting the GEM family must be made in concert with others to avoid offending other family members. Decisions should not be made in isolation. Oldtimers assert that every manager who will be greatly affected by a proposal needs to be persuaded to support that proposal. Thus managers who propose an idea or project are encouraged to get other managers to "buy in:"

We have a thing we call the buy in process . . . Buy in says there is an open time to discuss an issue. When the issue is out on the table you can ask all kinds of clarifying questions about it. You have free license to tell them what you think of them and their decisions and so on. It's a learning time. It's a time to get out there and explore what it all means. And it's a lobbying time if you will--or an influence time.

Without intensive lobbying, a manager will not be able to bring his idea to fruition:

(You must) have this ability to pre-sell ideas. That is, (if you) have a proposal you don't go into a meeting and present it and expect to have it approved. You spend a couple of months
before the meeting going to all the people who will be there--pre-selling it so it's just a formality when the thing finally gets approved. And that takes a great deal of patience and maturity.

Major decisions involving pricing, the introduction of new products, entering new or changing old markets, and major changes in the organization's structure or reporting relationships are reviewed by GEM's standing committees. Governing committees are found within the various functional areas. For example, there is a sales committee and a production committee. Other committees have broader "charters" and deal with company-wide policies and procedures. The planning committee, for example, oversees all major pricing decisions. The supreme governing body in GEM, however, is the executive committee which includes Bill Henry and the senior vice presidents. GEM managers indicate that they must sell their ideas to members of the various committees that have jurisdiction over their proposals:

You (need to) understand the decision making committees we have . . . We have a production committee, a sales committee, and an executive committee. Those are clearly decision making bodies. And yet, those committees are broadly chartered, so clearly one tactic of selling . . . in the company is to lobby with the committee members. So you have to understand how (to) lobby (and) who to lobby with . . . You may have to lobby with some guy in a different function . . . So you pinpoint who are the decisive members of that faculty and . . . sell them. It's a very complex process and very difficult (to know) how you bring your good ideas to fruition and that frustrates a lot of people. In a traditional company, if I have a good idea all I have to do is sell my boss, and he sells his boss, and it ripples right along. But here it's kind of a moving target . . .

When a proposal comes before one of GEM's committees, it is discussed and eventually an informal vote is taken. Oldtimers feel that all the managers on the committee need to be in agreement if a proposal is to be accepted. GEM managers claim that a proposal is rarely adopted if there is strong dissension. Unanimity is required:

You work very hard to try to get everybody to agree, to be in
favor of that particular decision, as opposed to saying: "well, I'm not in favor of it, but I'll do it." There's a lot of work put in to get people to come out in favor of it, to convince them that that's the right thing to do. So that everybody is on the affirmative side of the vote as opposed to people being on the negative side and say(ing): "well, I disagree, but I'll do it anyhow." And that's the buy in process, as opposed to saying, "hey, let's just take the vote even if it's 5 to 4." A 5 to 4 decision is not a decision in this company.

The reason GEM managers "drive for consensus" is that managers on those committees or managers who are greatly affected by a decision have "veto power:"

There is a lot of committee involvement . . . The style of the company is not for managers in the loneliness of their offices to come to some tremendous decision and promulgate it the next day. Rather, there is a fair amount of discussion that takes place. That happens within a group--such as my group and mine is not atypical in that sense. I have a weekly meeting of my directly reporting staff. I involve them in a lot of the decisions. It also has to do in the greater company sense in terms of the way we use committees. If there is a thing that makes from an efficiency standpoint decisions more difficult at GEM, it is a characteristic of the company that there . . . are an excessive number of vetoes that can be exercised in a . . . decision. (For example) I have a number of branches in the U.S. with branch managers. Those managers work for the sales organization not for my organization. I have veto power over their appointments but I don't have the right to assert the selection of a given individual. I simply have the right to veto the choice of an individual by the sales organization. That's incidentally an informal right. It's my interpretation that I have that right, and I exercise it and it works!

Stories about proposals being "torpedoed" by one manager or one committee member reinforce the belief that all managers who are greatly affected by a decision must buy in:

(One manager had) a beautifully written business plan . . . wonderfully checked out. All the conflicts had been agreed to and managed ahead of time because there's a potential (conflict) with with our suppliers. He'd hand held everybody on the sales committee, seemed to have all the commitment . . . (when) it got to the sales committee Bob, a member of the committee, said: "I'm still a little queezy about this interface between our suppliers. You know we don't want to do anything to really make it seem like we're competing with them." You know this manager had done all the homework--all the checking . . . Bob just raised that . . . and then there was a vote
Bill’s message was: "here's the people that work for you and you're the sales manager. Don't make any mistakes. See ya."
That was it. Now what more do you need than that?

Oldtimers say that they are reluctant to dictate specific rules to new managers, suggesting that prescribing or proscribing certain behaviors will stifle initiative and creativity:

I can tell you for a fact that I have got a new fellow on board named Frank Ellis. (I ask him) how are you doing? What are you doing? What projects are you working on? Have you talked to so-and-so about that? Now I don't go and say, Gee Frank, you've got to go and get a buy in from that guy. I'd be defeating my (purpose) -- I'd be killing Frank Ellis, because maybe Frank's way is better. He may give you some insight into GEM for getting that project done which makes it easier... And then if he takes that message and goes off and works that, he may in fact, be starting part of his own buy in criteria.

This fear of prescribing rules is a dominant theme in tales about Bill Henry:

You'll say to Bill, "Bill just tell me where you want me to go. Don't tell me how to do my job, just tell me where to go." Bill would reply: "Well, I'm afraid that if I tell where I want you to go, I'll tell you how to get (there)..." Because he is concerned about telling me how to do my job, he won't say anything.

Thus the assumption that man is proactive and desires autonomy influences the oldtimers to leave new managers alone and to avoid giving them a "cookbook" that rigidly outlines their duties and responsibilities.

**Autonomy In Organizational Structure**

GEM is described as being one hundred different companies with each company having a different "president." When GEM managers discuss the different functional areas or the various divisions in the company, they refer to them as distinct organizations e.g. the "production organization," the "sales organization." Most organizations are structured as a profit center or cost center, so that each organization is allowed to operate in a relatively independent manner. Each organization is given the
responsibility for generating their own profits and/or minimizing costs, and the responsibility for the organization's success or failure rests squarely on the shoulders of its president. Organizations are often referred to by using the name of the president in connection with the organization, e.g. Fred's organization. GEM managers view the company as a composite of these autonomous organizations--a "United Nations:"

You know the expression GEM is a 1000 garage shops ... There's truth to that. You can think of it in microcosm as here's corporate headquarters and there are a bunch of entrepreneurs who each run little businesses and they make deals with each other.

However, these organizations are described as having "customer/vendor" relationships. Each organization supplies other organizations with goods and/or services, and in turn, consumes goods and/or services supplied by other organizations. Therefore a high degree of interdependence between vendors and customers is seen as being necessary for each organization to succeed:

I think there's some very informal but very important relationships between customers and vendors. We are a very interdependent company. The customer/vendor relationships are valued very highly. The plant manager, for example, really works good relationships with the plants that provide to him and really works good relationships with the plants who are his customers ...

Thus GEM's cultural values and perspectives regarding organizational structure and design are largely a function of the oldtimers' assumptions about human nature.

Fear of Rules

Oldtimers frequently express the fear that GEM will become more bureaucratic and accumulate more "red tape" as it continues to grow. Managers report that some oldtimers have left GEM because they felt that the company was becoming more rule oriented, and as a result, they felt
that they were losing some of the freedom that they once enjoyed. This fear of rules is expressed in a company memo from a few powerful oldtimers:

We recognize the legitimate fear that "laws" will make us like other big companies.

Furthermore GEM managers report that oldtimers strongly oppose any change that represents a loss of autonomy:

At one point in time we had one parking lot (that) didn't have lines--and it was almost big enough to accommodate everybody . . . but then as we . . . brought more and more people into the company the parking lot became a disaster area. Somebody decided that what we have to do is paint lines for people to park between in order to put some sense of order into the parking lot. Well, you can't believe the reaction that people had to painting lines in the parking lot--you'd think that we were introducing some kind of crazy system, constraints and policies and restrictions and all that kind of stuff. All we want(ed) to do is put lines in the parking lot so the people . . . wouldn't park randomly, because people couldn't get out--there were no lines, there were no rows, or any of that kind of stuff. At 5:00 the place was a disaster area. So they painted the lines. Well, some managers around here absolutely blew their stacks--they got absolutely furious. "What's GEM coming to . . . What are you personnel people trying to do? . . . You're changing GEM." (Now) we have all kinds of lines in the parking lot . . . I think that some of the other things that are happening around here today are like the lines in the parking lot. People get upset about it but it's necessary. It's not going to change the nature of the company, but some people get very, very upset about that--they can't adapt to the changes.

Oldtimers claim that the company has grown steadily because managers have been given the freedom to be creative. As the size of the company increased, however, these same managers report that they are frustrated by the increasing complexity of the business. Although they are suspicious of rules, they wish that something could be done to "make things simple" like they were in the "old days."
TRUTH IS DISCOVERED THROUGH CONFLICT

The third assumption of the GEM culture deals with the oldtimers' beliefs about the nature of reality. Oldtimers assume that their environment is extremely complex and difficult to comprehend. Therefore to determine the "right thing to do" they must understand the nature of truth, and more importantly, understand how truth is discovered in this environment. The oldtimers believe that truth is discovered through conflict. By continually testing, attacking, and scrutinizing ideas, only those ideas which are "true" will survive. This assumption is displayed as GEM managers discuss how they "beat on ideas:"

The quick answer--trying to get the thing decided right away . . . frequently on the tough problems . . . isn't right. On people problems it almost always isn't right. That means you've just got to keep that thing in your gut and . . . that can wreck weekends or weeks to do that. I've seen my boss do that and I've picked it up from him--I guess I knew it all along before but I've seen it be effective--hanging tough and putting that combination of things which . . . at first seem . . . incompatible--but usually if you beat on it long enough and you look at it from enough different directions and you live with that ambiguity long enough, usually you can come up with something that solves it. And I think that's an art.

Bill Henry nurtures this belief. He frequently takes the role of "devil's advocate" to test his manager's ideas and uncover the truth. In his role as devil's advocate, Bill Henry may initiate conflict in the organization:

I think Bill can be a bit manipulative at times. He will almost set up conflict . . . between two given organizations. (He'll) throw out a problem and . . . get a couple of people working on that same problem just to see what kind of response he gets or see who might go at the job the quickest and get it done the most effectively . . . Bill likes to test people.

Thus the assumption that truth is discovered through conflict underlies the following GEM values.
"Beat Up"

The implicit belief that truth is learned through a process of constantly attacking and testing new ideas, creates a number of explicit behavior patterns and values. Because GEM managers feel that conflict is to be encouraged, confrontations between managers with differing opinions are common. Managers report that they frequently get "beat up" in these confrontations:

I've been in a meeting where . . . (typically) afterwards someone will say, "Well . . . I just got beat up." It's usually in the context of my boss beat me up or somebody above me beat me up. It (beat up) is pushing back and arguing and pretty rough censuring.

These "beat up" confrontations are characterized as being "macho" in nature and filled with the "language of violence:"

One of the things I started to do my first few weeks here was to . . . pick up terms that the culture had in it--so that I would understand what they were talking about. The thing that jumped out at me immediately was the language of violence. (People) talked about getting beat up or getting killed--things that go with that . . . And the language of violence was rampant through the whole thing. People talk about that all the time: "boy, did I get beat up today" . . . In a very negative, hostile way, (managers) tell that person they (are) wrong . . . If it starts in a group there will be two or three people who (will) jump on him . . . They'll just climb all over a person. Sometimes people get mad . . . They're apt to call you a "silly son-of-a-bitch" or something like that--"that's a dumb-ass thing to do" . . . It's a male culture, almost to the point of . . . grabbing someone across the table, or (saying) "get out of my office before I punch you out" . . . I've had people . . . recount the tale when they did this to somebody. Usually it's with a bit of pride. It's a macho company in that sense. It's a macho culture which is kind of strange . . . for the kind of people we have here.

One manager described a meeting where he was "beat up:"

Last week I was in a meeting with Fred (an oldtimer). He picked up his pad and hit me with it and started screaming at me (for) something I said . . . You've got to come back at that, which I did . . . You've got to get in there and say what you feel and be willing to take the bruises and come back to people and explain to them that you are serious about what you are talking about. That's part of it and it's that kind of thing that
can, I think, intimidate people. It can be very intimidating. That's part of it. You've got to know what you're doing too. You've got to get in there and be sure enough of yourself—that you understand what you're trying to do—when someone asks you a question you're not going to fall apart . . . (It's) a very rough and tumble kind of environment . . . (and) that can rattle you.

Therefore "beat up" is the GEM manager's means of discerning truth in a wide variety of situations and settings. Moreover, coupled with the process of beating on ideas is GEM's managerial style which is characterized by GEM managers as being very "macho" in nature. "Violent" language is commonplace, and managers must be able to "fight back" when confronted if they are to survive.

No "Strokes"

Because of this constant jousting and criticizing of ideas, seasoned managers report that they have difficulty giving positive feedback. Few "positive strokes" are handed out:

Sometimes we're awfully tough on ourselves. We really beat the shit out of ourselves. If you were to go to one of our quarterly meetings you'd think we were failing, because we are very problem focused. We're not out stroking people . . . Take (our) macho approach for the newer people . . . (Newer people) say, "why are you guys so tough on yourselves?" We spend two percent of the time focusing on what we've done well and ninety-eight percent of the time just focusing on problems. (We go to meetings and it's) sort of an advise and insult (session) and sometimes it gets tough being there--I don't want to be a critic all the time. There needs to be some stroking . . .

This lack of stroking is reflected in the following description of a performance appraisal given by a senior manager:

I (went) through this performance appraisal and I . . . (covered a) set of specific goals and objectives, measurement criteria, due dates, etc., etc. (After it was over) the employee said: "you know, we went down the list and I had twenty things that I had to do and I did nineteen. We talked about the one (that wasn't done)." And I said: "you're right, now why did I do that? You know how I feel about the others--indirectly you know . . . that's the one we had a problem with and I'm
trying to deal with . . . and therefore that's the one that I focused on."

Thus giving positive feedback is sometimes difficult for GEM managers because in attempting to determine the "right thing to do," they value criticism--not compliments.

Creating Competition

Although GEM managers suggest that ideas, not people, win or lose, managers do become associated with the ideas that they propose. Therefore, as in most conflicts, some managers are winners, and others losers. Oldtimers, particularly in engineering where proposals for new products are made frequently, recall instances where someone's idea or a group's proposal won or lost. Frequently the "losers" are adversely affected as a result of the competition. One manager described a situation where three different groups were working on similar projects:

I think there were three relatively independent, highly competitive ideas that all hit the same rough space. We just let them go long enough so we had a clear winner. The advantage is that we've had some internal competition . . . We've had some review of exactly what the differences were among those projects and were able to pick some of the best features from all of the products for the one that finally resulted. I can think of lots of advantages. It's very rough on people though. We've burned out a lot of people who were not on the winning team.

Another manager told of a similar case:

Let me give . . . an example. There were two proposals for how to do project X that eventually became product X . . . . At that particular time there were fairly pitched battles and there were technical presentations and shouting and screaming . . . . My group won, but then I had the problem of how do you deal with the people who were made to be losers? And one of the unfortunate things that happened to me at that time is the group that was the losers at one time worked for a different vice president than I worked for. All of a sudden, just at the time that we won, this other group was thrown in with the group that was managed by the vice president that I worked for. All of a sudden, this person that I just finished . . . battling with was supposed to be my closest ally and I hadn't been educated in the mechanism for (dealing with) this kind of conflict. Neither had he. And it took us quite a while and there
was quite a bit of emotional trauma in trying to figure out what happened.
Thus promoting competition in GEM creates the conditions for "winning" and "losing." Although oldtimers feel that conflict is beneficial, they admit that there are some undesirable side effects.

Protecting Women

The final value we will consider seems to be a function of GEM managers' assumptions about the way to discover truth as well as the role of women in the organization. In most American corporations few women have been able to break into the top echelons of management. This is also true of the GEM corporation even though the company's managers seem committed to affirmative action and have initiated some programs to deal with this problem. One of the reasons that women seem to have difficulty in attaining top management positions is the perception that women may be less able to endure the rigors of line management which is the path to top management in GEM. To participate in GEM's "beat up culture," managers must be in a position within the company that allows them to propose as well as criticize ideas. GEM's line managers are seen as having the primary responsibility and the power to initiate ideas and pass judgment on proposals. Staff managers have an ancillary role. Line managers must be able to beat up other managers as well as take being beat up, and this seems to suggest to GEM managers that putting a woman in a line position is a risky proposition. Therefore some GEM managers may be somewhat reluctant to put women in high risk, line positions preferring to assign them to relatively "safe" staff positions usually in corporate planning or personnel:

(A line job) is perceived as a high risk . . . (for) a woman in that position . . . It's a pure leadership function and the . . . guys are reluctant to play on a team with a girl captain.
Company records reflect this reluctance. The percentage of women in top staff positions is almost ten times greater than the percentage of women in top line positions. Managers also point out that not only are women sometimes "protected" from line management positions, but they may also be protected from being beaten up:

Women are sisters or mothers or wives for most of these guys. Most of them have not had women friends or colleagues, so just from the female standpoint, you don't clobber your wife, your sister, your mother--it's just inappropriate. That's not the way a good boy behaves.

I haven't seen instances of women getting beat up. Of course there aren't women very high in the organization. The women who were at (a) particular strategic planning (meeting) were some women who were relatively high in the organization and there was a lot of deference given to those women . . . With them it wasn't: "you're full of shit." It's "what did you mean?" "Where are you getting that?" "I hear what you're saying." In a very gentlemanly kind of treatment.

Because women in staff positions are generally not interacting frequently with the male managers on the line, they are not in a position which would warrant being confronted or receiving extensive criticism. The women who are in line positions, however, have veto power and are able to make proposals as well as implement them. Hence they are viewed as "open game" and women in line positions may be beaten up:

I remember Sylvia Williams who was the head of a project . . . which lasted a year or so . . . She was at the planning committee doing a "dead proposal"--(i.e.) this business is about to die, its not been successful, it did not meet its goals and objectives, and therefore I'm recommending we go out of business for the following . . . reasons and this is how much it's going to cost me--and she got the shit kicked out of her. She really got beat up on that . . . and several people in that room beat the living daylights out of her . . . several of the people there went at her as if . . . shutting this down was the most stupid, damn thing--how the hell could she think of that . . .

GEM managers report that women who are in a position to be beaten up need to be very resilient in order to withstand such attacks. Furthermore, they suggest that women who adapt to the GEM culture generally
adopt the behaviors exhibited by their male counterparts:

The women I see surviving usually try to become like their male counterparts and they swear more than any of the men, and they're more vulgar. One of them I saw a couple of levels down . . . when she talked it was this kind of stance--hands on the hip pockets and the hip jutted out. And she'd talk to you just like any guy would--and she is a sexy looking woman. But that was the style she chose. And I watch two or three who either try to out male the males, or at least, be as hard or aggressive as the males. It works for them . . . They perceive that that's needed.

One female manager describes her adaptive strategy:

If you are a female, you may have to look a little more cowboy-ish initially. A little more macho initially . . . For instance, going into this job that I'm about to go into, if I were a white male with a background that they all received well I would take some . . . time to just get a lot of the reflections from the environment before I started doing anything with it. However, because I am a female, they will assume that the low-keyness has to do with my being a female--less assertive--therefore I'm going to have to compensate by pulling a few decisions fast and up front . . . I think it's valuable to do a couple of things for style and theater as much as anything, where I might not bother if I were a credible male.

Thus a women may want to look more masculine and try to appear just as "tough" as the male managers.

In summary, the assumption that truth is discovered through conflict creates a culture that values criticism and confrontation, gives few positive strokes, and honors "winners," sometimes at the expense of the "losers." Women, in general, are protected from conflict by being placed in staff positions and women tend to adopt the behaviors of their male bosses and peers in order to adapt to the "macho-ness" of the GEM culture.

THE CULTURAL PATTERN

The uniqueness of any culture is found in its pattern. When we speak of a cultural pattern, we are referring to the particular set of assumptions about human nature, the nature of relationships, and the environment, and their relationship to one another. It is this set of
assumptions that orders the explicit values, perspectives, and artifacts.

The particular patterning of these assumptions is the key to understanding a given culture. What distinguishes one culture from another is not the overt cultural traits, but rather the distinctive configuration of these assumptions—the way they "fit together" and form a unique "gestalt" or "ethos" (Benedict, 1934).

The GEM cultural pattern that we have been describing is composed of three assumptions. To recapitulate, they are: 1. GEM employees are members of a family; 2. People are proactive and can govern themselves; and 3. Truth is discerned through conflict. This pattern underpins the oldtimers' culture, and is the key to apprehending how the culture "works." When we say the GEM pattern "works" we mean that this particular set of assumptions fosters a unique set of values, perspectives, and artifacts that would not be present if these assumptions were not operating simultaneously. To explain this more clearly, let us examine how the assumption that GEM is a family is intimately related to the assumption about the nature of truth, and how the interaction of the two creates a unique environment.

The notion that GEM is a family fosters strong bonds of trust and kinship among the oldtimers. This assumption creates a supportive atmosphere which allows managers to confront others as well as be confronted. Although managers may beat each other up, there is an "underlying affection:"

Another piece about getting beat up is that, along with the image of beat up (there) is usually an underlying affection. This is the thing around Bill Henry, who goes around beating everybody up. You're really not anybody until you've been beaten up by Bill. If you do get beat up or your department gets beat up or your function, there's usually someone who comes around and tries to
comfort you and say, "because he really cares a lot about you, he's noticed you and he doesn't mean it, and he wants you to push back."

While the oldtimers may fight among themselves (much as siblings do) they claim that they remain strongly committed to one another. Thus oldtimers describe very hostile confrontations which do not appear to adversely affect interpersonal relations between the managers involved. They even suggest that such confrontations may enhance relationships and claim that confrontations end with managers making up:

The scene is John’s up there drawing these product migration charts and he said: "I don’t want any more requirements from you folks. I’ve had enough. I don’t want any more. I’m not working on those issues any more and here’s how I see the future and here’s how it’s going to be!" And so Jim jumps up and tries to take the pen away from John. (Having failed) Jim picks up another pen and is about to write on John’s chart—John yells "damn it, this is my . . . picture, you can’t draw on my . . . picture." And he’s stamping his feet and running around, and Jim is ripping the pen away from him. Five minutes later, after all this is over, the two of them are making up and talking about some stuff and being very nice and polite to one another and doing some work.

Although family members may quarrel, the feeling of kinship still exists. GEM managers suggest that without the feeling of trust and affection that exists among the oldtimers, they would be unwilling to confront each other:

If you’re not trusted, if you’re not familiar enough, then people will not risk beating you up . . . The beat up really has to do with—there’s so much data in the environment that nobody knows the right thing to do, so we’ve got to feel trusting enough to drive stakes in the ground. That I can say, "that sky is purple." And you can say to me, "you’re wrong, it’s blue." And I can say, "show me how it’s blue." Now if we don’t trust each other we’re not even going to discuss the sky. And you’ll go off and . . . beat up on somebody (else) and get some real data.

Because of GEM’s unique pattern of assumptions, managers are able to
confront each other and scrutinize ideas in a very supportive atmosphere. One can only understand how this "works" by deciphering the pattern.

While cultural assumptions may interact in a complementary manner as was just described, they also seem to create some inconsistencies and contradictions that are an inherent part of life in GEM. For example, GEM oldtimers emphasize egalitarianism, and yet seem to treat women somewhat differently than men. Oldtimers value autonomy and self-governance, but are required to collaborate with others to gain consensus and get "buy in." Furthermore, GEM oldtimers believe that they are truly concerned about people, and yet they spend a great deal of their time "beating people up." Thus different cultural assumptions may foster behaviors that may seem highly contradictory to an outsider. However GEM oldtimers, in general, seem to be quite unaware that these contradictions exist. Culture, therefore, is not necessarily a coherent system of assumptions, values, and perspectives but may be laden with a variety of contradictions and inconsistencies.

**CULTURAL BOUNDARIES**

This brief description of the GEM culture provides the backdrop to address a key issue that is relevant to our understanding of the GEM culture. The issue, framed as a question, is: to what extent is the culture of the oldtimers shared by members of the organization? While we have suggested that culture is a shared set of assumptions, the question arises: Do all, some, or only a few members of an organization adhere to the same assumptions? To answer these questions we must attempt to explicate the boundaries of a given culture. Previous studies in organizations have indicated that functional area (Gouldner, 1955; Dearborn and
Simon, 1958; Dalton, 1959; Lawrence and Lorsch, 1967; Kanter, 1977) hierarchical level (Payne and Mansfield, 1973) and tenure (Johnston, 1976) affect individual perceptions, attitudes, and beliefs. Since variations in perceptions, attitudes, and beliefs may reflect different assumptions, we might expect that cultural boundaries are related to these factors. We will briefly examine one of these factors--that of tenure--to determine if GEM's "new managers" (those managers who have been with the company for less than three years) share the assumptions of the old-timers.

The Martians

Because the size of GEM's workforce is continuing to grow, hundreds of new employees are hired annually. One oldtimer described this large influx of new people as being similar to an invasion of "Martians." These "aliens" are seen as having values which are quite different than those of the oldtimers. Oldtimers express the fear that GEM will eventually be overrun by these outsiders and that the company's unique environment which is seen as "not quite heaven--but close to it," will be radically changed or even lost. Periodically oldtimers hear stories and receive reports that tend to confirm these suspicions. One senior manager was told the following joke by his daughter who heard it while working at GEM one summer:

An Arab sheik had three sons. The oldest son was age 16, the middle son age 13, and the youngest son age 5. One day the sheik asked his sons what he could buy for them. The oldest son said that he wanted the finest education in the world. The second son replied that he wanted the best car in the world. The youngest son (not wanting much) asked for a Mickey Mouse outfit. A few months later the sheik called his sons together and announced that he had honored their requests. He said: "For you, my oldest son, I have acquired the best education money can buy--Harvard University. For you, my second son, I have obtained the Porsche/Audi automo-
bile company. And for you, my youngest son, I have found a Mickey Mouse outfit—the GEM Corporation!"

This joke deeply hurt the senior manager. He was unable to understand how anyone could have negative feelings about the company he helped to build. This joke suggests that GEM employees do not have uniform views about the company, its philosophy, and its practices. To one manager GEM may be "heaven," but to another, it might be a "Mickey Mouse outfit."

**Same Artifact—Different Assumptions**

While recognizing the signs that represent the culture of the oldtimers (e.g. slogans like "do the right thing," stories about Bill Henry, the red badges, behaviors like "beat up") new managers may interpret them quite differently than the veteran managers. Therefore while the content and form of the artifacts do not change, the meanings and hence the assumptions attached to them may vary. The artifacts may mean different things to different people. The following examples are intended to illustrate how the artifacts, perspectives, and values the GEM culture can have different meanings attached to them.

One manager, who had been with the company for two years, suggests that GEM's career employment policy merely perpetuates incompetence in the company, and attributes this value not to GEM's "people sensitivity," but to the company's favorable position in the marketplace:

I've never seen people nailed—fired . . . See GEM is sort of in an unique situation and they're fat and happy and rich enough now—they can afford to be nice. Even though they make it tough to get in here they can afford to be nice. I know some people who I personally feel are incompetent, but continue to get promoted. And how that happens I don't know. And you know that they could have gotten fired in their current job and somehow they switched jobs and that whole slate got cleaned.
A new manager may also believe that one of the reasons that they were hired was to introduce "modern management" techniques into the company and to eradicate many of GEM's "archaic" policies and practices. For example, some new managers cannot understand why the company has not developed a layoff policy. These divergent perceptions and expectations inevitably lead to miscommunication and conflict between oldtimers and new managers. In describing this conflict between the old and new managers, an oldtimer related the following story:

There was a meeting that took place . . . about a layoff policy . . . Somebody (who'd) been at the corporation three months said: "we need a layoff policy." Phil Jensen (an oldtimer) went absolutely berserk . . . I wish I'd been there because I would have gone berserk too. Phil said: "that really draws us away from excellence . . . You don't have the right to talk about that." That's a bedrock value (no layoffs) . . . We've got to value our people!

Moreover, new managers may see the oldtimers' red badges not as a symbol of status but as an antiquated relic, and the "GEM way" as a scapegoat for justifying inefficiency:

It's funny how some people continue to wear their old red badges. Have you noticed that? It's a red bold badge. It shows that you're an oldtimer. They wear that like a little badge of courage you know . . . (They're) coming up with comments like: "that's the way we've always done it; you can't do anything about it; that's the GEM way." That is a standard cop-out in my opinion . . . I believe that (it has) been used as a scapegoat. I've heard it many a time.

Although new managers hear the stories about Bill Henry's humility and unassuming manner, they may greet these stories with some skepticism:

I kind of get a kick out of, you know, Bill's got millions of dollars now and he still drives a sub-compact. I think that's neat. Now it might be a big facade . . . I hope it isn't . . . I hope it isn't a
planted thing in here to make us associate with him. I would really be disappointed.

While autonomy is a central value of the oldtimers, one new manager sees it as "an excuse for bad manners:"

There's no such thing as commitment to anything. You think you are building commitment--you hold a meeting and a whole bunch of people agree to come, and then four or five of them don't show up. Something else came up. I tell you they just don't show up. It's so loose and informal and the autonomy is valued so highly that people really don't follow through on stuff. So there's that lack of structure and commitment and discipline. And some of them, I swear, some of this GEM culture stuff is used as an excuse for poor manners. "That's GEM culture! I'm not going to show up for your meeting. What are you all upset about? That's the way we do things. Get used to it" . . . and everybody laughs, ha, ha.

Oldtimers and new managers may also define the situations they encounter quite differently. Oldtimers view "beat up" as a necessary step to discover truth. Ideas are criticised--not people--so, in theory, no one actually gets hurt:

The thing I don't see . . . is that anybody gets hurt by being beat up. It's more . . . playful . . . you know, we have a scuffle and then it's over.

New managers, on the other hand, who are not accustomed to being beat up, may define the situation differently and therefore have quite a different perspective. They may view the criticism as a personal attack:

A couple of interesting things about getting beat up . . . an outsider, a (new) person, interprets the (attacks) literally and starts slugging--and by that I mean really hitting them hard with the numbers. And (they) get their asses burned because there's really a lot more love and affection among the cowboys than one can see as an outsider.

These examples suggest that the oldtimers' assumptions, perspectives,
values are not universally shared by GEM managers. Although most GEM managers recognize the stories, myths, slogans, badges, etc., interpretations of these cultural artifacts vary greatly. Moreover, tenure seems to be a factor related to the difference in GEM managers' assumptions about the company's policies and practices (however rank and tenure are highly correlated in GEM and therefore we cannot discount the possibility that rank may also be a factor). "Unacculturated" new managers may view the oldtimers' culture with scepticism, doubt, and even contempt. By making this point we do not intend to suggest that GEM managers are either "believers" or "non-believers" in the values espoused by the oldtimers. Managers are at various stages in the socialization process. New managers are just learning the GEM culture and so such doubts are not to be unexpected. More seasoned managers have developed a deeper understanding of the "GEM way" and therefore may embrace it with more alacrity.

However learning the culture of the oldtimers is not an easy task for newcomers. Although GEM's top management has developed a rather elaborate set of statements which is intended to describe the GEM culture and GEM's corporate philosophy to new employees, there seems to be little relationship between the espoused corporate philosophy and the GEM culture that has just been described. This is not to say that the espoused corporate philosophy does not play a relevant role in the GEM culture, but the tacit assumptions and informal values seem to be much more powerful and central to the behavior of GEM employees. And inasmuch as the key assumptions of culture are essentially nonconscious, it is not surprising that GEM managers are unable to articulate them in formal statements. Thus using an organization's written statements of its philosophy as the
sole means of uncovering the culture may be highly unreliable indeed.

The shared assumptions of a given culture have an enduring quality because they are transmitted to succeeding generations of new members. Therefore the socialization practices of an organization are intimately connected with its culture inasmuch as they are the means by which the culture is maintained and preserved (Van Maanen, 1978; Van Maanen and Schein, 1979). To the extent that a society is unable to inculcate its values into new members, the values will eventually be replaced by the values of the newcomers. GEM oldtimers recognize that if they fail to transmit their beliefs to new managers, their culture will eventually become extinct.

In addition to the notion that socialization practices are an integral part of culture, these findings suggest a criterion for explicating cultural boundaries. Some writers have suggested that cultural boundaries may be delineated by merely using the artifacts e.g. language (Pfeffer, 1981), however these findings suggest that interpretations of a given artifact, perspective, or value may vary greatly within an organization. Thus care must be taken to decipher cultural boundaries not on the basis of whether or not an artifact is recognized, but on the basis of whether or not the meanings and assumptions behind the artifacts are mutually shared.

Finally the fact that there seems to be several different, and sometimes opposing assumptions, values, and perspectives operating in GEM suggests that GEM should be characterized as a pluralistic society, rather than viewed as having a single culture. Other writers have also demonstrated that organizations are usually comprised of different interest groups with diversified values and motives (Gouldner, 1954; Dalton, 1959; Lawrence and Lorsch, 1967; Kanter, 1977). Therefore, in most
instances, the term "organizational culture" may be a misnomer because a number of different and perhaps competing cultures may be imbedded within a single organization.

CONCLUSION

The purpose of this paper has been to examine the concept of organizational culture. We have suggested that current conceptions of the concept are inadequate because they have tended to neglect the assumptions that are at the core of any culture. Current formulations and studies of organizational culture have focused primarily on the surface manifestations of these assumptions. We have proposed a framework for studying organizational cultures and have used this framework as a guide to gather data and describe the culture of one organization. Moreover, the concept of culture as outlined in this paper proved to be a useful analytic tool to study the GEM corporation. By explicating the assumptions of the GEM culture, we are able to gain important insights concerning the behavior of people in that organization. We are able to understand the assumptions that foster GEM's employment policies, socialization practices, decision making processes, the problems that women face in the organization, and a host of other phenomenon. Therefore, just as the concept of culture has faithfully served scholars in various disciplines for decades, it may also prove to be a valuable diagnostic tool for students of organizations. Furthermore in the course of our investigation we have suggested that cultural boundaries should be delineated--not on the basis of the artifacts--but on the basis of the assumptions behind them and that organizations may contain multiple cultures. Finally, we have argued that in order to understand the uniqueness of a given culture, we must not
only explicate the overt pieces of the cultural mosaic, but discover the underlying assumptions and their relationship to each other. Thus we suggest that future studies of culture in organizations should be directed toward explicating the assumptions of culture, not merely the overt artifacts, perspectives, and values; for studying the explicit elements of culture without regard to the underlying pattern of assumptions is like trying to decipher the form, design, and intent of an impressionistic art work by focusing on the discrete pieces of paint without searching for the larger pattern.
Data used in the study were obtained from the following sources:

1. Formal Interviews With Key Informants

A list of approximately forty managers was drawn up by a GEM personnel manager and an external consultant who had worked for GEM for about ten years. The managers on this list were described by the personnel manager and the consultant as being knowledgable about the company’s operations and practices. Therefore initially I relied on the experience of these two people to lead me to those managers who were good informants. Of the original pool of forty managers, twenty-nine were eventually interviewed. Ten of the twenty-nine managers were "top level" managers (less than two hierarchical levels from the president) and the other nineteen managers were considered to be "middle" managers (generally three or four levels from the president). These twenty-nine managers were working in six of the major functional areas: engineering (4), production (13), sales (8), personnel (4), and they were geographically dispersed in different locations, although a little over half of them worked in or near corporate headquarters. The tenure of these managers is as follows: Over 15 years (4), 10-15 years (11), 5-10 years (9), Less than 5 years (5).

Each manager was interviewed for approximately an hour and a half, although in some instances interviews continued over lunch and lasted two to three hours. The managers were initially asked to describe their career paths and comment on the reasons for the successes and the failures they experienced while working at GEM. Furthermore, the managers were usually asked to describe what someone would need to know or do to become an accepted and successful member of the organization. The interviews, however, were unstructured so I explored any avenue the seemed to be fruitful. Moreover, these interviews were used to test hypotheses and check out information gathered from other sources. Special attention was paid to the language, categories, concepts, and semantic domains used by these managers to describe life in GEM. Twenty-eight of the interviews were taped and transcribed (one declined to be taped). At the end of the interview, the managers were asked to fill out a short questionnaire which elicited information about their backgrounds, e.g. length of service, position, salary level.

2. Informal Interviews and Conversations

While the data gathered from the formal interviews provided significant insights, informal interviews and conversations with other informants proved to be equally valuable. The personnel manager who helped select the managers for the formal interviews became a key informant. We would meet or talk on the phone every three or four weeks to discuss the data from the formal interviews (although the sources of the data were kept confidential) and to formulate and test hypotheses. Other informal conversations with GEM managers were held while walking to and from meetings, during lunch, or in the lobbies. Informal interviews were also conducted with two external consultants who had worked for the company.
3. Observation

Watching GEM managers interact with one another and actually being in the physical environment of the company were extremely useful in confirming interview data and generating new insights into the culture of GEM. All formal interviews were conducted on site during regular working hours, and this usually required me to be escorted by the manager or his/her secretary to his/her office. (Security is tight at GEM. Everyone who enters a company building must register, wear a "visitor" badge, and be escorted by a GEM employee.) Because most offices were located some distance from the lobby where a visitor registers, five to ten minute walks through the premises were not uncommon. Sitting in a company cafeteria or lobby and watching GEM employees interact with one another was also instructive.

4. Internal Reports and Documents

Internal memos (e.g. statements concerning the company's goals, values, and objectives) organization charts, policy manuals, and company newsletters provided a wealth of information. Minutes were taken at meetings where managers discussed the "GEM culture" and these records helped to confirm much of what was learned in the formal and informal interviews.

5. External Reports and Documents

Three studies conducted by outside consultants and researchers were also made available to me. Two studies identified key "norms" at GEM and one report described the socialization practices of GEM from the perspective of a new recruit. These documents were instrumental in providing additional information which could confirm or discount data from other sources.
BIBLIOGRAPHY


Rokeach, M. **Beliefs, attitudes, and values.** San Francisco: Jossey Bass, 1968.


Sanday, P. R. The ethnographic paradigm(s). _Administrative science quarterly_, 1979, 24, 527-538.


Taguiri, R. and G. H. Litwin (eds.). *Organizational climate: Explorations of a concept.* Boston, Mass.: Division of Research, Graduate School of Business Administration, Harvard University, 1968.


