

**Channelling Corporate Behaviour**  
**– Review of the Academic Literature –**

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## EXECUTIVE SUMMARY

ACCA, the UK based global professional accounting body, with financial support from the academic research funding body ESRC (UK's Economic and Social Research Council), is investigating corporate culture and what influences individuals' conduct in organisations.

Specifically the project looks at how behaviour can be influenced for the long-term benefit of the company, its owners and other stakeholders.

An initial literature review identified seven discussion themes in the form of hypotheses for exploration at roundtables of selected participants. While there was general support for the hypotheses, a more detailed review of the literature has refined or dismissed some of them.

Particular problems may arise when an organisation seeks to act in what it describes as an entrepreneurial fashion. This implies that individuals will be expected to deliver far greater value from a given set of resources, in a manner that has not been tested before, and for which there may be few corporate constraints. In these circumstances the individuals given responsibility for performing in this way may behave beyond the limits others might expect them to work to.

Misdemeanours within corporates are almost entirely the consequence of subjective misperceptions of one or a few individuals.

These misperceptions MAY result from a belief that maximum achievable profit is the only result accepted within the organisation, or that the individual has been given implicit authority to work beyond the established policies and procedures.

The decision to exceed acceptable standards remains one taken by an individual and it is predicated by their own attitudes, perception of the limits to their behaviour, and other subjective norms.

Intrinsic motivation of an individual far outweighs any extrinsic factors. Extrinsic factors are generally going to be demotivational – any positive effect is short-lived. The key intrinsic motivators are mastery of one's subject, autonomy, and psychological relatedness (a feeling of substantial common purpose).

The culture that any organisation needs to develop and maintain is one that embraces these three factors. This is the means by which behaviour within corporates (indeed whole societies) can be channelled.

In order to assess a company culture, we need to be cautious of instruments that do not conform to the norms of psychological research.

There is a tendency to place quantitative measurement above qualitative description. In assessing culture, this is a mistake as most quantitative approaches are fundamentally flawed – particularly in this context.

The approaches that should be used are non-prescriptive descriptive ones. A small number of areas for further investigation have been identified, along with questions for the development of these ideas in practical ways.

**Editor's note:** The present review has been commissioned by ACCA to a consultancy firm specialised in psychological aspects of management practices. It does not necessarily reflect the views of ACCA, nor the ones of the team in charge of conducting the Channelling Corporate Behaviour project.

## INTRODUCTION

ACCA, the UK based global professional accounting body, with financial support from the academic research funding body ESRC (UK's Economic and Social Research Council), is investigating corporate culture and what influences individuals' conduct in organisations.

Specifically the project looks at how behaviour can be influenced for the long-term benefit of the company, its owners and other stakeholders.

We attempt to understand what drives human behaviour and how companies can channel attitude so that more is desirable and less is undesirable.

By desirable we mean sustainably contributing to long-term organisational success and by undesirable we mean undermining ability to be genuinely successful over the long-term. We acknowledge that for some firms, there is ambiguous behaviour – essentially entrepreneurial and in limited circumstances of benefit to the organisation, but which can become undesirable if the degree of risk or potential impact goes beyond acceptable limits.

## DESIRABLE, UNDESIRABLE AND AMBIGUOUS BEHAVIOR

### *The multifaceted nature of human behaviour*

It is generally easier on the mind to see things in their simplest form. As a result, discussions about the behaviour of individuals within a corporate context tend to polarise. They often present the individual as either fundamentally good or bad. People who do not behave as Society expects them to do are seen as dysfunctional, whereas those who appear to toe the line are described as functional.

This simplification does not help our understanding of human behaviour at work – if anything it obscures it. Human beings are complex and they are capable of moving to different places along several spectra depending upon, among other things, their own values (which need not be fixed either), the rigidity of their own personality, and the myriad of influences affecting them at any one time.

This simplified bi-polar perception of human behaviour leads to many fallacies in approaches to management which mean that attempts to channel or govern, corporate behaviour are often ineffective.

### *Alternative perceptions of corporate misdemeanours*

There are several perceptions of corporate misdemeanour which depend, to a greater or lesser extent, on the observer's views on capitalism, and the respective nature of organisational and individual behaviour.

One view is that fraud, or other dishonesty, is genuinely perpetrated by a few bad apples within a fundamentally sound organisation. This tends to be the model assumed by most justice systems and, of course, is a view that benefits those corporates.

An alternative view is that all profit-making enterprises are fundamentally driven to do everything that they can to make more profit regardless of the consequences. Although this 'economic theory of the firm' is not a 'mainstream' viewpoint, it is often presented, by established media as well as individuals, with a particularly strong anti-capitalist leaning.

As Peter Drucker observed in 1994:

*"The assumptions on which the organization has been built and is being run no longer fit reality. These are the assumptions that shape any organization's behavior, dictate its decisions about what to do and what not to do, and define what the organization considers meaningful results. These assumptions are about markets. They are about identifying customers and competitors, their values and their behavior. They are about technology and its dynamics, about a company's strengths and weaknesses. These assumptions are about what a company gets paid for. They are what I call a company's theory of business"* (Drucker, 1994: 95-96<sup>i</sup>).

Rhetoric by high profile celebrity proprietors may seem to validate this picture, however academic evidence doesn't support it.

To the contrary, empirical research from the 1960s suggests that most corporates actually base their decisions on sub-optimal compromises adopted to reduce conflict among the coalitions of individuals within them (Cyert and March, 1963<sup>ii</sup>; Packer, 2008<sup>iii</sup>).

This is very similar to the phenomenon of group-think subsequently described by Janis (1982<sup>iv</sup>), though there are many other more complex psychodynamic processes at play in a management cohort (de Board, 1978<sup>v</sup>), and groupthink itself is not particularly well validated experimentally (Turner, 1992).

**[Editor's note]** throughout the roundtables conducted by ACCA, participants often recognised the phenomenon of groupthink as usual features of boards.

A less extreme view is that both the leaders and the culture of some profit making enterprises place too great an emphasis on profit and as a result those leaders and/or their staff may act in ways that are subsequently considered to have been inappropriate.

A third perception follows from the first two, namely that some individuals are the unfortunate scapegoats of a corrupt organisation – they happen to be the ones who were caught.

More cynical still is the view that the individual who is caught in pursuit of unspoken corporate ambition merely went beyond even that which their masters could risk being discovered to have entertained. While this perception is supported by the evidence from studies of the incremental nature of unethical behaviour and especially the work of Milgram (1963<sup>vi</sup>), which has entered popular management models, this work is regarded very poorly by most behavioural scientists – partly because of the ethics of the experiments, partly because the interpretation of the results (if they had been correct) is not as clear cut, but mostly because the accounts of it appear to have been exaggerated and distorted to favour the author's interpretation (Blass, 2013<sup>vii</sup>; Perry, 2012<sup>viii</sup>).

It can be helpful to see an individual's behaviour as desirable (when they are pursuing their goals while adhering to ethical expectations), undesirable (when they are clearly going outside those expectations) and ambiguous (when they are going outside those expectations but their subjective decision making has not been adequately influenced by the organisation).

### *Entrepreneurial behaviour*

Of particular interest in our context, is the nature of entrepreneurial behaviour in a corporate setting. It is the pursuit of this that it is said can lead an individual from behaving 'desirably' to 'undesirably', when their



behaviour itself may not have changed merely the scale of the risk that they are prepared to take in their decision making.

The study of entrepreneurship, entrepreneurial behaviour, and the psychology of entrepreneurs has been pursued for many years, indeed since the term was first coined in 1723. There have been countless attempts to define entrepreneurship, and yet there isn't one single definition that seems to fit well.

Key to most, though, is the idea that the entrepreneur creates considerably more value out of a given set of resources than a non-entrepreneurial (sometimes described as an administrative) manager.

Some would suggest that this must involve some degree of innovation; others that it necessitates the taking of risk; and some that the entrepreneur has an ambition to achieve something that is beyond their existing resources.

Although the term is often applied to new enterprises, an entrepreneurial strategy is not uncommon among mature ones seeking to somehow rejuvenate themselves.

For this project, there are two directions which perhaps need exploration: the nature of the mature institution seeking to be entrepreneurial, and the behaviour of individuals who are encouraged to be entrepreneurial within a mature institution, regardless of the overall strategy.

**[Editor's note]** it would be interesting to explore the dynamic between reward, risk and innovation. Arguably, it is innovation rather than the taking of risk which leads to reward. The process of innovation of course may involve risk, but there is not necessarily any direct relationship between the level of risk taking and the degree of innovation or reward generated.

If entrepreneurial behaviour leads to enhanced added value, beyond the resources currently available, achieved in innovative ways, then it is clear why this appeals to a mature organisation whose leaders perceive that it should demonstrate exceptional performance.

Contrary to popular belief, which assumes that they are somehow more likely to take risks, among genuine entrepreneurs, decision-making is typically no different from that of a normal population (Brockhaus, 1980<sup>ix</sup>). There is no evidence that they are more likely to take risk.

However, the behaviour of individuals encouraged to be entrepreneurial within a mature organisation is not necessarily the same as that of their self-directed counterparts.

The term 'intrapreneurial' (Pinchot and Pinchot, 1978<sup>x</sup>) is sometimes used and this distinction is perhaps important. Individuals operating in this manner are believed to have a different attitude to risk and also to respond to a different set of motivators and incentives.

In a study of 150 middle managers, within a large European financial institution strategically pursuing a more entrepreneurial culture, Johanna Mair demonstrated that their behaviour was largely affected by their own subjective interpretations of the support around them (Mair, 2002<sup>xi</sup>). She highlighted that these individuals (who would be better described as 'intrapreneurs') have a significant role in proactively controlling their behaviour, and that it was their own belief in their ability to be entrepreneurial that determined whether they would be or not.

Contrary to popular belief, the empirical results suggested that individual cognitive and emotional qualities do NOT affect intrapreneurial behaviour directly, though they do shape the individual's perception of their 'playing field'.

The conclusions of Mair are similar to those of Cohen et al (2012<sup>xii</sup>). In an analysis of 39 corporate fraud cases between 1992 and 2005, the authors found that the ethics of an organisation's management team, their attitudes, subjective norms and perception of both controls on their behaviour and any moral obligations were better predictors of fraudulent behaviour than other measures normally employed by auditors.

The economics profession has been similarly criticised for failing to recognise the impact of individual ethical perspectives on decision-making (Colander et al, 2009<sup>xiii</sup>). Some work is beginning to emerge, where attempts are being made to codify attitudes to risk and ethics (Mikes, 2009<sup>xiv</sup>).

This is further borne out by research by Ajzen (1991<sup>xv</sup>) which demonstrated that individuals supplement their rational decision-making by reference to their own beliefs and values, and their perception of those of their 'significant others'.

**[Editor's note]** clearly, there is more to undesirable behaviour and to dysfunctional behaviour (by *dysfunctional* we mean behaviours that are not conducive to the long-term success of the organisation). In addition to the list of misdemeanours discussed above, other behaviours, which are not conducive to organisational success, would include accidents, errors and omissions, the incidence of which could be reduced if the culture were to be supportive.

### *Summary*

Misdemeanours within corporates are almost entirely the consequence of subjective misperceptions of one or a few individuals. These misperceptions may result from a belief that maximum achievable profit is the only result accepted within the organisation, or that the individual has been given implicit authority to work beyond the established policies and procedures.

It can be more helpful to see an individual's behaviour as *desirable* (when they are pursuing their goals while adhering to ethical expectations), *undesirable* (when they are clearly going outside those expectations) and *ambiguous* (when they are going outside those expectations but their subjective decision making has not been adequately influenced by the organisation).

These individuals may have been influenced by a corporate culture that has evolved over time, which over-emphasizes profit; however the decision to go beyond ethical limits is still an individual one, albeit sometimes made with inadequate guidance and support.

The perception of the individual may be distorted by the goals that they are set, incentives that are applied to them, the observable behaviour of line management, and the values that their behaviour appears to imply.

Organisations need to understand that their overall performance can never maximize profit, and that the more effective means of achieving improvements in it are those that improve the consensus building and conflict resolution skills of the coalitions within them.

**[Editor's note]** the above paragraph is controversial and goes against conventional thinking.

Institutions seeking to promote more entrepreneurial behaviour need to tread very carefully. Individuals charged with this responsibility need more support in understanding their role and the expectations of them;

the incentives that are applied to them need to be rigorously examined to ensure that ethical limits are understood and not open to misinterpretation by the individuals.

The significance of the subjective personal interpretation in determining the decision-making and observable behaviour of individuals throughout an organisation needs to be appreciated. Substantial effort needs to be devoted to ensuring that individuals are best equipped to make such interpretations in a manner consistent with corporate (and society's) expectations.

## THE DRIVERS OF INDIVIDUAL BEHAVIOUR

Human motivation has been studied for thousands of years. Modern theories are primarily psychologically based, whereas earlier attempts to understand why people behave the way they do stemmed largely from a philosophical core. Current theory suggests that there are three distinct drives for our behaviour.

### *Freud – the Id, Ego and Super-Ego*

The modern theories worth considering perhaps begin with Freud (1920<sup>xvi</sup>, 1921<sup>xvii</sup>), who considered that there were three fundamental processes within the mind that determined how we would behave in a given situation.

The id is a set of uncoordinated instinctual trends; the super-ego comes largely from our upbringing, and provides a critical and moral dimension to our decisions; the ego acts as mediator between the other two on the basis of experience and logic. In this way, the super-ego (possibly supported by the ego) can stop you from doing certain things that your id may want you to do.

The instinctual drives that the id acts upon are present from birth, and are the source of all our physical needs, wants, desires, and impulses – especially those to do with sex and power. The id tries to avoid any feeling of pain and maximise our sense of pleasure.

The ego and super-ego are important controls on our behaviour – without them, the unchecked id would lead to impatience, excessive

eating, seeking frequent sexual outlets, financial greed, and constant scoring of points.

### *Pavlov and conditioned responses*

Classical conditioning is a form of learning that occurs when a “Conditioned Stimulus” (CS) is paired with an “Unconditioned Stimulus” (US), which causes an animal to perform an automatic “Unconditioned Response” (UR) to the US (Ivan Pavlov, 1929<sup>xviii</sup>).

After pairing is repeated (some learning may occur already after only one pairing), the organism exhibits the UR in response to the CS when this is presented alone. From this point onwards, the UR is known as the “Conditioned Response” (CR) to the CS.

### *BF Skinner and the behaviourist schools*

Building on Pavlovian conditioning, BF Skinner (1951<sup>xix</sup>) was interested in both reinforcing a positive behaviour and reducing a negative behaviour. His approach introduced the idea that rewards would increase productivity, and that penalties would discourage negative behaviours.

Although he was not strictly speaking a behaviourist, there was considerable overlap in ideas. The behaviourists sought to work with observable behaviour and not with unproven (at the time) physiological models or the conjecture necessary when considering thoughts and beliefs. Skinner’s approach was called “radical behaviourism” because it did embrace these aspects.

These are models of learning and it is important that we consider them in any study of behavioural change. Behaviourism in essence says that changes in external behaviour can be achieved through extensive repetition of the desired behaviour, while good habits are rewarded and bad habits are discouraged. In a classroom, the teacher would be in charge, taking complete control, assessing what was right and what was wrong, giving praise when they felt an answer was right and ‘negative reinforcement’ when it was wrong.

This contrasts with the contemporary preference for andragogic (or student-led) education, where the learner has responsibility for the learning process.

This seems to be an area for further study. Not only is behaviourism going through an academic resurgence under the label 'behaviour analysis' but it is also emerging as a major contributor to understanding the processes of gaming behaviour and the growth of social media.

### *Maslow and his hierarchy of needs*

It sometimes seems as though the only model that we have of motivation is that of Maslow, as it appears on almost every leadership and management course. It has many critics, reviewed by Wahba and Bridwell (1976<sup>xx</sup>) and Neher (1991<sup>xxi</sup>) among others, and few managers seem to have any idea how to apply it, or use it to assess their organisation's efforts, to motivate their staff.

In his paper (1943<sup>xxii</sup>), Maslow suggested that people were motivated to satisfy physical and innate needs – ones that are called 'deficiency' needs and then 'being' needs.

Almost certainly, the prevalence of this model in management circles has reinforced the idea that people can be motivated by pay.

Other needs, such as security of employment, property and resources, identified by Maslow are less likely to be fulfilled by work given the trends in employment in the last quarter century. Similarly, working practices, such as the growth in home working and the shift towards self- and hourly-employment even among professionals, make it harder to fulfil needs for self-esteem through feedback and engagement with peers and others.

Despite the criticism, one aspect of Maslow's work that was a significant departure from the norm, was that he studied what he called 'exemplary' people and even his 'lab subjects' consisted of only the healthiest 1% of college students (Mittelman, 1991<sup>xxiii</sup>). He wrote (in the language of the day) that "the study of crippled, stunted, immature, and unhealthy specimens can yield only a cripple psychology and a cripple philosophy" (Maslow, 1954<sup>xxiv</sup>). It was in the same work that Maslow coined the phrase 'positive psychology'.

Much of our understanding of human behaviour had been based on the observation of those with significant problems so the idea of studying those who were fully functional was relatively novel.

### *The positive psychology movement*

In 1998, Martin Seligman, Professor of Psychology at the University of Pennsylvania, began his term as President of the American Psychological Association. He chose as his theme 'positive psychology' and in so doing effectively launched a new discipline into the field. Building on the work of various humanistic psychologists—Abraham Maslow, Carl Rogers, and Erich Fromm—Seligman and his peers have focused attention on human happiness and flourishing.

Alongside Seligman as pioneer in this field is Mihaly Csikszentmihalyi, whose work on 'flow' is particularly well known. Csikszentmihalyi (1990<sup>xxv</sup>) describes our happiest state as one of 'flow' where we are:

*"(...) completely involved in an activity for its own sake. The ego falls away. Time flies. Every action, movement, and thought follows inevitably from the previous one, like playing jazz. Your whole being is involved, and you're using your skills to the utmost" (Geirland, 1996<sup>xxvi</sup>).*

Csikszentmihalyi has outlined nine component states of achieving flow including "challenge-skill balance, merging of action and awareness, immediate and unambiguous feedback, concentration on the task at hand, paradox of control, transformation of time, loss of self-consciousness, and autotelic experience" (Fullagar, 2009<sup>xxvii</sup>).

Much of Csikszentmihalyi's recent work is the factors that contribute to motivation, challenge, and overall success in an individual. One personality characteristic that Csikszentmihalyi (2012<sup>xxviii</sup>) has researched in detail is that of intrinsic motivation, from which he established that intrinsically motivated people are more likely to be goal-directed and enjoy challenges that could lead to increased overall happiness.

He identified intrinsic motivation as a powerful trait to possess allowing the individual to optimize and improve positive experiences, feelings, and overall well-being through personal challenges. The results have been interpreted as a new personality construct, a term Csikszentmihalyi has called work orientation, which is characterized by "achievement, endurance, cognitive structure, order, play, and low impulsivity." A high level of work orientation in students is said to be a better predictor of grades and fulfilment of long-term goals than any school or household environmental influence (Wong and Csikszentmihalyi, 1991<sup>xxix</sup>).

### *Two factor motivation - Intrinsic and extrinsic factors*

It was Herzberg (1968, reprinted 1987<sup>xxx</sup>), who first proposed that there were some factors influencing motivation that were extrinsic and some that were intrinsic. He went on to demonstrate that the intrinsic ones (“motivators”) motivate us, but the extrinsic ones (“hygiene factors”) generally act to demotivate. This is known as a two-factor model. Absence of motivators doesn’t demotivate, but issues around the hygiene factors do.

Typical intrinsic motivators were respect for the person, challenging work, recognition, and responsibility.

Typical hygiene factors that demotivate were perceived lack/loss of job status, threatened job security, perceived inequality or unfairness of salary and fringe benefits.

Hygiene factors depend on perception and therefore also on information. To take a hypothetical example, a graduate in their mid-20s, working for a reputable organization, meets a peer at a mutual friend’s wedding. They haven’t met since graduation. Over dinner they swap experiences. Their work is equally challenging, they have the same kinds of relationship with peers and managers, and they have comparable responsibilities. Ironically, these motivating factors are probably not being managed by anyone in their organisation. Over the course of the conversation it emerges that one of them works for an organisation that encourages home-working one day per week, routinely holds discussions with all staff about the company and its trading position, and has a transparent reward structure based on job role and achievement of very clear goals. One company is managing the hygiene factors, the other is not. One friend emerges from the weekend just as happy as ever, the other emerges feeling less inclined to go the extra-mile.

### *Motivation and learning strategies*

It was not until the 1970s that researchers established the relative dominance of intrinsic motivators over external ones. In the 1980s, this field of research was given the name, ‘self-determination theory’ (SDT) – essentially it concerns the motivation that leads people to make choices without any external influence – in other words, the individual’s behaviour is self-motivated and self-determined (Deci and Ryan, 2002<sup>xxxi</sup>). The field has grown considerably in the last decade.



It was Edward Deci and Richard Ryan who proposed three main intrinsic needs involved in self-determination. These three psychological needs motivate the self to initiate behaviour and are essential for psychological health and well being of an individual. They are said to be universal, innate and psychological and include the need for competence, autonomy, and psychological relatedness.

The work of Harman, Deci and Ryan has recently been popularised by Dan Pink (2009<sup>xxxii</sup>), who adopted the terms Mastery, Autonomy and Purpose respectively.

*Mastery*: involves devoting many hours of reflective practice to become truly proficient at a skill.

*Autonomy*: is about assuming moral responsibility and accountability for one's actions.

*Purpose*: is the universal desire to interact, to be connected to, and to care for others – in the sense of having a shared higher purpose with those people.

Our understanding of the processes by which our brains operate is rapidly expanding with recent developments in imaging and neuroscience. While this is probably beyond the scope of the current project, it is important that we acknowledge this work. A recent example can be found in Frith & Frith (2010<sup>xxxiii</sup>).

### *Summary*

Individual behaviour is predominantly shaped by intrinsic motivations – a desire to master one's work, to take responsibility for it, and for it to be focused on a shared higher purpose.

It is only with very highly repetitive tasks of the kind studied by FW Taylor where virtually no cognitive effort (i.e. thinking) is called for by the worker, that extrinsic rewards (such as performance related pay) will have any impact on output. If they are applied where thinking is important then they have a negative impact on output.

## CONTEMPORARY PRACTICES THAT DISCOURAGE DESIRABLE BEHAVIOR

Although this is not the focus of the current project, inevitably questions arise about the effectiveness of some contemporary practices. Organisations appear to be slowly acknowledging that they need their staff to be able to act responsively to situations around them. Attempts to systematise behaviour (such as the scripted behaviour of offshore call centres) have seemingly led to higher levels of customer dissatisfaction and subsequent migration, poor PR, and damaged reputations<sup>xxxiv</sup>.

While some still try to control the behaviour of their staff through draconian compliance structures, others are recognising that better informed and trained staff given the freedom to operate within reasonable boundaries are often able to achieve better outcomes for both the customer and the company (Kling, 1995<sup>xxxv</sup>).

We should be able to see by now that such compliance models cut right across our understanding of performance enhancing approaches ('intrinsic motivation' achieved through 'mastery', 'autonomy' and 'psychological relatedness').

We have seen that typical incentive schemes are more likely to demotivate than motivate people. They provide a means of establishing 'unfairness' and become a 'hygiene factor' as described by Herzberg (1968, reprinted 1987<sup>xxxvi</sup>).

Even leadership development programmes, a favoured retention strategy for financial firms, are often run counter to the core intrinsic motivators – aside from their content failing to support the development of these, the process by which candidates are selected creates an expectation that soon ceases to be a positive motivator and becomes a source of discontent among participants, and unfairness among those who were not selected.

In a later section, we will see that it is individual development, especially in the area of psychological relatedness that is particularly significant in channelling behaviour at work. Lack of process skills awareness leads to fragmentation, pointless competition between groups at work, and ultimately sub-optimal results achieved by compromise. Despite this, few organisations embed such awareness in employee training and, when they do so, the resources devoted to it are far too short-term for it to be

effective, and are generally based on models that are sketchy at best, and sometimes completely unsubstantiated.

## HOW CORPORATE CULTURE INFLUENCES BEHAVIOUR

### *Contemporary concepts of organisational culture*

Although interest in corporate culture reached the fore in the 1980s, its origins can be traced considerably further back. Of course, observing that an organisation has a culture is one thing, but key to our study is the impact of it on behaviour. Fisher (2000<sup>xxxvii</sup>) has suggested that the earliest recorded example of this influence was in 431 BC, when Pericles recorded his assessment of the reason why Athens won the Spartan War, namely that they had developed particularly strong, coordinated teamwork.

Most authors today, are comfortable with the idea that what we need to know about organisational culture has evolved over the last Century. Earlier attempts had been made by some entrepreneurs, particularly by the Quaker merchants of the 18<sup>th</sup> century, to create a climate within their organisations that was consistent with their values and, by addressing the workers wider needs led to enhanced productivity. However, this was more about living congruently than about the conscious use of culture itself.

Ironically, it was probably FW Taylor's (1911<sup>xxxviii</sup>) work on 'scientific management' that prompted contemporary interest in culture *per se*. Taylor had advocated a detailed technical approach to monitoring and streamlining production, largely reducing most tasks to short, fast, highly repetitive steps. This could produce improvements in productivity, though at the cost of considerably more managerial effort and usually some form of incentive scheme (Sheldrake, 1996<sup>xxxix</sup>).

The downside of this dehumanised approach, which ignored social dimensions of work, was reduced morale, little commitment and considerable friction between the workers and the 'observers' (Calhoun, 2002<sup>xl</sup>).

Emerging from the recognition of this discontent was the 'human relations movement' – particularly the work of Elton Mayo (1933<sup>xli</sup>). This school of thinking was largely anthropological applying understanding of

informal social structures to the behaviour of people at work. Not only were the theories themselves of value, but the research methods too. Certainly, studies of organisational culture owe much to the work of Benedict, Mead, Radcliffe-Brown, Malinowski, and Geertz (Ouchi and Wilkins, 1985<sup>xliii</sup>).

In parallel, though, psychologists and economists began to explore culture as a key influencer (Moorhead and Griffin, 1989<sup>xliiii</sup>). The Tavistock Institute in the UK, a centre of the psychoanalytic school, became home to a large number of key researchers in organisation culture, including Elliott Jacques (1951<sup>xliiv</sup>), but also key names such as Wilfred Bion, John D. Sutherland, John Bowlby, Eric Trist, and Fred Emery. Kurt Lewin, although not based at the Tavistock, was seen by many as strongly influential.

Key works from this period include Donald Roy's (1960<sup>xliv</sup>) study of "Banana Time" which focused on job satisfaction and the informal interactions amongst a small workgroup of factory machine-operatives, and Elliott Jacques' (1951<sup>xlvi</sup>) *The Changing Culture of a Factory*. The Banana Time concept was that employees will make their workplace more tolerable by participating in off-task camaraderie. The term arose because of a collectively determined lunch break, the start of which was signalled with a banana from a worker's lunch box.

Elliott Jacques (1951<sup>xlvii</sup>) definition of organisational culture is:

*'The culture of the factory is its customary and traditional way of thinking and of doing things, which is shared to a greater or lesser extent by all its members, and which new members must learn, and at least partially accept, in order to be accepted into service in the firm...[It] consists of the means or techniques which lie at the disposal of the individual for handling his relationships, and upon which he depends for making his way among, and with, other members and groups.'*

The period was dominated by economic downturns, conflicts between employees and their employers, and a general disillusionment with bureaucratic approaches. Academics too were rebelling against a movement to quantify everything and demand pseudo-experimental design (Trice and Beyer, 1993<sup>xlviii</sup>).

The study of corporate culture offered a rich stream of metaphorical and conceptual thinking that challenged these (Martin, Frost et al, 2004<sup>xlix</sup>).

There were relatively few academic studies of organisational culture until the 1980s when there was a boom in interest in the topic among management consultants. The exceptions were Pettigrew (1979<sup>i</sup>) – the first person to appear to have coined the term, Baker (1980<sup>ii</sup>), and Hofstede (1980<sup>iii</sup>).

It appears to have been three popular management books that were responsible for the substantial growth in popular interest in organisational culture; Ouchi (1981<sup>iiii</sup>) – Theory Z; Peters and Waterman (1982<sup>lv</sup>) – In Search of Excellence; and Deal and Kennedy (1982<sup>lv</sup>) – Corporate Cultures.

The core premise of these, and many subsequent popular books, was that successful organisations focused on their culture (Jordan, 1994<sup>lvi</sup>). Typical was this quote from Peters and Waterman:

*“Without exception, the dominance and coherence of culture proved to be an essential quality of the excellent companies. Moreover, the stronger the culture and the more it was directed toward the marketplace, the less need was there for policy manuals, organization charts, or detailed procedures and rules.”* (op cit., p75)

As such, culture acts as an effective regulator of highly empowered staff and delegated power (Weick, 1987<sup>lvii</sup>).

These books were criticised for their informal style, and lack of rigor (Wright, 1994<sup>lviii</sup>), however they clearly gave considerable impetus to more rigorous academic study subsequently (Barney, 1986<sup>lix, lx</sup>). A simple search of the British Library catalogue of PhD theses for the last ten years reveals more than 140 UK-based studies alone.

Organisational culture is sometimes referred to as company, workplace or corporate culture, and it has been embedded in most organisation-wide improvement agendas ever since, including ‘excellence’, empowerment, total quality, business process re-engineering, triple bottom line, corporate social responsibility, and the balanced scorecard. It has made the transition from being described as a fad by some to being accepted as a critical construct in management theory (Ogbonna and Harris, 2002<sup>lxi</sup>).

Most other organisational variables are now associated with culture in the media.

Change	Chin, Pun et al (2002 <sup>lxii</sup> ) Cunha and Cooper (2002 <sup>lxiii</sup> ) Jones, Jimmieson et al (2005 <sup>lxiv</sup> ) Rashid, Sambasvian et al (2003 <sup>lxv</sup> )
Employee attitudes and behaviour	Alas and Vadi (2004 <sup>lxvi</sup> ) Bowen (2004 <sup>lxvii</sup> ) Cabrera, Cabrera et al (2001 <sup>lxviii</sup> ) Enes and de Vries (2004 <sup>lxix</sup> ) Haas, Allard et al (2002 <sup>lxx</sup> ) Svarstad, Mount et al (2001 <sup>lxxi</sup> )
Leadership	Block (2003 <sup>lxxii</sup> )
Learning	Akgün, Lynn et al (2003 <sup>lxxiii</sup> ) Aksu and Özdemir (2005 <sup>lxxiv</sup> ) Lea (2003 <sup>lxxv</sup> ) Lin, Tan et al (2002 <sup>lxxvi</sup> )
Job satisfaction and staff retention	Carmeli (2005 <sup>lxxvii</sup> ) Conway and McMillan (2002 <sup>lxxviii</sup> ) Gifford, Zammuto et al (2002 <sup>lxxix</sup> ) Lund (2003 <sup>lxxx</sup> ) Raiger (2005 <sup>lxxxi</sup> )
Performance	Fey and Denison (2003 <sup>lxxxii</sup> ) Flamholtz and Kannan-Narasimhan (2005 <sup>lxxxiii</sup> ) Gordon & Di Tomaso (1992 <sup>lxxxiv</sup> ) Mannion, Davies et al (2005b <sup>lxxxv</sup> ) Moynihan and Pandey (2004 <sup>lxxxvi</sup> ) Ogbonna and Harris (2002 <sup>lxxxvii</sup> ) Scott, Mannion et al (2003 <sup>lxxxviii</sup> ) Shover & Hochstetler (2002 <sup>lxxxix</sup> ) Sørensen (2002 <sup>xc</sup> )
Sustainability	Probst & Raisch (2005 <sup>xc1</sup> )

### *Defining corporate culture*

It is hard enough to define the words ‘organisational’ and ‘culture’, let alone the two together. As early as 1979, academics were warning that we were in danger of over-simplifying our understanding of organisational culture (Pondy, LR & Mitroff, 1979<sup>xcii</sup>).

In two meta-reviews, Ott (1989<sup>xciii</sup>) identified 74 components of organisational culture, and van der Post et al (1997<sup>xciv</sup>) recognized over 100. Some of these are highly abstract (eg warmth), some open to considerable debate around definitions (eg integration), and others are quite the opposite – being readily observable (eg rituals to support values).

Such lists have limited usefulness, and so early attempts were made to consolidate these. One of the most commonly adopted of these is that of Schein (1989<sup>xcv</sup>), in which a three layer model of culture consists of artefacts, values, and basic assumptions.

Artefacts form the top level of an organisation's culture and are the most visible. These include the physical environment, products, technology, patterns of behaviour, and the use of language. The second tier is of values which influence behaviour. They incorporate moral and ethical codes, ideologies, and philosophies. The final tier comprises basic underlying assumptions: those fundamental beliefs, values, and perceptions that impact on individuals' thinking, behaviour, and feelings. This last tier represents aspects that have been internalised to such an extent that they have become largely unconscious.

Edgar Schein (1991<sup>xcvi</sup>) provided his own definition:

*'Culture can now be defined as a pattern of basic assumptions, invented, discovered, or developed by a given group, as it learns to cope with its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore is to be taught to new members as the correct way to perceive, think, and feel in relation to those problems'.*

A few authors have further developed Schein's model of organizational culture. For instance, Ott (1989<sup>xcvii</sup>) distinguishes between artefacts such as technology, and those that are repetitive patterns of behaviour. Hawkins (1997<sup>xcviii</sup>) distinguishes between five levels: artefacts, behaviour, mind-set, emotional ground, and motivational roots. Hatch (1993<sup>xcix</sup>) focused on describing how our understanding of a culture might change from its initial manifestation to the point where interpretations are made highlighting that it is not only the culture that is changing but also the perspective of the observer.

### *Describing corporate culture*

While these models provide a framework within which we can investigate organisational culture, they are still insufficient to describe a particular culture. This is compounded because within any one organisation, there are likely to be many different sub-cultures. Mannion et al (2008<sup>c</sup>) suggest that “looking for commonality may be less rewarding than an examination of differences.” For example, an organisation that prides itself on its culture of breaking down barriers and enabling people may have a staff services department where the culture is anything but.

There may be many reasons for the evolution of these micro-cultures – some will be easy to hypothesise about, others far harder.

As organisations globalise, divest, acquire and merge, so the dynamics of the cultures – how they change in time – makes them even harder to describe. As there is a component of national or ethnic culture within many corporate ones, this too compounds their interpretation especially post-merger or during expansion (Markus & Kitayama, 1991<sup>ci</sup>).

Bolon & Bolon (1994<sup>cii</sup>) suggest that as micro-cultures may not have evolved from the overall culture in the first place, they should be referred to as ‘idio-cultures’ rather than micro- or sub-cultures.

Within a moderately sized institution, with a number of sub-cultures – some of which evolved from an original, overarching organisational culture and some of which did not – it can be more helpful to consider the overall culture as a web of interwoven subcultures (Jordan, 1994<sup>ciii</sup>; Kemp & Dwyer, 2001<sup>civ</sup>; Jaskyte & Dressler, 2004<sup>cv</sup>).

If a particular subculture has evolved to such an extent that it doesn’t align with the overall one, then this would be described as a counter-culture (Martin & Siehl, 1983<sup>cvi</sup>). This may create friction and undesirable behaviours. However, if competition exists between most of the clusters of people representing these subcultures, then it might be said that the organisation culture itself is best described in these terms.

There is a contrary argument, that in practice corporate cultures are not as diverse as they may be portrayed and that leaders have a vested interest in making themselves appear to be different, when these differences are not as significant as they would like (Martin et al, 1983<sup>cvi</sup>).



One further complexity is the relatively recent use of the term 'organisational climate'. To some authors the two terms are synonymous (Denison, 1990<sup>cviii</sup>); to others culture is qualitative and climate is quantitative; culture is an anthropological term, whereas climate is meteorological bringing different extended metaphors.

The current consensus therefore appears to be that the two do represent slightly different aspects of the same phenomenon and that care should be taken not to use the terms interchangeably.

It was Hoy (1990<sup>cix</sup>) who first suggested that climate was more about people's perception whereas culture could be measured more absolutely. The two are seen as influencing one another, and therein lays the potential – the use of corporate climate (i.e. people's perception of a culture) to influence that culture itself.

### *Describing culture on the basis of its function*

It was Smircich (1983<sup>cx</sup>) who suggested that the study of organisational culture could be considered from two perspectives; that it is a variable and therefore is something that an organisation HAS, or that it is a metaphor and so something that an organisation IS.

If we accept that it is a variable, then it provides a sense of identity, commitment to the bigger picture, builds stability, and guides the behaviour of its members. The two are not mutually exclusive, but they prompt different ways of looking at culture and, especially, how we may influence it.

In a similar approach, Alvesson (2002<sup>cxii</sup>) looked at the purpose that organisational culture serves, and then identified eight underlying metaphors which can be used to understand how a particular culture is influencing its members:

- **Exchange-regulator:** a control mechanism regulating delivery and reward
- **Compass:** giving direction and priorities
- **Social glue:** common ideas, symbols, and values, providing a sense of identity
- **Sacred cow:** Basic assumptions and values to which people are strongly committed and will strongly guard

- **Affect-regulator:** provides a code for the expression of emotions
- **Disorder:** where there is ambiguity and fragmentation
- **Blinders (aka Blinkers [UK]):** where there are significant unconscious aspects leading to blind spots
- **World-closure (i.e. Closed world):** an environment in which people are unable to explore critically or to cross existing social boundaries.

Both approaches project onto the organization an individuality – a personality – that takes questions of how to influence it beyond the realm of merely influencing the conscious and unconscious behaviour of the individuals within to ones of how to change the behaviour of the organisation itself.

Organisational culture is not something that can be evenly spread across an institution. Different functions may have a stronger or weaker affinity with different aspects of that culture rather than developing idio-cultures. Within one culture there may be foci for specific elements, such as a focus for morality (Ray, 1986<sup>cxii</sup>).

**[Editor's note]** when thinking how to describe the culture in organizations, might it be more productive instead to describe the 'character' of an organisation?

### *Summary*

We therefore have a model that corporate culture is a variable associated with organizations. It serves to provide a common sense of identity, engagement with a bigger picture, building stability and guiding the behaviour of its members.

It is more complex than simply one culture – with any workplace potentially having many overlapping idio-cultures some of which have evolved from a common one but more probably emerging locally. These may in part be based on observable characteristics, but they can also be reflected through people's perceptions and any assessment of culture needs to accommodate the two.

While we may not fully understand the mechanisms by which it operates, the use of metaphors allows us to see that it influences behaviour in a number of quite specific ways; by controlling delivery and reward, giving

direction, determining priorities, reinforcing a sense of common identity, protecting common values, determining how emotions will find expression, promoting (or preventing) ambiguity and fragmentation, reinforcing taboos, precluding (or encouraging) critical examination, and encouraging (or discouraging) relationships across social boundaries.

## ASSESSING CORPORATE CULTURE

### *An analysis of the assessment of organisational culture*

In their major review of organisational culture for the NHS, Mannion et al (2008<sup>cxiii</sup>) conducted a substantial analysis of the published psychology and organisation behaviour literature related to the measurement and assessment of corporate cultures. As explained above, interest in corporate or organisation culture has grown since the 1980s and this is reflected in the number of attempts to assess and measure it.

The resources for the current project are limited and to replicate the analysis performed by Mannion et al would call for a substantial further investment, so we must draw what we can from their results, supplementing them where necessary.

As organisation culture is, fundamentally, about human behaviour, the guiding science for its assessment is psychology. While there may be many different ways of assessing culture within an individual enterprise, the wider acceptance of an instrument's merit is going to be determined by its conformance to the norms of psychological research, accessibility by those interested in using it, and the growth of a body of research data with which comparisons can be made.

Among the criteria that an instrument would be expected to satisfy are:

- **Appropriateness** – there are many psychometric instruments, but only a few might be deemed suitable for the assessment of organisational culture.
- **Acceptability** – looks at whether people will agree to complete it, and do so within norms of accuracy rather than (for example) spoiling the form.
- **Feasibility** – considers whether the instrument can realistically, be correctly administered. Many require training, and specialised scoring or interpretation, and are in danger of being misapplied.

- **Susceptibility** – is concerned with an instrument’s design and the risk that responding to one question will affect the response to another. This kind of bias is common when sets of personal values are being considered.
- **Reliability** – takes several forms, but fundamentally relates to the likelihood of the same result being produced if the instrument is used more than once. Thus, high repeatability says that an individual respondent would produce the same result if they completed the assessment again within a certain period of time. High reproducibility asks whether different people completing the assessment would produce the same (or comparable) results as a group. Finally, reliability is also concerned with the amount of random variation that occurs when a group of people complete the assessment – too much unexplained variation may suggest that the assessment has failed to identify key factors.
- **Validity** – assesses whether the instrument actually measures what it is claimed to be measuring and in the way in which it is intended – for example, can it be used predictively?
- **Responsiveness** – when we are interested in understanding the impact of change over time, it is important for the instrument to be sufficiently sensitive to detect changes on a realistic scale over time.
- **Interpretability** – fairly obviously, relates to how we interpret scores on any instrument. Problems arise when a scale, say of power balance, reports scores from 1 to 5 but we don’t know what 1 or 5 actually represent.
- **Applications** – is a reference to the range of situations in which the instrument has been used. Its credibility depends on a diverse range of applications relevant to the one that it is being used for.

Some instruments will be devised to assess culture in a specific context, such as clinical environments, however this immediately reduces their applicability because of the limited amount of comparative data.

The majority of work on organisational culture has concentrated on business, education and healthcare environments, however the most useful instruments rely on the availability of this comparative data and so are likely to have been developed with generic applications in mind.

Many organisations interested in assessing their own culture wish to make internal comparisons and, as noted earlier, an individual institutions’ overall culture is a result of a number of overlapping sub- or ideo-cultures. For an instrument to be effective at assessing

organisational culture it therefore needs to be able to distinguish between these. It is unlikely that one devised for a particular environment will therefore be of overall use.

The work by Mannion et al, was based on English language academic publication databases and so most of the instruments that they identified came from the US, Britain or Australia. The spread of ideas, policies and practices generally tends to be through common languages unless a deliberate attempt is made to collaborate across them. This national cultural dimension obviously has an impact on the applicability of any instrument used to assess corporate culture.

From their research, they identified 70 instruments and approaches that are in use to assess organisational culture. 22 of these lacked an adequate database of reference data, leaving 48 to be reviewed as instruments. While there are instruments in use today that originated in the 1950s, the majority were published in the 1990s.

These instruments, broadly fall within three categories: those that endeavour to assign aspects of a culture to types, those that apply the culture to predefined scales, and those that are far less prescriptive, but provide a methodology for the consistent description of a culture.

Typological assessments tend to focus on predefined models and are therefore limiting in their outcomes. Hofstede (2001<sup>cxiv</sup>) highlighted the problems of this approach. He also observed that dimensional instruments can assess either values or practices.

Values are rooted heavily in an individual's early life experience and so, again, instruments that focus on these are limited in value for organisational culture assessment. Those that are representative of practices, which are generally acquired in the workplace, may offer more benefit.

However, it is the non-prescriptive tools that have greatest promise for the open-ended, yet consistent, mapping of cultures within organisations. Among the latter, Mannion et al identified the following:

- Ethnography
- Concept Mapping/Pattern Matching
- Critical Incident Technique
- Cultural Assessment Survey
- Cultural Consensus Analysis

- Interactive Projective Test
- Laddering
- Metaphorical Analysis
- Narratological Approach
- Repertory Grids
- Semiotics
- Storytelling
- Twenty Statements Test

These non-prescriptive methods are clearly highly preferred by researchers over the more commercial quantitative approaches of dimensional and typological instruments (Ott, 1989<sup>cxv</sup>; Morey & Morey, 1994<sup>cxvi</sup>; Tucker et al, 1990<sup>cxvii</sup>; Hussey & Hussey, 1997<sup>cxviii</sup>).

They usually draw upon the observation of participants, interviews, discussions and documentary analysis. Their interactivity means that results can be more immediately responded to, richer and more diverse options can be identified and greater engagement of the organizations' members with the results can be achieved (Sackman, 2001<sup>cxix</sup>).

**[Editor's note]** the above section focuses on psychology as the guiding science. Are there any other sciences such as sociology or anthropology that could be useful? And are there any non-scientific approaches which may lack academic rigor but could nevertheless be efficacious in assessing culture?

### *Summary*

A considerable amount of research and analysis of methods of assessing corporate culture has recently been performed in the healthcare context by Mannion et al. Among the main conclusions from this are that methods that depend on prescribed models and types are problematic in the assessment of organisational culture. Instead, qualitative methods, of which there are a number of strong contenders, provide more effective means of accurately documenting corporate culture in useful ways.

Mannion et al have identified a number of such approaches and a constructive next step for the current project will be to explore these in more depth and, if possible, to establish some preferred options and methodologies.

## HOW TO INFLUENCE CORPORATE CULTURE

It was Smircich's analysis that led to a more considered approach to culture change – in particular, how culture could be used strategically to direct an organisation - 'how to mould and shape internal culture in particular ways and how to change culture, consistent with managerial purposes' (Smircich, 1983: 346<sup>cxix</sup>).

If we approach from the perspective that it is a characteristic that an organisation HAS, then we might ask whether culture can be 'taught', 'caught', or whether it has 'genetic' like properties capable of being selected for fitness. In each case, we then need to explore the mechanisms by which these can be influenced.

The idea that culture is a root metaphor implies that it is not 'concrete' and is therefore merely a kind of human expression, albeit one that is capable of penetrating every aspect of an organisation. This makes it far harder to influence. While managers may be able to change some of its outward manifestations, the basic assumptions held by its members will be the same (Buchanan & Huczynski, 1997<sup>cxxi</sup>).

The symbolic model changes the nature of the questions that might be asked:

*'the researcher's attention shifts from concerns about what do organizations accomplish and how may they accomplish it more efficiently, to how is organization accomplished and what does it mean to be organized?'* (Smircich, 1983: 353<sup>cxixi</sup>).

The metaphorical model was taken one step further by Martin (1992), when she explored three different metaphorical abstractions: integration, differentiation, and fragmentation.

Seeing the kind of behavioural change that we need to achieve as an adaptive challenge rather than a technical problem is key. As Heifetz (2001<sup>cxixiii</sup>) suggests: "The most common leadership failure stems from attempting to apply technical solutions to adaptive challenges."

### *Society as an organisation*

Corporate culture, especially when extrapolated to society as a whole, has often been used as a political weapon (Wright, 1998<sup>cxixiv</sup>). While the

concept of 'Big Society' was promoted by David Cameron as a political agenda, elements of the concept have cross-party support.

There is widespread concern that the human capital within our communities is not being made the most of, and that for this reason it is not able to find a peaceful existence (Halpern, 2010<sup>cxxv</sup>). In this sense, the 'Big Society' is a long-term, cultural change for the country as a whole. It is a larger form of the same behavioural change process that we would like to see effected in corporates.

The work of Harman, Deci and Ryan, on intrinsic motivation is being applied in the same way to the issues of social change as it is to corporate culture change – the language being used is almost the same; Autonomy, Responsibility and Solidarity (this last being considered as the ability to engage in socially heterogeneous groups with a sense of mutual commitment and therefore an extrapolation of a more individual/corporate 'purpose').

One of the challenges confronting a shift towards the 'Big Society' is that it represents devolution of power and responsibility towards the citizen and away from government. If the citizen is not equipped with the right competencies (in terms of attitudes, knowledge and skills) to cope with both the increased workload and also the greater impact of their decision-making, then they will fail to respond.

Anthropologists tell us that the English are particularly inclined to 'negative politeness' and disinclined to 'make a fuss' (Fox, 2005<sup>cxxvi</sup>), and surveys of national attitudes suggest that we are xenophobic and over-respectful to authority (Halpern, 2010<sup>cxxvii</sup>). Thus, we may wish to engage with the ideas behind the Big Society, but if we do not feel empowered and are not suitably equipped, then we are even less likely to respond. Key, then, is the development of those competencies that engender a collaborative, consensual lifestyle.

The scale of the behavioural change that is envisaged in this process is not often described. Two authors have suggested that current levels of engagement within society can be estimated at 30% and that change will only really be successful if this reaches 60% (Leach & Wilson, 2011<sup>cxxviii</sup>). Most though prefer to use the term, 'big' as a metaphor for quality rather than quantity (Lakoff and Johnson, 1980<sup>cxxix</sup>). Nevertheless, the challenge becomes one of educating, giving reflective experience to (creating opportunity, encouraging take-up, and facilitating the learning within), and empowering, very substantial proportions of the community.



The OECD, in their Key Competencies Report, defines a competency as “the ability to successfully meet complex demands in a particular context through the mobilisation of psychosocial prerequisites (including both cognitive and noncognitive aspects)” (Rychen & Salganik, 2003<sup>xxxx</sup>). It’s important to realise that this does not equate to educational achievement – it is about the impact that individuals have.

The OECD report, was the result of a substantial 5-year international cross-disciplinary research programme, drawing on academics and international organisations such as UNESCO, the World Bank, the ILO, and the UN Development Programme – whose purpose was to agree on the key competencies needed for countries to thrive in the 21st century.

The Project’s final report identified three top-level categories of competence which again bear a strong resemblance to those of Harman, Deci and Ryan’s intrinsic motivators. They are: acting autonomously, interacting in socially heterogeneous groups, and using tools (including language) interactively.

### *Channelling corporate behaviour*

Returning to the corporate environment, we can learn from the work of the OECD, and the NHS, and recognise that the kind of change that we are seeking to achieve is not a technical one, but adaptive.

Drawing on qualitative tools, we need to develop a language to define the new idio-culture of ‘society’ that we aspire to, and then to reach a common understanding of the competencies that are needed in order for this to be successful and well-functioning. We can see that these will reflect the intrinsic motivators: competence, autonomy, and psychological relatedness.

There is still much to explore about the mechanisms by which we can influence corporates to adapt in this way.

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