

# Business Organisation

# Learning out come will see students being able to :

- A. C. .3.3- Judge how the business and cultural environment shape the behaviour of a selected Organisation-

# What is Cultural Environment

- 'culture' refers to the prevailing norms and values which guide the way people behave in a society or in an organisation. Culture at the level of an organisation is referred to as organisational culture, and culture at the level of a society is referred to as national culture.
- "Organisational culture refers to an organisation's own values, beliefs and learned ways of doing business. This is reflected in its structure and in the people who work in the organisation. The culture of an organisation is derived from its aims and purpose, its past, its present and its current ways of managing its people and resources. Because every organisation is unique in terms of these features, each will have a culture that is unique."(open.edu)

# Organisation Culture

- “very often these values and beliefs are not explicit and people take them for granted. This ‘taken-for-grantedness’ is what frequently makes culture problematic in organisations. People assume that everyone views things in the same way”.(open.edu)

# National Culture.

- National culture, in turn, is the culture that exists outside the organisation at the level of a society or country. National culture is made up of the societal values and belief system of a country and is influenced by several factors, including its languages, religions, gender roles, age profiles of its population, socio-economic groups and government policy.(open.ac.uk)

# Major elements of culture that shape behaviour of organisations

- Material Culture, Language, education, Religion
- Race, class.
- **Material Culture-** material culture takes into consideration transportation, power, communications and so on. All aspects of marketing and business processes are affected by material culture like sources of power for products, media availability and distribution. For example, refrigerated transport does not exist in many African countries. Material culture introductions into a country may bring about cultural changes which may or may not be desirable. (fao.org) Lets consider the scenario below.

# Case Study

## ■ Canned Drinks In Zimbabwe

- Until the early 1990s, Zimbabwe did not allow both alcoholic and non alcoholic beverages to be packed in cans. There were both economic and environmental reasons for this. Economically, Zimbabwe did not have the production facility for canning. Environmentally, Zimbabwe had seen the litter in Botswana, caused by discarded empty cans. By putting a deposit on glass containers they ensured the empties were returned to the retailer, thus avoiding a litter problem.
- However, with the advent of trade liberalisation under the Structural Reform Program, the Government of Zimbabwe decided to allow the import of some 4 million cans as an experiment, after which it would assess the environmental impact. The result was a huge influx of canned alcoholic and other beverages not just from nearby Botswana and South Africa but from Australia, USA and Europe

# Case Study

- Historically, class divisions were an important aspect of British Culture, and for a long time, firms operating in Great Britain found it difficult to achieve cooperation between management and labour. Class divisions led to a high level of industrial disputes... and raised the costs of doing business in Great Britain relative to the costs in other European countries...”
- Japanese companies sometimes cited Canada's official bilingualism policy as one of the reasons they didn't want to set up operations in Canada in the 1980's and instead went to the U.S. where they could operate in English - however, interestingly, as the demographic of the U.S. changed in the 1990's, many companies realize that in the 2000's, to operate in the U.S. is to operate in English and Spanish.(witiger.com)



# Reference

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