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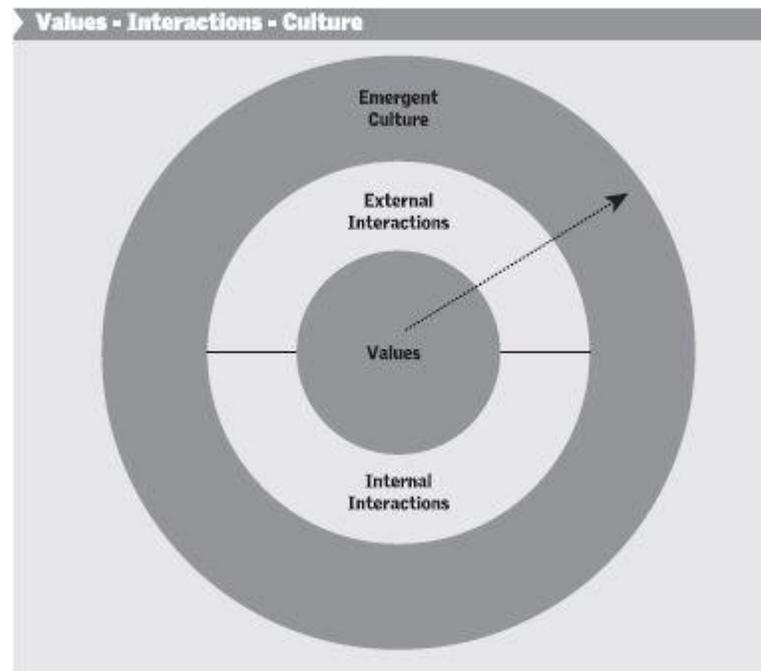
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The New Manager - **Management**

## Organisational culture as an emergent phenomenon

*Well thought out company values have the potential to create a favourable culture.*



*Mohit Kishore*

Emergence is a phenomenon that has been studied in many disciplines and it refers to the way complex systems and patterns arise out of a multiplicity of relatively simple interactions with no central coordination. Emergence is seen in systems such as nature, stock markets, traffic patterns and organisations. For instance, an ant hill is an emergent structure created by hundreds of ants, each of

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which is engaged in a particular kind of activity without being aware of the resultant structure. Similarly, complex flocking patterns amongst birds actually emerge out of simple behaviours on the part of individual birds (such as trying not to collide with other birds while still being part of the flock). In other words, the emergent structure is more than just the sum of the parts. In this article I propose two ideas — first, that organisational culture is an emergent phenomenon and second, that ‘values’ are the underlying ‘simple rules’ governing culture.

### An emergent reality

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It is possible to view organisational culture as an emergent outcome of the countless interactions that take place between the various constituents of an organisation. Each participant is not aware of his contribution to the overall emergent culture, and behaves in an independent manner in all situations based on his own personal beliefs.

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If this is the case, it would appear that it is very hard to ‘control’ what kind of culture may emerge in a given organisation as the behaviour of individuals is hard to predict. How then does one go about creating a particular kind of culture? The answer may lie in our understanding of emergent systems as being an outcome of individual agents acting on the basis of simple rules. When these rules are executed by a large number of participants, an emergent structure presents itself. Extending this to an organisational scenario, if a few simple rules were to be set that governs all interactions of an organisation’s members, the emergent reality — in this case organisational culture — can be managed to produce favourable end states.

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### Role of values

Most organisations already have the building blocks for this simple set of interaction rules in the form of ‘company values’. The only problem though is that company values are not designed keeping in mind their potential to influence culture. Some values tend to be based on universal morals such as ‘integrity’, while others, like ‘passion’, have no links to day-to-day behaviour.

An organisational value should ideally have two characteristics — specificity or uniqueness and linkage to behaviour. Specificity means that a value should be unique and based on the specific organisation under consideration. Secondly, values must be behaviour linked; they must clearly imply what kind of actions someone would need to perform to adhere to them. Of course, all universal values continue to operate regardless of whether or not they are an ‘official’ value. MindTree is a good example of a company with both unique as well as behaviour-linked values. Caring, learning, achieving, sharing and social responsibility are the values of this company (many surveys have rated it among the best employers).

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### Values-Interactions-Culture

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The resulting model would be as depicted in the accompanying figure. At the heart of the model are values — these are to be very carefully determined by the leadership of the organisation and periodically reassessed. These values form the basis of countless interactions between members themselves, and between members and other stakeholders such as customers.

The resultant emergent phenomenon would be the organisational culture. In order to foster a strong link between values and actual behaviour, reward systems must be aligned to incentivise demonstration of values.

Finally, it must be recognised that well ‘designed’ values help to actualise the ‘unique goodness’ of an organisation through the creation of an enabling culture, which in turn ensures that people who intend to contribute meaningfully are not hindered in any way from doing so.

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