

*The Importance Of  
Building Organizational  
Cultures For Effective  
Management Of People  
And Organizations: A  
Case Study Of Bushenyi  
Local Government In  
Uganda*

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## Abstract

The role of organizational culture in influencing organizational effectiveness has been echoed and re-echoed at length in many management studies. Most of these success stories have been told especially about the organizations in the developed world compared to the less developed world like Africa. Therefore, the main motivation for this paper was to test the extent to which the Local Governments in Uganda have embraced this management doctrine and whether it is a farce or a practical ideology in less developed country settings. The content of this paper focused on analyzing how organizational culture influences the way an organization manages its internal and external factors that impact its performance. The basis of this analysis was Bushenyi Local Government where the authors worked as Administrative Officers in the past. Thus by use of experience and observation research methodology, the paper analyses the relationship between organizational culture and organizational performance. The findings revealed that organizational culture is as relevant and applicable in Uganda's local governments as it is in any other organization elsewhere in the world. The study recommends that all organizations can benefit from building strong organizational cultures by establishing "principle-centred leadership" (Covey, 1997) and "rethinking leadership" (Rowan, 1997).

**Keywords:** Organizational culture, Effective management and Local Government management

## 1. Introduction

Different writers have defined organizational culture in different forms. But they all hinge on issues that an organization tries to encourage its employees to follow as the best way of performing their day-to-day tasks. Wood et al (2001, p.391) for example define organizational culture as 'a system of shared beliefs and values that develops within an organization and guides the behaviour of its members'. Wood et al (2001, p.392-393) go further to say that organizational culture is exhibited at three characteristic levels: "observable culture, shared values and common assumptions".

*Observable culture is termed as the behaviour that a group displays and teaches to new members as the way of doing things in that organization.*

*Shared values are taken to mean a set of coherent values held by members of the organization that determine the way they perform their work.*

*On the other hand common assumptions are termed as the collection of truths that organizational members share as a result of their joint experiences and which guide values and behaviours.*

In addition, Schein (1992, p.3) infuses organizational culture with organizational leadership. According to him, organizational culture is simply defined as “the climate and practices that organizations develop around their handling of people or to refer to the espoused values and credo of an organization”.

Both of the above definitions imply that there are certain values that managers try to inculcate in their organizations to guide employees in doing the right things at the right time so as to achieve organizational goals. In doing so, these definitions therefore suggest that the right kind of culture will influence the way an organization becomes effective in meeting its objectives. Culture forms an integral part of every society and it is exemplified in the way the members of that community behave. For example in terms of dressing styles, social relationships, the language used, its work attitudes, its attitudes towards outsiders and the way it structures the political, social and economic modes of life for its members. Just as no two individual personalities are the same, no two organizational cultures are identical. Organizational culture is of course influenced by a large variety of factors. For example Nankervis et al (1999, p.53) allude that factors which influence an organization's culture include its history, present management and leadership styles, size, structure, the nature of its products or services, the industrial relations activities and above all, the national culture in which it is operating.

Numerous studies have been conducted into the characteristics of national culture, religious culture and organizational culture and whether culture really influences organizational effectiveness. There is no concrete agreement on whether there is a link between organizational culture and organizational performance. For instance, Lim (1995, p.16-21) examined the methodologies and findings of some researchers and he shows the existence of two extreme schools of thought. While one school claims that a strong relationship exists between organizational culture and organizational performance, the other disagrees entirely. However what is evident is that most organizations today are putting much emphasis on formulating an organizational culture that is conducive to facilitating the way its business is conducted. On this note therefore, it is suffice to say that the culture that one organization adopts and adapts all its internal and external environments will determine whether it succeeds to achieve its business objectives or not. Organizations that have cultures that suit their business strategies and environment succeed in improving their performance while those that have cultures that do not suit their strategies and environment do not perform as well (Kotter and Heskett, 1992, p.28). Other writers including Hughes (1998, p.159) have underscored the importance of this conclusion. He therefore notes that organizations today need to adopt strategic management with the aim of integrating their planning function with the overall management task. This entails scanning the organization's internal and external environment for opportunities or threats and formulating strategic plans to exploit those opportunities or cope with the threats.

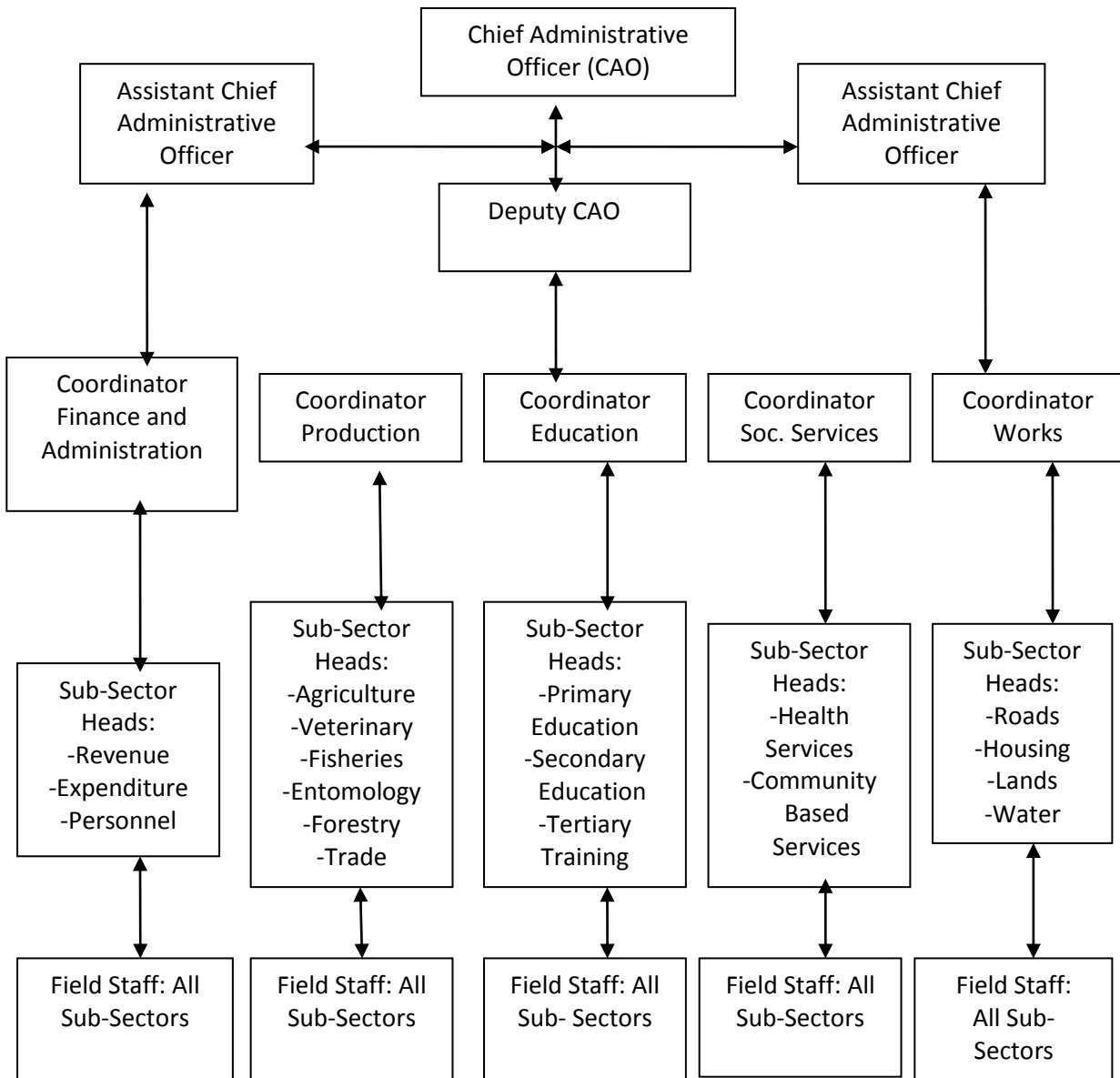
Arising from the numerous divergent views expressed by different researchers concerning the link between organizational culture and organizational performance, the content of this paper focused on analyzing how organizational culture influences the way an organization manages its internal and external factors that impact its performance. The basis of this analysis was Bushenyi Local Government where I worked as an Administrative Officer in the past. Thus by use of experience and observation research methodology, the paper analyses the relationship between organizational culture and organizational performance.

## 2. The Structure And Functioning Of Bushenyi Local Government

Bushenyi Local Government is one of the several decentralized government units that are mandated to perform certain political, economic as well as social functions on behalf of the Central Government of Uganda. The operation and functioning of the Local Government in question is based on elected political leaders and appointed administrative personnel. The political leadership is responsible for formulating policies and monitoring their implementation while the administrative leadership under which I belonged, is responsible for supplying information and technical advice to enable the political leaders to make sound political, economic and social decisions and thereafter to implement these decisions for the benefit of the population that make up the Local Government. This paper focuses on the culture that exists in Bushenyi Local Government encompassing both the political as well as the administrative leadership. The work of the Local Government is divided under five sectors or departments. These are Finance and Management, Social Services, Works, Production and Education. These departments constitute those functions that the Central Government decentralized to the Local Governments with the aim of serving the community needs by taking services nearer to the people and adopting participatory planning techniques. The district political leadership structure is divided into the following branches: the Council, Executive Committee and Sectoral Committees as shown below:



The administrative structure of Bushenyi Local Government is arranged as follows:



The Chairman heads the political leadership branch while the Chief Administrative Officer heads the administrative branch of the district. Each of the five departments thus has three coordinators who work hand in hand: the minister who represents the executive committee, the sectoral committee chairman who represents the council and the administrative coordinator who represents the technical (civil) administrative machinery. Each of the above departments is charged with specific functions and technical officers therein work as a group in coordination with the minister and sectoral committee chairman to accomplish the tasks of their sector or department. But overall all the people working in Bushenyi Local Government represent one large team that is charged with implementing the Local Government Development Plans. Therefore the sectors merely act as groups of the larger Local Government team. The District Development Plan is the legal

working document that guides the work of the Local Government. In order to effectively formulate and implement the District Development Plan, the district leadership requires an enabling cultural environment that acts as glue to make every person in the district service to play his/her part.

### **3. Organizational Culture In Bushenyi Local Government**

The organizational culture prevailing in Bushenyi Local Government is geared at assisting in the implementation of the policy of decentralization, which is the current governance system operating in Uganda. The policy of decentralisation aims at taking services near to the people. Thus the culture in Bushenyi Local Government is for ensuring that all officers (both political and technical) in the service of the organization perform their duties diligently and at all times making sure that the community needs are satisfied.

Thus the organizational values that are openly expressed here are accountability for public funds, creating value for money, teamwork, participatory planning and decision-making processes, top-bottom supervision and bottom-up reporting system. On critical observation of the organisational culture pertaining in Bushenyi Local Government, it reveals the three levels of culture that Schein (1992, p.17) talks about and the sub-cultures, which Wood et al (2001, p.393) identify.

The three levels of culture according to Schein are the 'artefacts, espoused values and basic underlying assumption'. The artefacts in Bushenyi Local Government can be viewed from the organizational structure whereby the members are clearly demarcated into departments as shown on the diagrams above. Each department has specific roles to play towards the achievement of the ultimate organizational objective of giving services to the people. The organization also involves new staff members in certain rituals and ceremonies such as orientation programs and induction courses, which serve as a forum for indoctrinating them into the culture of the organization. In these courses, various high caliber people in the organization lecture to new members so as to emphasise the importance of the culture that is governing the organization. In these orientation programs, the organization takes the opportunity to pass on information to new members concerning the dos and don'ts in the organisation. As Nankervis et al (1999, p.54) argue, the value of the induction course in this organization is 'to quell the anxiety that the employees usually have on their first day on the job'.

The espoused values, which are heralded to help in the achievement of the organisational goals can be seen from the strong emphasis not only on accounting for public funds in one's possession but also showing value for all monies spent by the individual staff or department. The value attached to the induction program is that

the time spent at the beginning of an induction period would reduce the anxiety level of new employees thus resulting in greater productivity and reduced adjustment costs.

The basic underlying assumptions enshrined in the above-mentioned culture are that adherence to strict principles of accountability, supervision, involvement of the community in planning for services and teamwork are essential to the achievement of the decentralization objectives. Another assumption that may be deduced from this culture is that if employees work as groups of the same team, they would be able to excel in performance. It is also assumed that the hierarchical and bureaucratic structure of supervision and reporting is conducive for controlling staff performance and encouraging communication from top to bottom and from bottom to top.

Basically the members of this organization are grouped under departments. Therefore these departments represent sub-cultures as identified by Wood et al (2001, p.393). This is so because each department has specific tasks and usually the methods used to perform their work differ from each other. However these sub-cultures are only different in terms of work assignments but they are not inconsistent with each other in terms of the overall organizational objective. In other words they are not to be confused with counter cultures. In order for organizational culture to influence organizational performance, the organization needs to adapt such culture to its external and internal environments.

### **3.1 Internal Adaptation And External Adaptation Issues In Bushenyi Local Government**

Most organizational cultures aim to solve two important survival issues. These issues according to Wood et al (2001, p.397) are 'the external adaptation and internal adaptation'. In the course of undertaking its activities, the organization is faced with challenges operating both internally and externally. Thus organizations strive to survive and adapt themselves to their external and internal environments. Organizational environment is defined by Wood et al (2001, p.369) as 'a set of cultural, economic, political, educational and legal forces found in any geographical area in which a specific organization is operating'. 'External adaptation is defined as 'the process of reaching goals and dealing with outsiders' while internal adaptation is defined as 'the process of creating a collective identity and the means of matching methods of working and living together as members of one organization' (Wood et al, 2001, p.397). For this matter therefore, every organization must adapt its culture or the way it undertakes its functions to those two sets of environmental factors. Actually Schein (1992, p.52) suggests that if a group is to accomplish tasks that enable it to adapt to its external environments, 'it must be able to develop and maintain a set of internal relationships among its members'.

As far as Bushenyi Local Government is concerned, the differences between internal adaptation and external adaptation issues can be stated as follows. The external adaptation issues at play here include the tasks and responsibilities that the Local Government is mandated to carry out by the Central government. For this matter therefore, the external adaptation issues that the organization is concerned with involve making decisions on the appropriate methods of achieving the goals of decentralization as set up the Central Government. On the other hand the internal adaptation issues include policy formulation, resource allocation, conflict resolution and human resource management. Thus while external adaptation issues concern what precisely needs to be accomplished and how to do it, the internal adaptation on the other hand looks at how members must resolve their daily obstacles or problems associated with living and working together in the same environment.

The external environment in which Bushenyi Local Government administration operates includes the Central Government which sets the laws governing the process of decentralisation in all Local Governments. Thus there are various sets of laws that the Local Government must adhere to in its daily operations. Another external agency for the organization is the population that pays taxes and expects good services from the Local Government. The Central Government has a representative in the Local Government known as the Resident District Commissioner (RDC) whose duty is to oversee the implementation of decentralised programs while elected councilors who are charged with making policies to facilitate service delivery, represent the population. Thus the Central Government and the local population are important external factors that play an important part in the way the employees of this organization behave and perform their duties. Because of the external constituencies that the organization must satisfy, the following issues are very crucial for the organization to 'survive in and adapt itself to its external environments', as Schein (1992, p.52) prefers to call it. The external adaptation issues that this organization has to grapple with are the following:

1. Meeting the development criteria set by the Central Government
2. Accounting for all funds released by the Central Government and those raised locally from the population.
3. Consulting the Central Government from time to time on policy guidelines
4. Making progress reports on all Government aided projects
5. Consulting the population on policy issues concerning their needs and priorities through the process of participatory planning and decision-making.
6. Formulating the strategic mission to direct the operation of the organization on the basis of the decentralization policy.
7. Planning for resources and methods of achieving the organizational objectives.



8. Implementing Central Government policies as well as those enacted by the Local Council. This requires developing a consensus on the operation mechanisms to be adopted to perform the mandated tasks.

The internal environment on its part includes the elected political leaders and the civil servants who must work together to achieve the objectives of decentralization, the most important of which is to deliver proper services to the people basing on the principle of participatory democracy and proper accountability mechanisms. While the councilors are concerned with serving their respective constituencies, the civil servants are for serving all the people in all corners of the Local Government. Thus by nature the expectations of councilors and the civil servants are bound to clash. However they must reach a compromise and work as one team. The civil servants must supply factual information (data) to assist the councilors to merge their individual constituency expectations with the overall objectives of the government. From this working pattern, it is evident that the leadership of this local government organization has a lot of internal obstacles to cross in order to work together to achieve the organizational goals that are imposed on them by the external environment already identified above. The way to resolve these differences thus requires developing and maintaining a set of internal relationships (culture) among the councilors and civil servants. As Schein (1992, p.52) suggests, the internal adaptation issues facing this team include the following:

1. Creating a common language to help the members understand and communicate with each other.
2. Defining group boundaries and criteria for inclusion and exclusion.
3. Distributing responsibilities and power to help members to manage feelings of cooperation and aggression.
4. Developing norms of intimacy, friendship and love and working out operational rules to guide them in their respective roles and responsibilities.
5. Defining and allocating resources, rewards and punishments.

The organizational culture pertaining in Bushenyi Local Government helps members therein to deal with the above adaptation issues successfully. This so because in the first case, this culture developed as a response to the external challenges at hand. The external challenge is to serve the community for which the Central Government decided to decentralize resources and decision making to the Local Governments. It is for this reason that the organizational culture in Bushenyi Local Government puts much emphasis on accountability for public funds, participatory planning and teamwork. As a result of these requirements, there are various processes and tools that have been developed to enhance this culture. For instance the political leadership works hand in with the civil leadership to make the development plan through a series of meetings starting from the grass root consultations and moving upwards through departments/sectors, executive committee and

finally to the council. The development plan thus becomes a binding document that helps to cement relationships among all people working in the Local Government both politically and administratively. This is to say that the planning process helps in the creation of a collective identity among the members and acts as a means of matching their working methods so as to be successful in implementing the development plan. Because of this document, teamwork is a must for success and this encompasses sharing of information and resources, respecting the bureaucratic command in supervision and reporting and delegation of power. Each department has to develop work plans to achieve its portion of the development plan and this results in departmental sub-cultures that help to identify group members and to communicate at the same wavelength.

In addition to the above, this organizational culture in the Local Government necessitated tools to facilitate and encourage everybody to adhere to it. Such tools include the formulation of the rules of conduct and sectoral committees to review the performance of each department at very stage of the implementation of the development plan. But more importantly accountability is strengthened by stringent measures. The release of funds to individual officers and departments is according to the work plans that must be submitted and audited on quarterly basis. If there are unsatisfactory issues, then further funds are not released until the issue is clearly explained. Thus the culture here makes it clear to everybody about the moral and ethical underpinnings within the organization and the requirements for achieving them. It is very clear on issues of accountability, reporting and supervisory mechanisms as well as the sanctions for breach of any of the requirements.

The organizational culture as it is in Bushenyi Local Government can be said to bring everyone in the organisation together as part of a large working team. This is so because it encourages consultation and reporting of genuine concerns. More so, it places public interest ahead of self-interest and requires adherence to the due process. By emphasizing the social and democratic purposes of the services to be provided, this culture creates enthusiasm and dedication for achievement of the objectives among all members of the organisation. The issue of orientation and training of new members as they are entering the organisation helps to integrate senior executives and other employees because through these meetings, every one gets to know what is expected of him/her and staff morale and mutual trust is boosted at the start. The induction program is run for both elected and appointed officers of the council. This program alongside other social activities like the welcome and farewell parties help to increase the cohesion among the organizational members which is a big boost for the organizational performance.

The bureaucratic structural arrangement though tedious and slow in executing decisions, is beneficial in this situation. It helps to link senior executive members with the junior members and this helps in tracking the

progress of projects under implementation and to isolate where there may be weaknesses. However the bureaucracy is still a cause of dissatisfaction among the lower cadres in the Local Government whose efforts are sometimes let down by the red tape.

#### **4. The Implications Of Organizational Culture On Managing People And Organizations**

As Schein (1992, p.92) suggests, the process of building an organizational culture is a gradual one and it owes its success on the organizational leadership available at a particular time. Therefore it follows that good leadership produces a good organizational culture and vice versa. It is also true that the right kind of culture will influence how effective the organization is in achieving its goals. The participatory planning process that Bushenyi Local Government uses to formulate its development plan is a good testimony to this analysis. The culture of participatory planning process thus acts as a way of 'programming the various minds of the organization to think and act as one group' (Hofstede, 1997, p.31). The implication for management is therefore to identify and place capable group leaders who can offer direction to the group and build teamwork among the members. The three people who coordinate the departmental work in Bushenyi Local Government have worked well in building successful teams. They have particularly succeeded in what Carlopio (2001, p.414) refers to as 'effective team management'. Effective managers are ones who are competent in identifying which areas of the team need assistance and at which point they need to intervene and offer direction.

#### **5. Future Recommendations For Organizational Culture Improvement For Bushenyi Local Government**

In view of the organizational culture that has been identified in this work, it has already been mentioned that its success heavily hinge on good leadership, which is capable of building and sustaining teamwork among all members of the group. Above all else, I recommend that Bushenyi Local Government should aim at finding leaders with a vision, passion and who can inspire everybody in the organization. However the future will demand more decentralization of power and democratization of strategy to lower levels of the groups other than the current bureaucratic control which is source of frustrations among the members due its red tape problems. In this case, I therefore recommend what Rowan (1997, p.13) calls 'rethinking leadership'. This means allowing people in the organization to generate new ideas by decentralizing power to make decisions and transforming efforts that really work instead of being stuck in bureaucracies.

Since organizational culture is important in improving organizational performance, it is important that this culture is built on a foundation of trust. By this I mean that the leadership of the organization must be looked at as being trustworthy by all interested members of the organization whether acting within or outside the organization. By building this high-trust culture, the leadership will succeed in making meaningful partnerships both inside and outside the organization with employees, central government agencies and the population all of whom are vital players in its internal and external adaptation issues. To succeed in this endeavor, I recommend the establishment of principle-centered leadership. The reason for this recommendation can be borrowed from Covey's words (1997, p.41). Covey suggests that when you apply the principles consistently, they become 'behavioral habits and this enables the fundamental transformation of individuals, of relationships and of organizations'.

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