

## **Making culture and structure work for you and your organisation**

*“Culture is a driver in an organisation and has a big impact on its effectiveness. Structure alone does not get you significant change. They’re interrelated.”* TAFE senior manager.

### **Understanding an organisation’s culture and structure can be a key to building the TAFE workforce.**

This is one of the conclusions emerging from a two-year research program aimed at supporting vocational education and training providers in building their organisations for the future.

The research has produced a wealth of information on organisational cultures and structures, and the impact of these on team and organisational capability. It involved a review of research literature on organisational cultures and structures plus interviews in ten registered training organisations (RTOs) in seven states and territories.

Early findings were that an understanding of culture could lead to better management. Managers who developed this understanding could clarify confusing and ambiguous aspects of everyday life in an organisation, or found it easier to cope with change by becoming aware of why things happened, not just what happened. Leaders could also learn to lead more effectively by using culture to motivate employees and counteract taken-for-granted beliefs that limit people.

The research identified cultures that were seen to affect capability positively, as well as processes for cultural change that could provide guidance and inspiration to other organisations.

A renewed focus on teaching and learning was seen as one characteristic of a culture that could build capability. Another critical focus of a capability-building culture was on meeting community needs. A third focus was on change, and the need to view it as critical and fruitful while building it into organisational processes. Capability-building cultures were also linked to a complex of organisational characteristics such as flexibility, innovation, creativity, risk taking and empowerment.

However, the research suggested that these examples of culture were not necessarily right for all organisations – or all environments, according to research leader Berwyn Clayton, of CURVE (Centre Undertaking Research in Vocational Education) at the Canberra Institute of Technology.

She said that different cultures developed in response to different environmental factors such as local industry and community needs, government regulation, funding and policy demands.

“Different cultural responses to different environments are a key to building capability,” Ms Clayton said “There’s no such thing as one size fits all.”

The research showed that differences between organisational cultures also spring from the particular history of an organisation. For example, one institute researched had been restructured from two TAFEs and one higher education organisation. Another had amalgamated three organisations on five campuses. Cultural differences from these organisational histories continued to exist, leaving a “cultural shadow” that some organisations acknowledged, and that others actively used to guide change.

Some interviewees in the research program recognised that different perspectives of culture could be another source of difference. For example, there could be wide differences in an organisation between an espoused culture and a lived one. This difference posed a cultural challenge to organisations of enabling people to live with such inconsistency and yet not see it as hypocritical and become cynical about the organisation.

Another major challenge was the existence of multiple cultures within organisations. Interviewees from all levels in TAFE organisations spoke of a mesh of interrelated cultures variously described as “tribes”, or based on disciplines, trades, faculties, campuses, educational or administrative provision, public provider or fee-for-service provision, and union or non-union membership.

Some organisations valued the difference and diversity that multiple cultures provided, which encouraged people to be innovative and enabled different sub-cultures to link to different communities or industries. Other organisations saw multiple cultures as valuable only if there was an overall unifying culture. Where this unifying culture was weak, there was less tolerance of multiple cultures.

“The research suggests that organisations need to meet the challenge of balancing their multiplicity of cultures with a unifying culture,” said Ms Clayton.

Interviews showed that people often saw an organisation’s culture as being integrated with its structure. The approach to the two was holistic, either because of confusion between the two concepts or because of a genuinely integrated approach to structure and culture.

The research indicated that, like cultures, structures developed in response to different environments. Other influences included an organisation’s age, size, technical systems, power or control system.

“In stable environments, highly devolved and bureaucratic structures work well,” Ms Clayton said. “In the current highly dynamic environment, structures need to become more organic and decentralised in order for RTOs to meet the demands being placed upon them.”

Other structural responses to these influences identified by the research included a growing emphasis on building teams with varying degrees of autonomy, and the devolving of decision-making to these teams and line managers. By empowering those closer to grass roots, senior managers were able to shift their focus from the operational to the strategic. A movement from hierarchical structures to flatter hybrid or matrix structures was another common response.

“Structure as well as culture can have a significant impact on capability,” Ms Clayton said. “Organisations of the future will be agile, horizontal, fast reacting, flexible, client-driven, infinitely adaptable, and responsive despite uncertain times.

“However, it would be helpful for them to understand that structural adaptation can occur either rapidly or incrementally - and that different structural approaches can exist happily within the one organisation.”

*“We came from a very hierarchical organisation to one where the rope was let loose, and people were given freedom to make mistakes, and weren’t admonished for it. What was expected was for us to try, and then question ‘what did you learn from it’ if it was not successful. People have been game to try that. In this institute the growth in attitude and in people in the last 3-4 years has been amazing.”* TAFE senior manager

This research is responding to concerns expressed by RTOs across Australia during preliminary consultations in 2005. RTOs expressed their fears that the current VET environment threatened the quality of their core business. They welcomed help with ways to deal with change to ensure an effective and efficient workforce.

The research has explored research literature from a wide variety of fields that have used the concepts of culture and structure, ranging across the social sciences, leadership studies, human resources, change and innovation, and organisational management. Interviews have also explored opinion in RTOs at four different levels: CEO, senior management, middle management and team level.

Results are being reported in a number of different ways. Fact sheets have been produced and are available on the consortium website. Conference presentations have been made by key researchers, and a final report will be produced by the end of the year.

### **The consortium research program**

The research into cultures and structures is one of nine research activities in the consortium research program: *Supporting vocational education and training providers in building capability for the future*. Other topics include career pathways for the VET workforce, new issues in teaching, learning and assessment, decision-making on professional development, learning through work, human resources practices, and educational leadership.

The consortium research program is led by researchers from the University of South Australia, the University of Technology, Sydney and the Canberra Institute of Technology, and involves a team of nationally recognised researchers from across Australia. It is funded by the Department of Education, Science and Training (DEST) and is managed by the National Centre for Vocational Education Research (NCVER).

This consortium approach is a new model of cooperative research using combinations of research teams to explore a broad range of related topics.

Further information on the consortium research program, and how to participate in it, can be accessed on the consortium website: <http://consortiumresearchprogram.net.au>  
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