

Chapter 3

Changing the Culture

TEST QUESTIONS

True/False Questions

1. In an environment of rapid change, a static culture provides the stability for future effectiveness.
(F, easy, p. 63)
2. Top management shows support for cultural change primarily in its written letters, memos, and directives.
(F, easy, p. 63, 67-68)
3. Managers through their philosophy of management that they express in speeches and memos define the culture of the organization.
(F, easy, p. 64)
4. Only large businesses have corporate cultures.
(F, easy, p. 64)
5. Culture is derived from the organization and the management.
(T, easy, p. 64)
6. A strong, widely internalized corporate culture is frequently cited as the reason for the success of such companies as Google and 3M.
(T, easy, p. 65)
7. The culture of a company, for example Walt Disney Co., can set it apart from its competition.
(T, easy, p. 65)
8. A key factor in improving the level of effectiveness in an organization is creating a vision for the future.
(T, easy, p. 66)

9. A culture can also work against a company as it may prevent it from remaining competitive in a changing environment.
(T, easy, p. 67)
10. The three tools to change a corporate culture are information, capital, and people.
(F, moderate, p. 67-68)
11. Open-book management teaches employees to adapt to new cultures by reading and studying books on management including organization development.
(F, moderate, p. 67)
12. “Venture capital” and “innovation banks” are examples of outdated and rarely used methods of encouraging innovation and change.
(F, easy, p. 68)
13. Managerial effectiveness is measured by the ratio of outputs to inputs.
(F, moderate, p. 69)
14. Managerial effectiveness and managerial efficiency are two terms that both refer to the manager “doing the right thing.”
(F, moderate, p. 69)
15. An OD professional retains the right of autonomy, has a commitment to the discipline of OD, has a responsibility to society, and has knowledge and skill of OD.
(T, easy, p. 70)
16. The value system underlying OD approaches emphasizes creating an organizational climate that maximizes profits while achieving organizational goals.
(F, moderate, p. 70)
17. The politics of change refers to the reality of power and politics in implementing change.
(T, easy, p. 71)
18. In OD programs it will typically be apparent to the practitioner the correct balance between (1) the rights and interests of the organization’s members and (2) improvements in organization efficiency and effectiveness.
(F, moderate, p. 71-72)

Multiple-Choice Questions

19. Which of the following best typifies the OD practitioner's attitude about change in an organization's culture?

- a. Change may be imposed on a system when necessary.
- b. Change within an organization is legitimate as long as it is supported by some members.
- c. The process governing change is not important but the results are important.
- d. Culture is the key to an organization's success.
- e. Convincing members at all levels of the organization is critical to the success of the OD program.

(d, moderate, p. 62-63)

20. Long-term attainment of change cannot be obtained without _____.

- a. conflict management
- b. cultural change
- c. differentiation
- d. improvements in efficiency
- e. all of the above

(b, easy, p. 62-63)

21. Which of the following statements is true of what we know about organizational culture?

- a. Culture is related to organizational accomplishments.
- b. Culture can shape the firm's overall effectiveness.
- c. Different cultures may exist in different parts of the same organization.
- d. The culture is seldom determined by one person.
- e. all of the above

(e, easy, p. 62-66)

22. "The way we always do that in this company" is part of what aspect of the company?

- a. strategic plan
- b. constraints
- c. culture
- d. OD program
- e. none of the above

(c, easy p. 63)

23. The key set of _____ shared by the members of an organization defines the organization's culture.

- a. values, beliefs, understandings, and norms
- b. operational standards
- c. common goals and objectives
- d. sociotechnical subsystems
- e. communication patterns

(a, moderate, p. 63-64)

24. Over time, organizations develop certain _____ that are collectively referred to as the culture of the organization.

- a. unique patterns of external communications with competitors
- b. mission statements
- c. ways of doing business
- d. constraints in the form of rules
- e. all of the above

(c, moderate, p. 63-64)

25. Organization culture is likely to be concerned with _____.

- a. shared assumptions
- b. socialization of new members
- c. shared history
- d. managerial philosophy
- e. all of the above

(e, moderate, p. 63-65)

26. Which of the following is an indicator of an underlying cultural value?

- a. a company dress code
- b. verbal and written history such as “The H-P Way”
- c. quarterly award ceremonies
- d. stories about Walt Disney and Sam Walton when they were at Disney and Wal-Mart respectively
- e. all of the above

(e, moderate, p. 63-66)

27. The key to altering organizational strategy is _____.

- a. management style
- b. system analysis
- c. corporate culture
- d. all of the above
- e. answers a and c

(e, easy, p. 64)

28. Factors in the Corporate Culture Index include what characteristics?

- a. member identity and team emphasis
- b. the ratio of outputs to inputs
- c. control and risk tolerance
- d. all of the above
- e. answers a and c

(e, difficult, p. 65)

29. For an organization to be effective, the corporate culture needs to achieve goals as well as satisfy the needs of _____.

- a. stockholders
- b. the strategic plan
- c. top management
- d. members
- e. systems

(d, moderate, p. 65)

30. The single greatest influence on shaping a firm's culture is _____.
a. the business environment
b. the values of top management such as the founder
c. the human resource department
d. the marketing/sales department
e. none of the above

(b, moderate, p. 65)

31. Following corporate mergers, cultures often clash because _____.
a. of different management styles
b. groups may have different goals
c. of language differences
d. all of the above
e. answers a and b

(d, moderate, p. 65-66)

32. Rewarding change is a concept of motivation. Which of the following statements is NOT true?
a. People behave in ways that provide rewards for them.
b. Because culture is so ingrained into the fabric of a person, offering financial rewards to an employee will have little or no effectiveness in bringing about cultural change.
c. If an organization implements rewards for the new culture, people will be motivated to change.
d. Rewarding old cultural behaviors will reinforce the status quo.
e. A management-identified reward may not be considered a reward by the employee.

(b, difficult, p. 66)

33. The term "open-book management" refers to _____.
a. allowing board members and stockholders to freely observe management techniques in the workplace
b. teaching employees to understand accounting and financial statements and getting key financial information to employees
c. removing the fear of failure from the work environment
d. providing funds, staff, equipment, and materials to carry out a project
e. none of the above

(b, moderate, p. 67)

34. The goal of changing an organization's culture to improve customer service in a large highly structured firm is often thwarted because _____.
a. first-line supervisors resist changing their "supervisory" roles
b. the organization lacks financial resources to refurbish the physical plant
c. top management fails to provide commitment to change
d. such organizations are just too large to change its culture
e. all of the above

(c, moderate, p. 67-68)

35. Joan's department has a low scrap rate, uses little overtime, and produces high-quality products. This information shows her department to be _____.

- a. efficient
- b. effective
- c. both efficient and effective
- d. neither efficient nor effective, Joan's department is motivated
- e. either efficient or effective—the terms mean the same thing

(c, moderate, p. 69)

36. Managerial effectiveness is _____.

- a. facilitated by anticipative management
- b. measured by the ratio of outputs to inputs
- c. the accomplishment of specific organizational goals and objectives
- d. all of the above
- e. answers b and c

(e, moderate, p. 69)

37. The ratio of outputs to inputs is a measure of _____.

- a. efficiency
- b. effectiveness
- c. motivational climate
- d. all of the above
- e. none of the above

(a, easy, p. 69)

38. Three criteria to indicate an organization's effectiveness or health are _____.

- a. motivational climate, morale, and a horizontal organization
- b. adaptability, sense of identity, and capacity to test reality
- c. efficiency, effectiveness, and egalitarian
- d. degree of profitability, motivational climate, and adaptability
- e. none of the above

(b, moderate, p. 69)

39. The success of an OD program, to a large extent, is dependent on the fit between _____.

- a. OD values and organization values
- b. managerial efficiency and managerial effectiveness
- c. organization vision and rewards for change
- d. motivational climate and organizational effectiveness
- e. top management and the organization's founders

(a, easy, p. 70-71)

40. OD practitioners must consider the following ethical or value implications when initiating a change program:

- a. the compatibility of the practitioner's values with the organization
- b. controlling the manner in which top management defines the culture
- c. understanding the politics of an organization so they may be changed
- d. all of the above
- e. answers b and c

(a, moderate, p. 70-71)

41. The technology and value system of OD is _____.
a. contained in the “Ten Tenants of OD”
b. well documented in professional journals
c. defined by the Society of OD Practitioners, a professional organization
d. well established over 50 years that OD has been practiced
e. undergoing change and revitalization

(e, moderate, p. 72)

42. Which of the following is NOT an OD value?
a. participation
b. confrontation
c. power equalization
d. respect for people
e. training and promoting people

(e, moderate, p. 72)

Essay Questions

43. List and describe the organization tools required for an adaptive organization.
Information - provides people with information or the ability to gather information.
People feel free to go outside their own department to gather information and open communication patterns across departments.
Support - provides people with the support and necessary “go ahead” from higher management as well as the cooperation of peers and subordinates.
Resources - provides the resources, including funds, staff, equipment, and materials, to carry out the project.
(p. 67-68)

44. Managerial effectiveness, managerial efficiency, and motivation climate are three basic organizational dimensions affecting performance that OD programs are aimed at. Define these three dimensions.

Managerial effectiveness—the accomplishment of specific organization and objectives; it is “doing the right thing.”

Managerial efficiency—the ratio of outputs to inputs (i.e., results to resources); it is “doing things right.”

Motivational climate—the set of attitudes and values affecting individual and group performance.

(p. 69)

45. List and explain three ethical or value implications that face the OD practitioner in implementing an OD program.

The compatibility of the values of the OD practitioner and the organization - the practitioner brings a certain set of values to the client organization, which has its own basic values and mission. The values will never be identical but the question is to what degree are they compatible and can both parties live with the differences.

The changes imposed on the members - those in charge (management) may impose an OD program on other organization members.

Determining the priority of the goals - to balance between OD program goals that impact organizational goals and individual goals. The goals may be incompatible.

Can the OD practitioner help both the organization and its members attain their goals?

(p. 70-72)