Organizational Culture

Marcos Abeyta
The Tonalli Group LLC
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IBM is an international corporation with operations in more than one hundred and sixty countries in such far away places as Brazil, Thailand, Israel, Singapore and Hungry. Clearly, no one single type of universal IBM organizational culture exists as national, regional, cultural, and linguistic variables abound. However, by concentrating on the IBM organizational culture of the United States, the birthplace and headquarters of IBM. Perhaps, we will gain a solid foundation of the organization behavior of IBM worldwide. In examining this shared meaning of organizational values, seven key characteristics of organizational culture will be identified and discussed.

First, in the high tech world of today, IBM recognizes and encourages innovation and risk taking. Innovation, specifically high tech innovation, is perhaps the prime reason for IBM's dominant position in the marketplace. Such high tech innovation is risky in terms of the tremendous cost of research and development.   However, this innovation and risk taking has certainly benefited IBM. Last year alone, IBM was granted more patents than any other company or individual. Last year, the United States Patent and Trademark Office granted IBM two thousand eight hundred and eighty six patents. Moreover, IBM has held the number one position for patent awards for the last eight years. This innovation and risk taking generated more than $1 billion in licensing royalties and one third of the patents granted in 2000 are in the marketplace ("Speech"). Certainly, mistakes are highly probable in this type of environment. Original

mistakes are treated as a learning experience and it is expected to admit to the mistake early and not repeat it.

Number two of the seven key characteristics is attention to detail. Clearly, management demands that employees display expert precision, analysis, and detail. However, this also directly conflicts with management's desire for minimal costs, development time, and other financially related matters. So far this has not been overcome in my organization and is often a source of heated discussion. The attention to detail has been dominating so far but various policies have been implemented to reduce costs. One of these is a web accessible database to track, quantify, qualify, correlate, and otherwise analyze all production changes, production experiments, and failure analysis.

Outcome orientation scores relatively high and is third of seven on the list. The outcome, vision, or big picture is regularly stressed in monthly department meetings. The big picture within my organization is delivering a quality product at cost, on time, and responsiveness to the customers needs. Often times, it is the details that dominate most of the meetings and work time, yet the outcome does rate high. For example, a task force is already in place developing the second and third generation of the product. This task force has before it clearly defined goals that must be reached. These goals are the desired outcome and must be fulfilled in order to have a successful outcome.

Fourth and fifth are People orientation and Team Orientation, respectively. Management is highly committed to both people and teams.   One on one informal sit down discussions are common and occur regularly. These one on one discussions are designed for each employee and

their first line manager to develop a personal as well as a professional relationship. The employee may discuss work related concerns, goals, as well as solicit performance feedback. Moreover, these meetings take place behind closed doors, no phone calls are answered, and pagers are turned off. Team work is highly promoted and cross functional teams are the norm. Moreover, many different departments work together towards a common goal and meetings often include conference calls with other important individuals or sites.

Aggressiveness, sixth, ranks moderate to high. Employees are expected to be aggressive and competitive but not necessarily towards each other. Employees are expected to be aggressive towards fulfilling their duties, goals, and assignments and competitive against our business or market competitors. Working forty five hours per week in considered the norm and many people can be found working on the weekends. Management is sensitive to these extended working hours. Lunch is provided free of charge for those working on the weekends.

Seventh, Stability, is definitely low in my organization. Personnel and managerial changes are constant. The last first line manager had held that position for less than one year before being assigned to a second line position in a different program. Also within my organization, five non-managerial positions have been filled this year and two more positions are available. In addition, personnel from one department, including my current department, are loaned to other departments or projects in crisis or assistance situations. These loans can last for several months, further aggravating the stability. However, it is relatively easy to find the necessary help to overcome most obstacles as management is aware of the stability issues.

Overall, the organizational culture in IBM United States contributes to a healthy and pleasant job experience. There definitely exists a shared meaning as each organization has a wide expanse of control, talented cross-functional teams, and empowered employees. Moreover, entry socialization for new hires tends to be somewhat informal, collective, more fixed than variable, serial, and investiture. However, this culture is a fairly recent development and probably developed in response to the tremendous down sizing IBM went through in the eighties in addition to the new business developments of the nineties. In terms of behaving out of the norm, not many employees engage is outrageous behavior. Everyone tends to be well groomed, business casual dress, and act professionally.   In closing, the IBM organizational culture provides a supportive framework, is technologically innovative, and encourages employee empowerment.

References

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