

Corporate Culture



Corporate / Organisational Culture

Edgar Schein, a prominent scholar in the field, defines organisational culture as:

“A pattern of shared basic assumptions learned by a group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.”

Dimensions of Organisational Culture

- Values
- Norms
- Leadership Styles
- Communication Patterns

Changing Organisational Culture

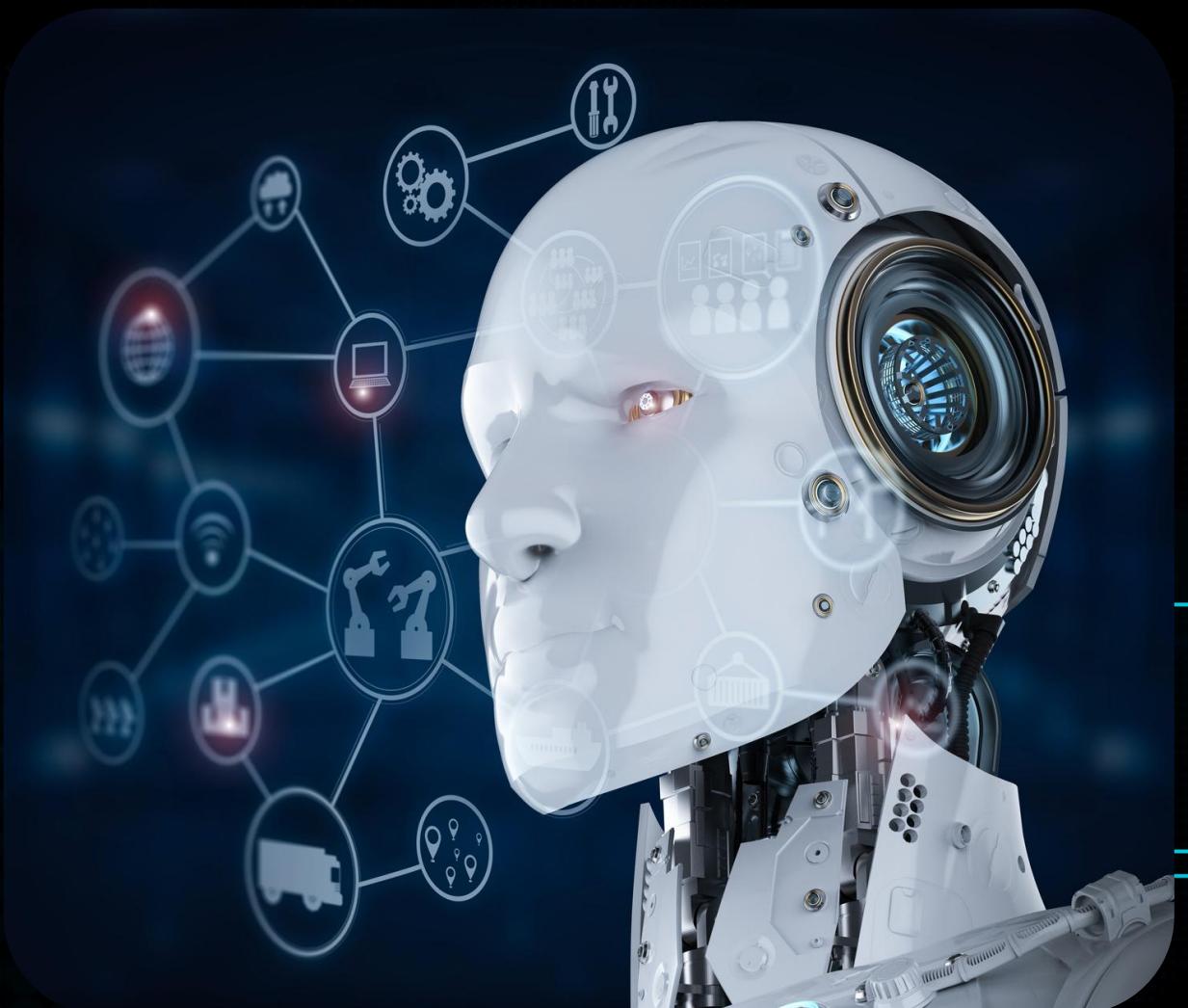
Changing culture is one of the most challenging tasks for leaders. It requires a clear vision, consistent leadership, and sustained effort.

Steps to Cultural Change:

1. Assess the Current Culture: Use surveys, interviews, and observations.
2. Define the Desired Culture: Align with strategic goals.
3. Engage Leadership: Leaders must model the desired behaviours.
4. Communicate Clearly: Share the vision and rationale for change.
5. Reinforce Through Systems: Align policies, rewards, and structures.
6. Monitor and Adjust: Track progress and make necessary adjustments.

The Role of Culture in Shaping Innovation, Risk Tolerance, and Adaptability

1. Understanding Organisational Culture
2. Culture and Innovation
 - a) Cultural Traits that Foster Innovation
 - b) Barriers to Innovation
 - c) Leadership and Innovation Culture
3. Culture and Risk Tolerance
 - a) High vs. Low Risk-Tolerant Cultures
 - b) Cultural Influences on Risk Perception
 - c) Building a Risk-Tolerant Culture



Culture and Adaptability

Cultural Attributes that Support Adaptability

- Agility
- Resilience
- Continuous Learning
- Customer Orientation

Resistance to Change

Cultures that are rigid, hierarchical, or tradition-bound may resist change. Employees in such cultures may fear the unknown or distrust new initiatives.

Leadership and Cultural Adaptability

Adaptive leadership is essential for fostering a culture of adaptability. Such leaders:

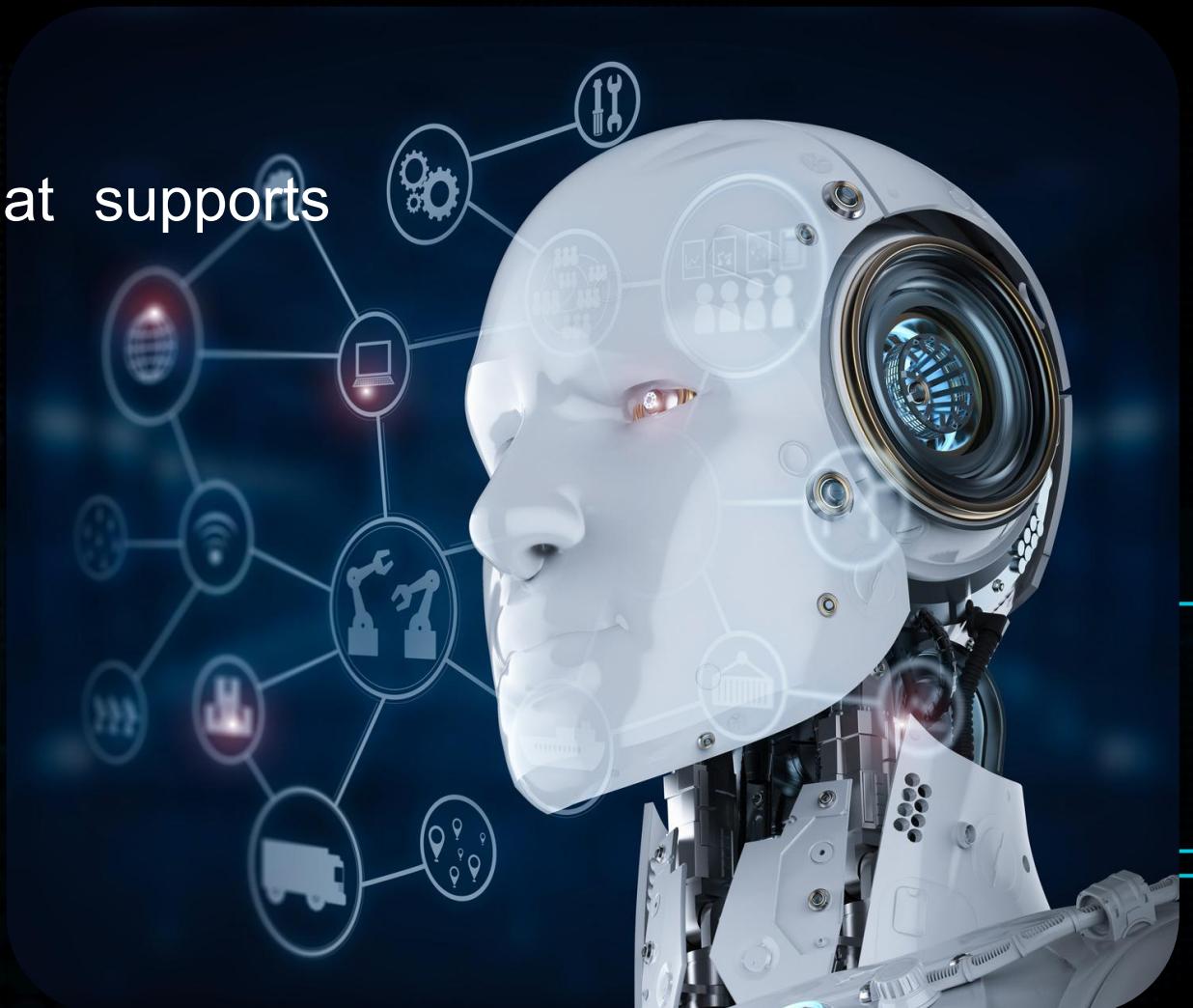
- Communicate a compelling vision
- Involve employees
- Provide support
- Model flexibility



Cultivating a Culture for the Future

To thrive in the future, organisations must cultivate a culture that supports innovation, risk-taking, and adaptability:

- Assess the Current Culture
- Define the Desired Culture
- Engage Leadership
- Align Systems and Structures
- Invest in People



Culture and Technology Adoption

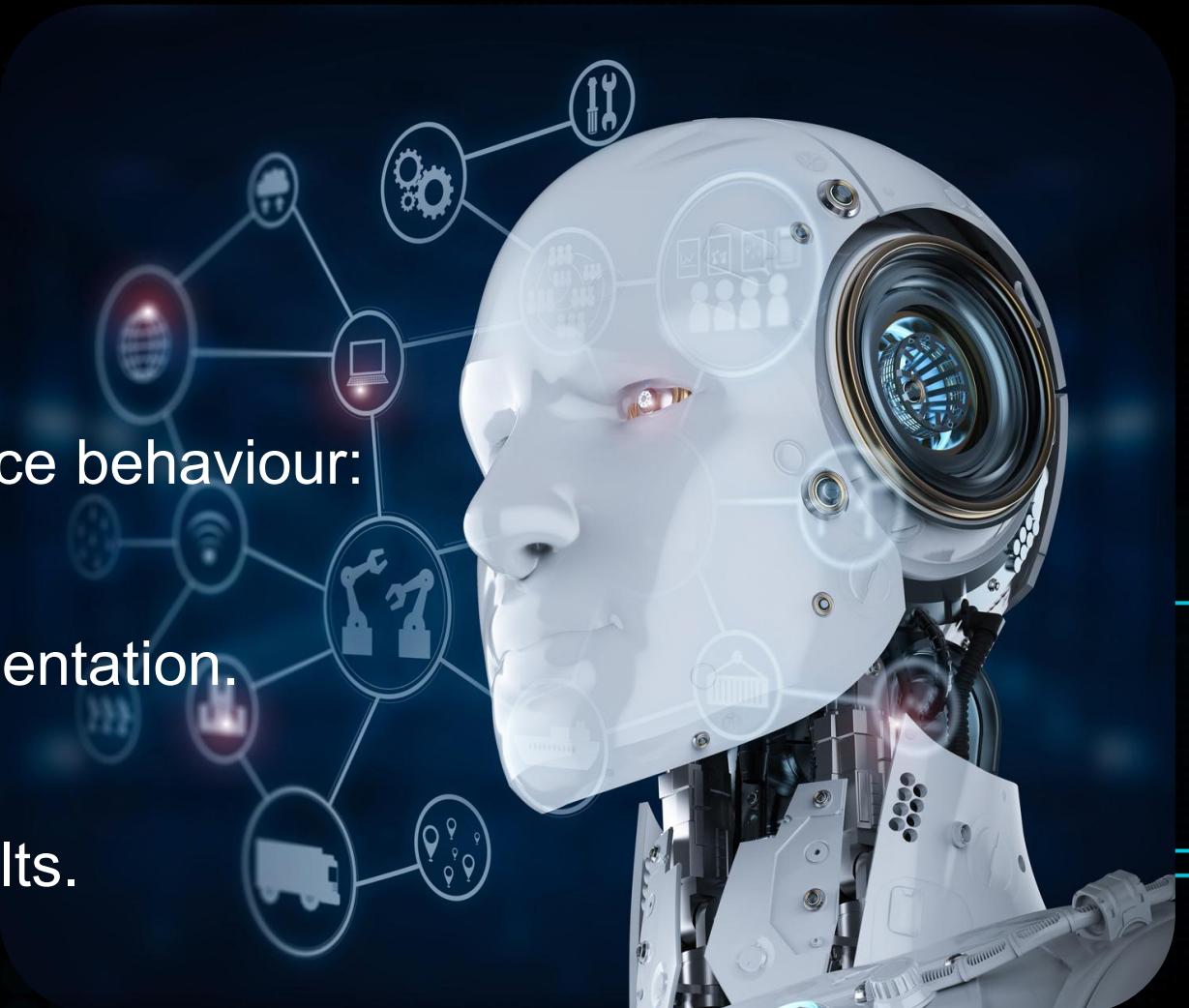
Welcome to the Future

Hofstede's Cultural Dimensions

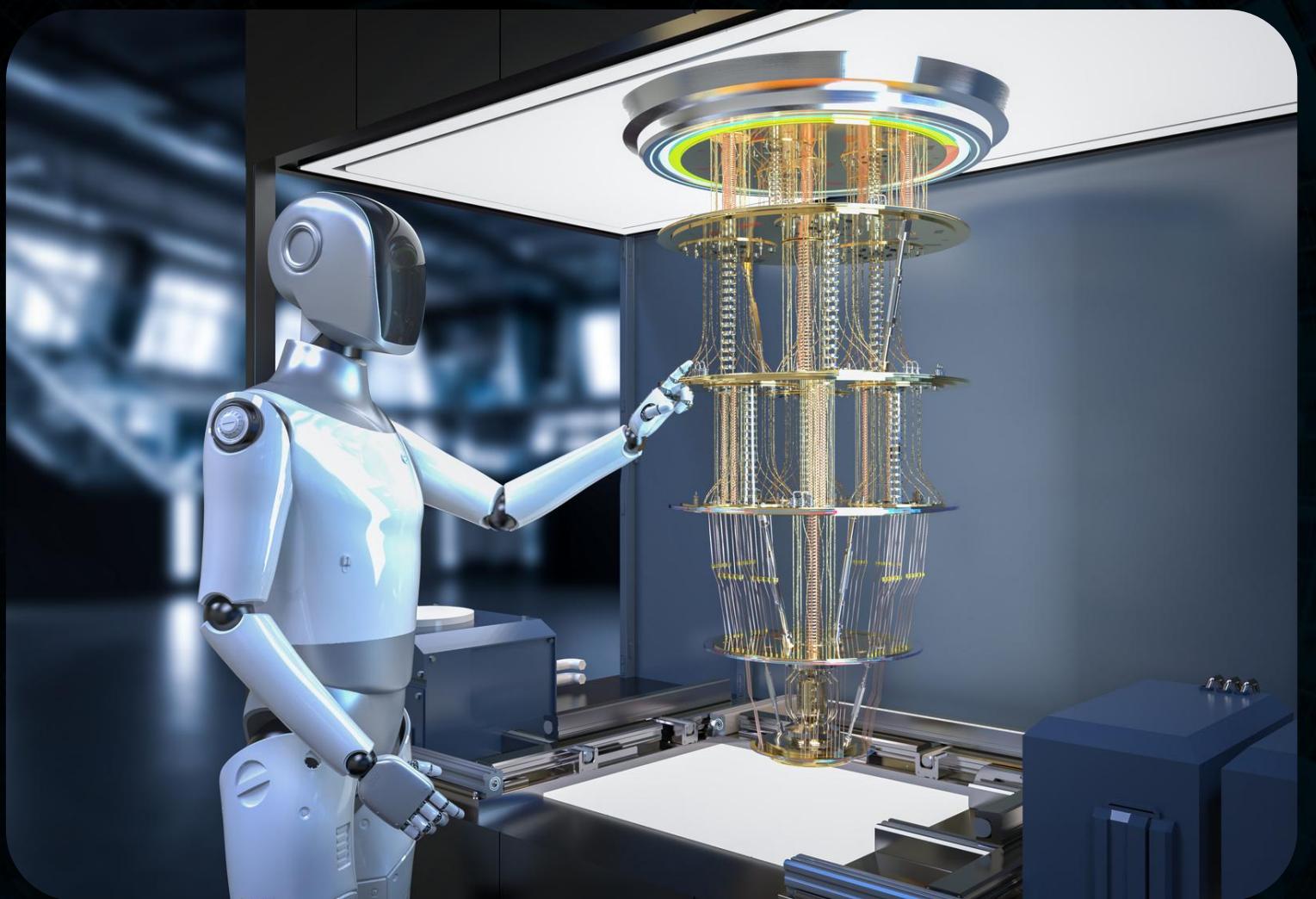
Geert Hofstede's model identifies six dimensions of culture that influence behaviour:

- Power Distance – acceptance of hierarchical order.
- Individualism vs. Collectivism – preference for individual or group orientation.
- Uncertainty Avoidance – tolerance for ambiguity and risk.
- Masculinity vs. Femininity – preference for achievement vs. care.
- Long-Term Orientation – focus on future rewards vs. short-term results.
- Indulgence vs. Restraint – degree of freedom in fulfilling desires.

These dimensions affect how organisations perceive and adopt new technologies. For example, high uncertainty avoidance may lead to resistance to unfamiliar technologies, while individualistic cultures may embrace personal tech innovations more readily.



Cultural Readiness in the Context of AI



Support AI-driven transformation

Cultural readiness refers to the extent to which an organisation's culture is prepared to embrace and support AI-driven transformation. It encompasses attitudes toward technology, openness to change, trust in data, and the willingness to experiment and learn.

Leadership commitment to AI

Employee openness to automation

Trust in data and algorithms



Impact of Organisational Diversity on Culture

One of the most significant factors influencing the culture of an organisation is organisational diversity. Diversity in this context refers not only to demographic characteristics such as race, gender, and age but also to diversity of thought, experience, discipline, and cultural background.

Understanding Organisational Diversity

- ✓ Demographic diversity
- ✓ Cognitive diversity
- ✓ Experiential diversity
- ✓ Cultural diversity



Creating a Culture of Experimentation, Agility and Ethical Responsibility

Attracting and retaining the Best Talent

- ✓ Encouraging a Growth Mindset
- ✓ Implementing Feedbacks, Surveys
- ✓ Embracing Agility



Integrating the Three Pillars

Creating a culture that simultaneously values experimentation, agility, and ethical responsibility requires a holistic approach. These elements are interdependent and mutually reinforcing.

✓ Vision and Mission

✓ Leadership

✓ Structural and Process Alignment



Thank You



Contact Us:

Mainak Roy

Founder / Director

Roy's Academy of Finance

London

 +44 7502 153667

 mainakroy@roysfinanceacademy.co.uk

