

Information Pack

Unit 427

Developing a Culture to Support Innovation and Improvement



INTRODUCTION

The aim of this unit is to develop knowledge and understanding of culture to support innovation and improvement as required by a practising or potential first line manager.

Culture is a term we generally use to group together or sum up a set of social factors we can't quite put our finger on, such as traditions, behaviour patterns, attitudes, beliefs and commonalities. We usually think of culture in terms of nations or communities. However, the concept has more recently been applied to organisations as a way of understanding how social processes impact performance. An understanding of how culture is created and reinforced in organisations can help managers predict the human impacts of change and the consequences for strategy.

Innovation and change are often necessary and important so that a company remains relevant and continues to deliver viable solutions to a growing customer base. But, while a company and its executives may recognise the need for change management, employees may be resistant since change can be hard and uncomfortable.

SAMPLE

GUIDANCE

This document is prepared to break the unit material down into bite size chunks. You will see sub-headings that will coincide with the learning outcomes, specific to this unit. Therein you will encounter the following structures;

Purpose

Explains *why* you need to study the current section of material. Quite often learners are put off by material which does not initially seem to be relevant to a topic or profession. Once you understand the importance of new learning or theory you will embrace the concepts more readily.

Theory

Conveys new material to you in a straightforward fashion. To support the treatments in this section you are strongly advised to follow the given hyperlinks, which may be useful documents or applications on the web.

Example

The examples/worked examples are presented in a knowledge-building order. Make sure you follow them all through. If you are feeling confident then you might like to treat an example as a question, in which case cover it up and have a go yourself. Many of the examples given resemble assignment questions which will come your way, so follow them through diligently.

Question

Questions should not be avoided if you are determined to learn. Please do take the time to tackle each of the given questions, in the order in which they are presented. The order is important, as further knowledge and confidence is built upon previous knowledge and confidence. As an Online Learner it is important that the answers to questions are immediately available to you. Contact your Unit Tutor if you need help.

Challenge

You can really cement your new knowledge by undertaking the challenges. A challenge could be to download software and perform an exercise. An alternative challenge might involve a practical activity or other form of research.

Video

Videos on the web can be very useful supplements to your distance learning efforts. Wherever an online video(s) will help you then it will be hyperlinked at the appropriate point.

Contents

INTRODUCTION	2
GUIDANCE.....	3
Defining Organisational Culture?	6
Handy's Four Types of Organisational Culture	12
Defining Innovation.....	16
The Rise of Open Innovation	18
The consumer's role in innovation	19
Benefits of Innovation.....	20
Risks of Not Innovating	21
Senior and Middle Managers	21
Whitespace Model.....	21
1. Set Direction.....	22
2. Motivating.....	22
3. Shaping Whitespace.....	22
4. Assessing Results.....	23
5. Staff Whitespace	23
Moving to the Blackspace	24
Four Must Dos.....	24
Innovation and Communication.....	25
Defining Change.....	28
Incremental Change	29
Annual Change	29
Step Change.....	29
Metamorphosis or Major Change	29
Other ways of Defining Change.....	31
Reasons for Change	32
Benefits of Change	33
What are the Barriers to Change Management?	36
Prepare for Change	38
Understanding Change Management Terminology	38

Organisations	39
Characteristics of Organisations.....	39
Goals and Objectives.....	40
Vision and Mission statements	40
Defining Objectives	42
Communication in the Innovation Process	43
Criteria in the Innovation Funnel Management Process	44

SAMPLE

Defining Organisational Culture?

An often-quoted definition of organisational culture is “the way we do things around here”. Edgar Schein, a key contributor to the fields of organisational culture and career development, provides a longer definition:

“The pattern of basic assumptions that a group has invented, discovered or developed, to cope with its problems of external adaptation or internal integration, that have worked well and are taught to new members as the way to perceive, think, feel and behave.”

This description covers four key elements of organisational culture:

1. It belongs to **a group**.
2. It helps the group to **cope with problems**.
3. It is taught to new members - it is **passed on** and **perpetuated**.
4. It covers **perception, thinking, feelings** and **behaviour**.

[Video](#)

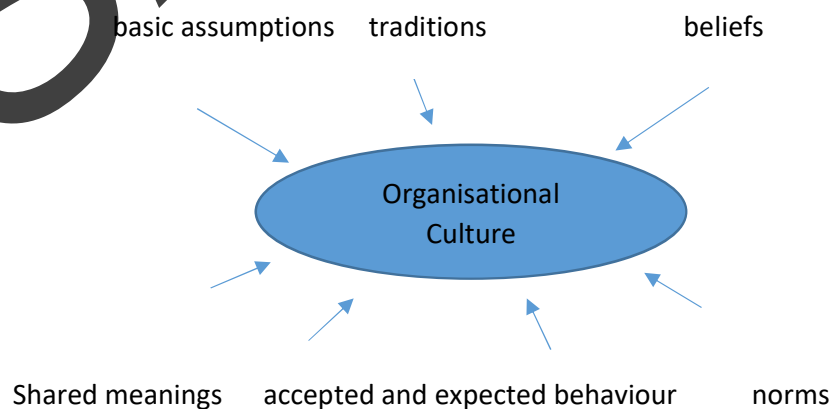
The theory of organisational culture, pioneered by such thinkers as Tom Peter and Geert Hofstede in the 1980s, offered an alternative understanding of how organisations operate. Theorists turned their attention away from such rational factors as organisational functions and processes to socially constructed patterns of behaviour, how these form, and what they mean for organisations.

Organisational culture is ...

... ‘the unique configuration of norms, values, beliefs, ways of behaving and so on that characterise the manner in which groups and individuals combine to get things done’.

... ‘the collective programming of the mind that distinguishes the members of one organisation from another’.

To date, organisational culture remains a popular perspective, albeit one that lacks a standard definition. Common terms, however, tend to emerge from the myriad of descriptions, a few of which have been collated in the diagram below:

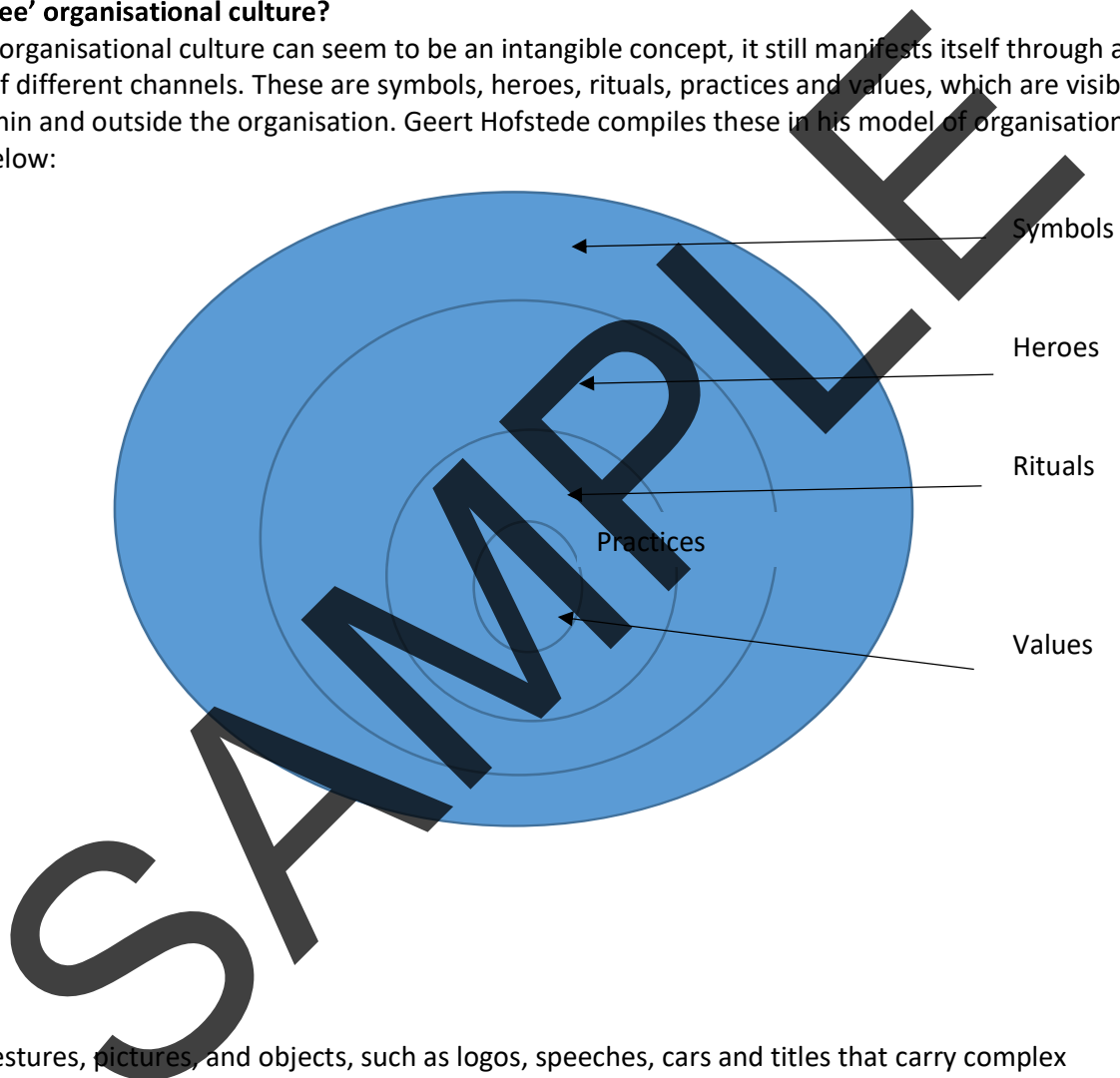


Although there remains no common definition, theorists do agree that organisational culture is influenced by a multitude of factors. The history of the organisation and the societal culture in which the organisation is situated are cited as major influences. Other important factors include the structures of power and control within the organisation, its vision and mission, and the type of business conducted.

Question

Can we 'see' organisational culture?

Although organisational culture can seem to be an intangible concept, it still manifests itself through a number of different channels. These are symbols, heroes, rituals, practices and values, which are visible to those within and outside the organisation. Geert Hofstede compiles these in his model of organisational culture below:



Symbols

Words, gestures, pictures, and objects, such as logos, speeches, cars and titles that carry complex meanings for the people within the organisation. Symbols appear on the outer layer of the diagram as they are the most easily eroded or replaced.

Heroes

People who are associated with the organisation, either at the present time or in the past, who act as role models for current employees. They may be leaders, strong personalities or respected individuals who portray admired values and behaviours.

Rituals

Activities undertaken within the organisation which may not be essential for achieving organisational objectives but act to consolidate cultural values and social acceptance within the group. They are often