

Organizational Culture as Tacit Knowledge in Action

a case study of Austrian Bioenergy Centre Wieselburg

Hanna Mandl, hanna.mandl@mlp.co.at

Rosemarie Pippan, rosemarie.pippan@oebiz.org

Walter Haslinger, walter.haslinger@abc-energy.at

What is Organizational Culture?

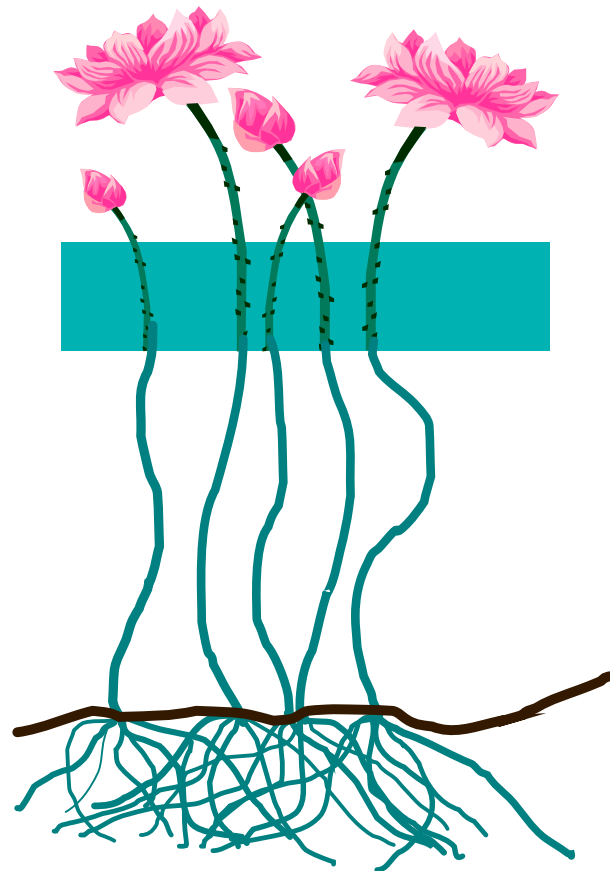
A pattern of shared
basic assumptions
that the group learned
as it solved its problems
of external adaptation
and internal integration,

that has
worked well
enough to be
considered
valid,
and, therefore

to be taught to new
members as the
correct way to
perceive, think
and feel in relation
to those problems.

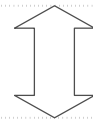
*Edgar Schein, Professor emeritus
of the Sloan School of Management at MIT*

Levels of Culture



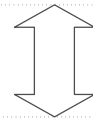
Artifacts

visible organizational
structures and processes



**Espoused
Values**

goals, strategies,
philosophies



**Basic
Underlying
Assumptions**

unconscious,
taken for granted beliefs
perceptions, thoughts and
feelings (ultimate source
of values and action)

What questions did we ask?

What are the objectives of your organization?

How would I learn of the do's and don'ts, if I joined ABC?

How are decisions made? Who makes them?

What formal and informal ways of communication do you have?

What was your greatest success? What the greatest challenge?

How do you think ABC is perceived from the outside?

What structures enforce your motto?

How does the growth of ABC influence the structures?

What is most precious for you in ABC now?

If you would have to find a metaphor for ABC, what would that be?

What is Tacit Knowledge?

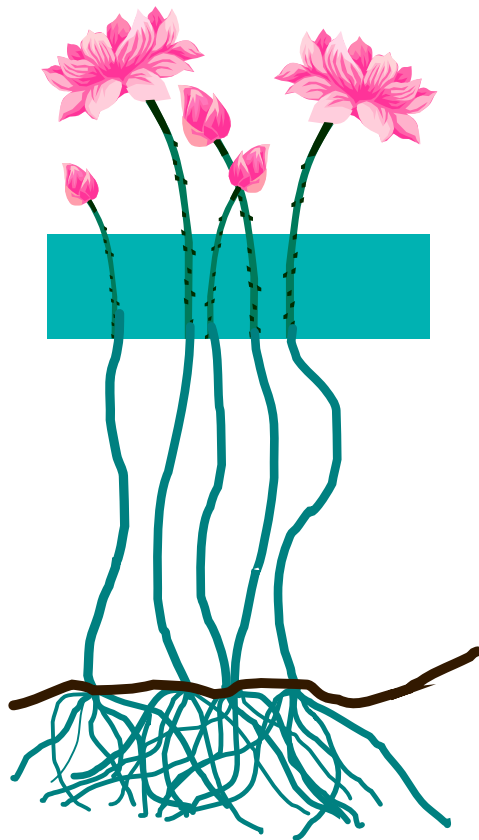
Tacit knowledge –

know-how, procedural knowledge – is the knowledge exercised in the accomplishment of a task, and thus includes knowledge which cannot be easily articulated by the individual, since it is typically non-conscious. Procedural knowledge is context-specific, and hard to formalize and communicate.

„We know more than we can tell.“
Michael Polanyi

Explicit knowledge – know-what, descriptive knowledge – is, by its very nature, transmittable in formal and systematic language.

Hypothesis I: ABC is based on a strong Research and Teaching Culture



We are using first names, founding members are writing their doctoral theses, we know each other well and spend free time together, we are sharing transportation, we have breakfast together, we have weekly meetings where everybody is invited.

The motto: „We are a collective with individual responsibilities“, sharing scientific information is a must, everybody is interested in what he/she is doing, we are connecting theory and practice, we want to have and have a humane workplace!

Our research and the role of ABC are important for our country and therefore we are and will be subsidized, we are young, flexible and growing, we are competent high potentials, we share our interest in this enterprise, we know the language of our partners.

Hypothesis II: ABC is in a transition from a pioneer enterprise to...

The strength of ABC lies in its potentiality, its strong identity and vision, which are present in the person of the head.

What the head asks from others he practices himself. He is trusted and respected by all. He knows everybody and he knows their work.

There is ample potential for development of the employees.

The objectives of the organization are present and taken for granted.

Research assistants are highly motivated, output-oriented and cooperative.

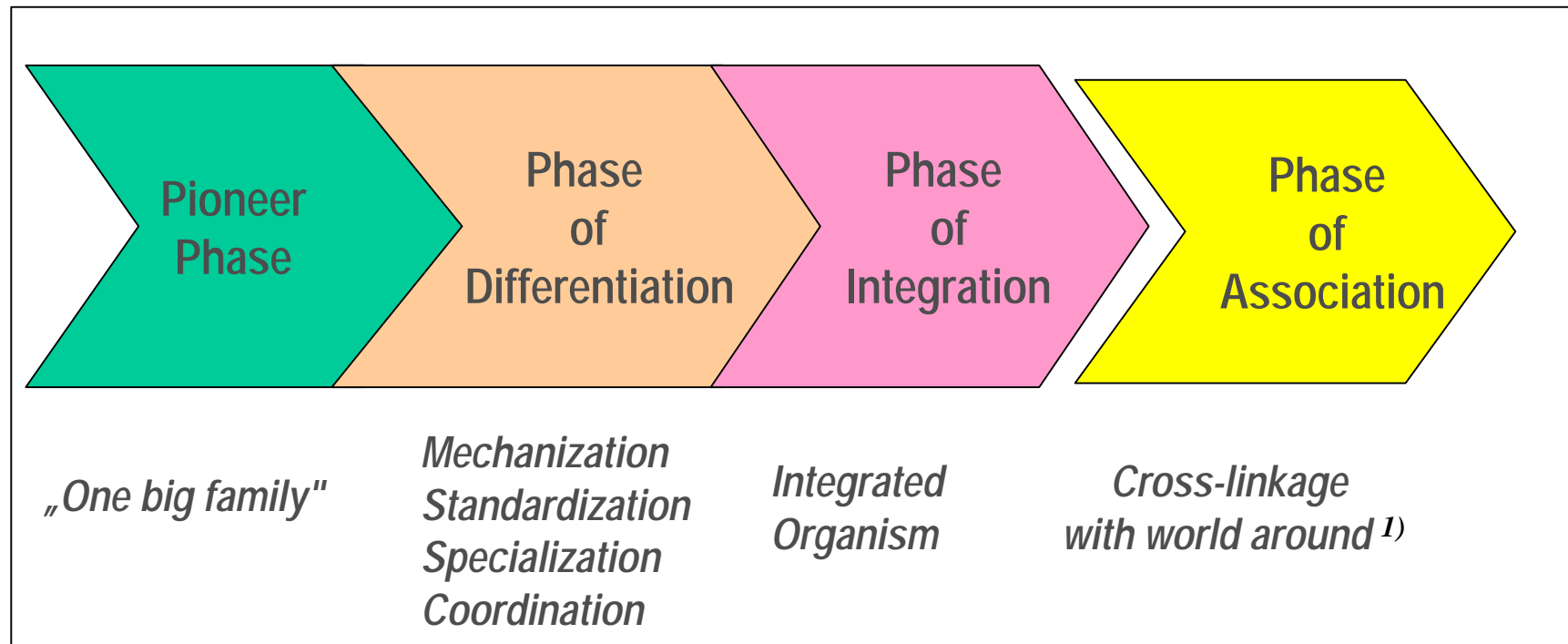
New ideas come from the head or in the technical field from motivated employees who are putting their own ideas into practice.

The efficiency of ABC has to do with small overheads and great flexibility.

It is obvious that with a greater number of employees, things will have to change. Responsibilities have to be divided among more people.

Will the commitment stay the same in a more segmented organization?

Bernard Lievegoed: Phases of development of enterprises and organizations



1) Glasl refined the 3 phase – model of Lievegoed with a forth phase - phase of association.

What did we learn?

Our explicit knowledge:

Founding members can be strong role models concerning culture.

The leader influences culture by his choice of employees.

Past successes influence the organizational culture.

Informal communication and free time together are an important asset for building and spreading tacit knowledge in an organization.

We cannot be sure of a basic assumption if we only interview individuals. Next time we will include at least one group conversation around this theme.

Our implicit knowledge:

How we can perceive Organizational Culture.

After this experience we were able to find the title for this workshop.

We experienced the difficulty to make implicit knowledge explicit.

What did ABC learn from this intervention?

ABC is a pioneer!

External observations and personal view on ABC agree well.

Way of development is nothing special at all, what makes it special is a particular way of living this development.

Phase of differentiation is our current state of organization development.

Awareness of "normality" of (harmful?) changes as the organization develops and evolves.

Awareness of potentially overdoing regulations, coordination,... in the phase of differentiation.

Externally reviewing own organizational performance is a valuable support for continuously reflecting our work.

References:

- Glasl, F., Lievegoed, B.** : Dynamische Unternehmensentwicklung. Grundlagen für nachhaltiges Management. 3. erw. Aufl. Haupt Verlag. Bern. 2004
- Lievegoed, B.** : Managing the Developing Organisation. Tapping the Spirit of Europe. Blackwell. Oxford. 1991
- Nonaka, I. and Takeuchi, H.** : The Knowledge-Creating Company. How Japanese Companies Create the Dynamics of Innovation. Oxford University Press. 1995
- Schein, E. H.** : Organisationskultur. The Ed Schein Corporate Culture Survival Guide. 2.Aufl. EHP. Bergisch Gladbach. 2006
- Schein, E.H.** : Edgar Schein on Organizational Therapy and Organizational Culture. An Interview. In: Profile 4/2002, S 30 -43
- Schein, E.H.** : Wie können Sie die Kultur Ihres Unternehmens erheben? In: Profile 4/2002 S 3-9
- Schein, E.H.** : Models and Tools for Stability and Change in Human Systems. In: Reflections Vol. 4, Nr.2.
- Senge, M. P.** : Die Fünfte Disziplin. Kunst und Praxis der lernenden Organisation. 9. Aufl. Klett-Cotta. Stuttgart. 2003