



How do new employees learn about your organisational culture? What does this mean for social capital?

Tristan Claridge

Social Capital Research & Training, Dunedin, New Zealand

Abstract

You've finally enticed a extremely talented and highly sought-after professional to join your organisation, but now you're going to drop them in the barrel with all the other fish and see how they swim... Our recruits enter their new organisation as outsiders who have to 'learn the ropes'. But what if your organisation has some unproductive norms or negative cultures? We typically recruit employees based on their individual characteristics, but rarely consider how our recruits will act in our organisational environment. We typically don't consider what messages our new recruits will receive about how they should act in our organisation. We want to employ people who have the requisite human capital to perform their role and ideally to contribute meaningfully to organisational goals. We may look for factors such as expertise, experience, knowledge, personality, stability, resilience, technical and social skills, interests and passions, drive, ambition, creativity, organisational skills, attention to detail, moral code, and many more factors. We look for personal characteristics that will give us what we want from our employees: to work hard, to work well with others and in teams, to solve problems and innovate, to be reliable, and to look out for the best interests of the organisation. But once they enter our organisation will they continue to excel? Or will they be negatively influenced, undermined, sabotaged, disempowered, or affected in some other way that would affect their performance? This article explores this issue and offers some solutions to improve the practice of recruitment and induction. It's not just important for our most promising recruits, but for every single person who joins the organisation going forward.

Keywords: social capital, theory, structural, cognitive, and relational

All we need is the 'right people'

A common misconception is that organisations are successful when they have the 'right people'. The right people being those who are talented, experienced, hardworking, creative, and innovative. But this is only part of the story because an organisation is more than the sum of its people. The success of an organisation is the result of both human capital (the people) and organisational culture (ie social capital).

This is not intended to downplay other factors such as financial and physical capital that are clearly important, but people (ie human capital) innovate and solve problems, people create roles, rules, and procedures, and people maximise the productive potential of all forms of capital. How people act is very strongly influenced by norms (normal values, beliefs, actions) – which are an important part of social capital. The power and reach of social norms can hardly be overestimated. So human capital is important (the right people) but how human capital is activated is more important.

"It can be very difficult for even a brilliant person to perform in a negative organisational culture"



Correspondence should be addressed to
Email: tristan@socialcapitalresearch.com

In my experience the belief that norms (and organisational culture) do not affect individual behaviour is very common. I am often surprised by how many senior executives grossly underestimate the importance of norms and organisational culture.

I once had a discussion with the CEO of a medium sized organisation who expressed that his organisation “just had the wrong people”. From his point of view the organisation’s widespread underperformance was the result of the individual employees rather than the organisation’s culture. He believed that the employees were paid to do their jobs, and there was no valid reason why they shouldn’t perform their duties for which they were paid.

He cited various character shortcomings including work ethic, self discipline, and attention to detail. “Most of them are just not very good”, he said. “We just need to get rid of them, and hire better people”. And this was the approach that was taken. They would recruit excellent people who had a proven track record of high performance in similar roles. But this generally resulted in one or more of the following happening: a pocket of excellence would form around them within the organisation; or they would fail to perform at the same levels of excellence achieved in previous roles; or they would become dissatisfied and leave.

This continued to happen with very little change in overall organisational performance. Recruiting the best people was a difficult and expensive task, and they regularly failed to perform as expected. Even when pockets of excellence were created, they were isolated from much of the rest of the organisation. It tended to produce an “us and them” mentality that created a barrier to inter-organisational cooperation and collaboration. It also created or reinforced negative attitudes and norms in the rest of the organisation. Despite these problems, senior management continued to believe they needed to hire more of the ‘right’ people and remove more of the ‘wrong’ people.

Underestimation of the importance of organisational culture

For the senior managers of that organisation, the role of culture was a foreign concept that was incompatible with their understanding of the problem. Their focus was on the individual, without an appreciation for the role of social factors in influencing individual behaviour.

This is completely at odds with my view of the situation. I’ll briefly touch on three of the reasons why the role of norms are often underestimated since it helps to provide background context. If this doesn’t interest you please skip to the next section.

The first reason is the modern trend of individualism and the resulting belief that humans are, or should be, **autonomous**. To be autonomous is to be one’s own person, to have free will. It is an individual’s ability to

govern herself. It is often associated with freedom, liberty, and independence. I am sure few would argue with the virtues of these. However, individuals are not autonomous in a vacuum, rather they exercise autonomy within the context of their place in society. In modern society individuals are allowed to live their lives according to their own reasons and motives, however these are shaped and defined by their experiences in society.

The second reason is that the dominant approach to understanding complex phenomenon is in terms of its simple or fundamental constituents. This is called **reductionism**. To understand the performance of an organisation using a reductionist approach one would look at the performance of the individuals employees. But doing so ignores the interaction and interrelationships between the individuals.

The third reason is because our society is more **competitive** than collaborative. We learn from an early age to be competitive, not just in sport but in all aspects of life. For many of us school grades were bell curved, so working collaboratively with other students would likely reduce our final grade. There is competition for limited scholarships, limited jobs, etc. Competition encourages us to be strategic, to act for individual gain, and to focus on the agency of the individual. Organisational leaders are people who have played the competitive game well, as evidenced by their rise to the top, so they also tend to be more individualistic than most.

There are other factors that contributed to the underestimation of the importance of norms in influencing behaviour but further discussion is beyond the scope of this article.

Organisational culture and our star recruit

Coming back to our original concern: what happens when our recruit joins our organisation. Will they still be brilliant in their new role? Or will they be affected by office politics, by unproductive ways of doing things, by negative attitudes, or by poor practices?

It’s hard to say since the complexity of both the organisation’s culture and the recruit’s personality and experience means there is no standard way in which a recruit will respond. There are however forces that we can control to help create the desired result – that result being improved organisational performance.

Organisational culture is far more complicated than a straight line continuum between good and bad. It is multifaceted and dynamic – constantly being reconstructed through every action and interaction. It is not constant across an organisation since it’s different in different teams, departments, branches, etc that all interact. It is further complicated by the fact that individuals will interpret and respond to it in a multitude of different ways. Even a culture that is generally positive can have a negative influence on some people in some

“They will be good for our organisation if they are good

“Organisational culture is a variable, multifaceted, and dynamic phenomenon that people interpret and respond to in different ways”



about the organisation's aims, goals, vision, purpose, etc. But just because it's in a document on the CEO's bookshelf and on the organisation's intranet doesn't make it so. It can be a signal, but what is more important is how it is interpreted and activated within the organisation. When there is disagreement or uncertainty these documents can be referred to, to provide clarity and direction.

So if documents are not the primary driver of the organisation's lifeworld then what is? Lifeworld is constructed and reconstructed with every action and interaction. Everyone in the organisation contributes to the lifeworld, although influence is not distributed evenly since it is predominantly based on

circumstances.

So far in this article I have used the word *culture* to describe the shared assumptions, values, and beliefs that provide the background context for all thought and action. While this is easy to understand it may have connotations that distract from the meaning I am wanting to portray. So instead I will use the term *lifeworld*, as defined by the sociologist and philosopher Jürgen Habermas. I find it a richer and more versatile term that is relevant to both an organisation and the individuals who make up the organisation.

Lifeworld is the inescapable context of knowing and acting in the social and cultural context within which we are immersed. It is the background assumptions or “preunderstandings” that guide all thought and action. It is the culturally-grounded understandings, values, and sentiments that provide the “ground” or “platform” for all shared human experience. It is taken-for-granted and we can never be fully aware of it. It operates in the background and constitutes our ‘reality’, or “things as we know it”.

Lifeworld for an organisation

In an organisation every member becomes imbued with the organisation's lifeworld. Members ‘just know’ how they should act in the organisation. This ‘knowing’ seems almost intuitive, since we are not fully conscious of it and the rationale for it. If questioned we may say “I don't know why we do it that way, we just do”. It's mostly informal and unspoken. Much of it is learnt indirectly through observation of others actions, body language, and informal conversations. Lifeworld extends beyond ways of *acting* to include ways of *thinking* and even *feeling*.

Consider how an organisation's lifeworld is created. Most organisations have tangible signals of its lifeworld in the form of documents such as a constitution, mission statement, code of conduct, and various documented procedures and policies. These often provide messages

power differentials. Personality is also a key factor in the degree of influence but role and therefore power is generally more important because of the ability for senior personnel to make more decisions that affect the organisation.

Everything about the organisation contributes to its lifeworld. Even physical factors such as the location and layout of the offices, the choice of office furniture, and decorations have meaning. What does old or cheap office furniture say about the organisation? The choice of art? How are these things interpreted? What do people think about these things and how does it affect how they feel about the organisation. Do old and worn office chairs mean the organisation doesn't care about its employees? Every decision is interpreted and has meaning and significance. Decisions such as whether to update a product, improve a service, accept a project or client, buy new equipment, or give bonuses. It's not just decisions that are positive or negative, but also seemingly innocuous decisions such as Apple or Windows. Everything is interpreted and has meaning and significance. The choice to use Apple products may be interpreted as being different and thinking creatively. Or it may be seen as pretentious.



“Everyone in the organisation contributes to the lifeworld”

Lifeworld for an individual

Just like an organisation has a lifeworld, individuals have a lifeworld stemming from their previous experiences. They have beliefs and values about what is right and appropriate, and how to do things. They will have experience working in other organisations which will have helped to shape their beliefs and values. As well as beliefs about how things should be stemming from wider societal forces including religion and legal frameworks. The views of their family and friends, as well as information from popular culture (movies, tv shows, etc that depict similar circumstances). The relative flexibility of these values and beliefs are at least in part a consequence of personality, but also the consistency of past experiences or exposure to similar circumstances.

For example, wearing shoes in a house – if your experience is consistent, ie always wearing shoes or never wearing shoes in your house and other people's houses, then you will have confidence in that norm. When visiting someone's house you would likely not check with the owner, or pause to observe what other people are doing, before acting in accordance with your previous experience (ie norm).

However if your previous experiences were inconsistent, ie sometimes taking off your shoes, then you would be far more likely to check and observe before acting since you would be uncertain about what is appropriate. These norms may be trivial, merely convention, but may relate to value or belief systems. You may believe that wearing shoes in your house tracks in dirt, bacteria, and chemicals that can make your family sick. If your experiences have been consistent, and are linked to a strong belief, then you may not be understanding or tolerant of someone who doesn't take off their shoes.

The induction of our recruit

When an individual joins an organisation there is a collision of lifeworlds. But it's not like two billiard balls colliding, where the course of both is significantly altered, but more like a comet (the individual) striking a planet (the organisation), where the course of the organisation is imperceptibly changed by the addition of the individual. Whether the new person makes a splash is largely based on the complex interaction of two factors: the nature, strength, and consistency of organisational culture; and individual's personality and previous experiences.

When someone joins an organisation, they are an outsider who needs to 'learn the ropes' of how things are done in their new organisation. This is typically true regardless of the extent of the persons previous experience or the nature of their personality. Of course some people will be more or less likely to observe the lifeworld of their new organisation before acting.

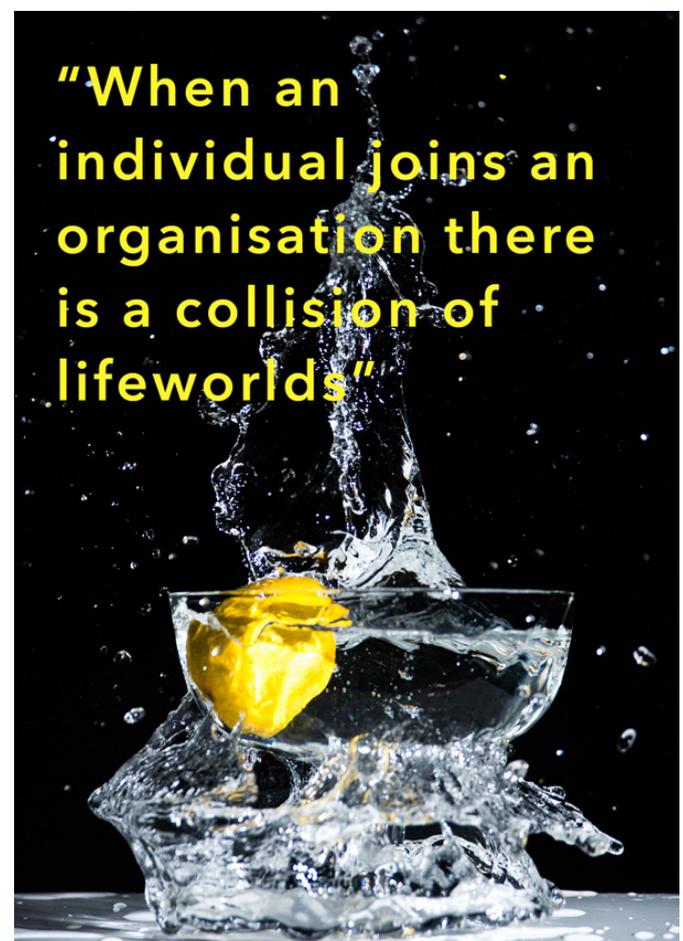
“An individual ‘carries with them’ their existing context of knowing and acting.

They may already know a lot about their new organisation. For example, a recruit who starts at Apple will likely already know a lot about their new organisation. Regardless of their existing knowledge, they start learning about their new organisation from their very first contact, in many cases the job advertisement. The job ad may give information about the available position, but the way it is written and the language used will also be interpreted for an indication of the organisation's lifeworld.

Most people would not infer much from the job ad, or initial contact for an interview, but once they enter the interview process most people will be straining their senses for evidence of the organisation's lifeworld.

They will be wanting to ensure the act appropriately and express appropriate views and beliefs, and they will also be wanting to know what sort of workplace they would be working in. Factors that are relevant may include the interview venue and setting, the interview panel size and demographics, the types of questions asked, and any information provided about the organisation. Even informal or off the cuff remarks are interpreted for significance.

Once they enter the induction phase they will be even more keenly observing their new organisation's lifeworld. Once they know they have the job they will be more prepared to invest time and energy in finding out about their new organisation. Most organisations have



an induction process that aims to provide the recruit with information about the organisation's values and appropriate procedures and behaviours. It hopes to start them on the right foot. But how consistent are these messages? The induction pack may enunciate a positive and productive lifeworld, but the person running the program may contradict the messages by word or action.

For example, the organisation may have a strict written policy on sexual harassment, but the recruit may witness harassment on their first day. Or they may learn of an employee who was accused of harassment without any action being taken by management. Or heard a coworker make a comment that discredits or contradicts the policy, such as "that happens all the time here", or "no surprise", or "you have to watch out for Paul".

These are signals of the lifeworld, but it is also important how meaning is interpreted from these observations. What does the inconsistency of policy and action mean? Is a disparaging comment an indicator of widespread cynicism or an isolated incident? Does a lack of action from management to at least investigate the accusation a sign of apathy? Is management unconcerned with the welfare and rights of the employees? These are extreme examples to illustrate my point, but even very small signals can be interpreted for meanings that have far reaching implications.

It's not just negative signals that contribute to the organisation's lifeworld. I have chosen to illustrate the examples above because they are things we want to avoid. Positive indicators such as helping, sharing, and collaborating are also observed, and their meaning interpreted that have far reaching significance.

Can we protect our star recruit?

Can you actually shield your recruits from your culture? If your culture is poor you don't want to teach your new recruits poor behaviours, but can you actually shield them from it? Eventually they will be immersed in the culture, for better or worse. So my conclusion is no, you can't protect your recruits from negative culture. All you can do is set them up as positively as possible, and then hope their personality will buffer them from negative influence as much as possible.

However if negative cultures are not entrenched, or measures are being taken to actively change the existing cultures, then the induction process is very important.

We should have a carefully constructed induction process that gives strong and consistent messages that align with the tangible organisational signals, such as documentation. This may help to buffer against residual negative signals from existing employees. It will get them to stop and think, "oh, I thought it wasn't like that here?" At least it will get them questioning the negative signals, and as long as the other messages within the organisation are consistently positive it may be enough to discount any negative signals.

Achieving change of organisational culture

Organisational cultures take time to change, so incremental change is important. Starting your new staff on the right foot may help to shift overall cultures, but only very slightly and very slowly. It is unlikely this will be beneficial unless there are measures being taken to change cultures within the organisation. The best kind of measures are those that 'shake up' the current cultures by creating uncertainty about 'how things are'.

The best strategy to change negative organisational cultures is to simultaneously:

- Remove or rehabilitate alpha employees with negative influence – these people often are entrenched and it can be difficult, or impossible, to change their attitudes and actions.
- Create uncertainty about the culture by announcing 'change' – this encourages employees to 'look before they leap', to check for how they should act before unconsciously going about their habitual behaviour. But be careful to not promise 'things will be different' and then not deliver change, or under deliver change. It must be associated with obvious and tangible changes.
- Take obvious action on anything that contradicts the desired culture, such as a complaint or accusation. This helps to correct or realign the signals of what is appropriate.
- Align messages about appropriate and expected behaviours – create certainty about how things are and should be by reducing or removing confusion and contradiction
- Very carefully construct the induction process for new employees to give them certainty about positive cultures – start new recruits with clear messages about the desired cultures that align with the organisational signals.

If you're not trying to change your organisational culture and it is relatively stable then your new recruits will be immersed in it before long. Even a very carefully designed recruitment and induction process will be of limited value.