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AN ORGANIZATIONAL CULTURE PERSPECTIVE OF
STRATEGIC LEADERSHIP AND ORGANIZATIONAL CHANGE:
SHAPING THE FUTURE OF THE ARMY

BY

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AN ORGANIZATIONAL CULTURE PERSPECTIVE OF
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SHAPING THE FUTURE OF THE ARMY

AN INDIVIDUAL STUDY PROJECT

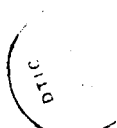
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ABSTRACT

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Substantial changes in Eastern Europe and within the Soviet Union, coupled with coalition warfare in the Middle East, suggest that the role, missions, and force structure of the U.S. Army will change in the near future. The Army's senior leadership faces the challenge of breaking the existing paradigm and recasting a new one in a turbulent international and domestic environment. Strategic processes, primarily the responsibility of senior leaders but part of a leader's work at all levels, provides a conceptual framework in which strategy is formulated and implemented. Formulation brings together environmental forces and internal capability, whereas implementation is an internal phenomenon. Effective strategy implementation depends on the extent to which resultant changes conform to existing knowledge structures used by members of the organization to make sense of and give meaning to their work. Such cognitive paradigms form the culture construct of the organization. An organizational culture perspective of the Army can enable its leaders to more effectively deal with potential resistance to change through conscious efforts to restructure underlying cognitive paradigms.

INTRODUCTION

At the beginning of the 1991 academic year, MG Paul G. Cerjan, Commandant of the United States Army War College, issued the challenge to "break the paradigm." But what is the paradigm to be broken? And once broken, is there a successor paradigm? If so, what should that paradigm be and how will it be formed?

Recent changes in Eastern Europe and within the Soviet Union certainly portend changes in our national strategy. Geopolitical forces are in flux and are surely reshaping the bi-polar world in which the containment strategy was fashioned. It seems to follow that the roles and missions which gave meaning to the Army in the era of containment must feel the pressures for change as well.

This study does not seek to role-play Army senior leadership and prescribe a dilettante's vision of a new world order and the Army's role in it. Rather, this study will offer a perspective on the cognitive processes of forming and transforming organizational paradigms. That perspective may, in turn, contribute to developing senior leader competencies in strategy formulation, decision making, and implementing the organizational changes necessary for achievement of new strategic goals.

This paper synthesizes contemporary theory, practice and research in strategy formulation, leadership, and organizational development and endeavors to integrate these concepts with the process of shaping the future of the Army.

NATIONAL STRATEGY AS PROCESS AND PARADIGM

The term "paradigm" is commonly defined as a model or structure. In the context of strategy, however, paradigm should be understood to mean an underlying cognitive or knowledge structure rather than an organization chart or specific force structure. A prerequisite to breaking the present Army paradigm, then, is to understand the influences that shaped it and to recognize that the Constitutional separation of powers significantly delimits the range of discretion exercised by the Army's senior leaders.

National strategy has its genesis in the nation's raison d'etre: the tradition of our enduring values and national purpose and their contemporary expression as national interests.¹ The vision of fulfilled and secure values and purpose define our broad national interests. The current world's turbulent political, economic, socio-psychological, and military environment poses both threats to those interests as well as opportunities to promote and guarantee them.

National strategy sets direction and gives future decision guidance to a course charted from the present state of affairs, through anticipated and sometimes influenceable environmental forces, to the envisioned endstate. In turn, broad strategies are shaped for each element of national power -- i.e., political, socio-psychological, economic, and military -- by the independent actions of each branch of government. These strategies, then, are the knowledge structures, or paradigms, that provide the means to link the present to the desired future.

The Army's strategy is derived from and supportive of our national strategy and the subordinate national military strategy. Army strategy is implemented through its current force structure and concomitant resource acquisition and allocation policies. The current force structure organizes people and equipment in purposeful ways. Resource acquisition and allocation policies -- for example, the Planning, Programming, Budgeting and Execution System (PPBES), regulations, doctrinal publications, and contingency plans -- enable the Army to maintain its course toward achieving its, and the nation's, strategic goals.

A shift in the intensity and/or direction of environmental forces that were instrumental in shaping strategy, or a revised interpretation of what current environmental forces mean, may prompt changes in strategy. Consequently, a change in strategy may dictate a change to the organizational structure, policy and practice through which the strategic endstate is pursued. However, changes to organizational structure, policy, and practice are, at times, embraced by members of the organization and adopted enthusiastically in a timely manner. At other times, such changes are resisted, delayed and, perhaps, never fully implemented.

The M1 main battle tank and the Roundout program are two recent organizational innovations evoked by a changing interpretation of environmental forces that shape Army strategy. Integration of the M1 main battle tank into both the active and reserve components provides an example of a strategy-driven organizational change implemented with little persistent or debilitating

resistance. In contrast, the Roundout program, which assigned Army National Guard (ARNG) separate brigades or battalions to active component divisions, initiated in the mid-1970's, does not yet appear to be fully implemented. Even as selected ARNG roundout units undergo post mobilization training in response to Operation Desert Shield/Storm, expectations and legitimacy of the Roundout concept are issues that remain unsettled.

Changes in either environmental influences or resource availability cause adjustments to strategy. At times, such changes may even cause adjustments to the vision of the desired strategic endstate as leaders gain clearer insight into what is feasible. Adjustments to any part of the strategic map that bring about change to structure, policy, and practice also create pressure for changing the cognitive paradigm used by people to make sense of and give meaning to their organization and their role in it. The cognitive paradigm used by today's soldiers consists of the accumulation of values, beliefs, and attitudes formed from what has been remembered, perceived, learned, and reasoned by generations of soldiers.

Consider the main battle tank in terms of a cognitive paradigm. Successful fielding of the M1 did require adjustments to knowledge structures -- including crew member duties and responsibilities, new tactical employment doctrine, and new combat service support requirements. However, such adjustments were not inconsistent with the paradigm of armored warfare against Warsaw Pact forces in Western Europe. Integrating the M1 very likely

reinforced that paradigm. On the other hand, the Roundout concept seems to have challenged the active component's cognitive paradigm of its and the reserve components' roles and missions within the Total Force. For the reserve components, Roundout tended to reinforce and enhance their roles and missions in national defense, thus strengthening their paradigm. Consequently, response to Roundout may be explained in terms of its fit or lack of fit with the roles and missions paradigm held by the respective components.

In both the M1 and Roundout examples, organizational structure, policy, and practice changes were driven by adjustments to strategy. Yet implementation of the changes was not determined by the stated merits of the goals but rather by the prevailing cognitive paradigms shared by organizational members.

SEMANTICS AND STRATEGIC PROCESSES

Life experience that creates knowledge structures also gives meaning to language. The word "strategy," and its variant "strategic," often assume many shades of meaning in a multitude of contexts. In the context of employing the military to attain a political aim, "strategy" connotes application of a nation's means to wage war from which devolves campaigns, operations, and tactics. In that sense, a "strategic" weapon is one that can render another nation incapable of waging war. However, the terms "strategy" and "strategic" also suggest a future-orientation toward achieving a relatively long range goal. In this sense they describe the behavior of an individual acting in his or her own interest or the

behavior of the leader of a formal organization acting on behalf of his or her organization. A college student might develop a strategy for securing an education or employment, or a consumer electronics' executive might develop a strategy for the firm to compete in the domestic compact disk player market.

When the terms "strategy" or "strategic" are used in a military setting to describe a leader's future orientation on behalf of his or her organization, these subtle semantic differences seem to be the source of miscommunication. A recent U.S. Marine Corps publication rather skillfully draws upon Joint doctrine to present a lucid discussion of military strategy.

The activity that strives directly to attain the objectives of policy, in peace as in war, is strategy. At the highest level, the realm of grand strategy, this involves applying and coordinating all the elements of national power -- economic, diplomatic, psychological, technical, military. Military strategy is the applied or threatened use of military force to impose policy.... U.S. military strategy is applied regionally by the unified commanders in chief of the various theaters of war. Military strategy will likely be combined strategy, the product of a coalition with allies.... Military strategy is the province of national policymakers, their military advisors, and the nation's senior military leadership -- seemingly far beyond the professional concern of most Marines.²

Contrast this with a discussion of strategy presented in a widely adopted strategic management text:

Definitionally, strategy is the pattern of organizational moves and managerial approaches used to achieve organizational objectives and to pursue the organization's mission.³

In describing who in the organizational hierarchy is responsible for strategy, the authors cite the chief executive officer and vice presidents as the key strategists, then add

But managerial positions with strategy-making and strategy-implementing responsibility are by no means limited to these few senior executives; in very real ways every manager is a strategy-maker and strategy-implementer for the area he/she has authority over and supervises.⁴

Looking beyond the distinction that one of the above cited references speaks of military strategy and the other addresses strategy in private enterprise, the significant difference between them is the organizational level involved with strategic processes. In the military setting, strategy is the domain of the most senior levels -- the National Command Authority and the Commanders in Chief. Their national security and military strategy is translated to campaigns and tactics at successively lower levels in the organizational hierarchy. In contrast, the private sector tends to see strategic processes as being an integral part of a leader's work at all levels in the organizational hierarchy.

The responsibility for formulating an overall or grand strategy that shapes the future of an entire organization, whether military or civilian, rests with its senior leadership. However, all subordinate leaders or managers in an organization are part of the strategic process to lesser and varying degrees since their work implements this grand strategy. Consequently, understanding and applying strategic processes are an essential part of any leader's repertoire.

From this broader and more organizationally pervasive perspective of strategy, there are several elements of strategic process germane to what leaders do regardless of what level they occupy in the hierarchy of any organization.

Organizational Purpose. Each organizational level has a purpose that can be described by identifying the product(s) or service(s) it is intended to provide, for whom they are to be provided, and the core technologies employed to create and deliver them. Purpose is the basis of a mission statement. Army unit missions at all levels, for example, are derived from the Army's raison d'etre of providing the sustained ground combat element of national military strategy. At each successively subordinate organizational level, missions tend to be cast narrower in scope and shorter in duration. Performance criteria tend to be more detailed and specific. The missions, nonetheless, are anchored in organizational purpose.

Relevant Operating Environment. The environment of any organization is comprised of external forces that impede or enhance the organization's ability to achieve its stated purpose. A force is considered external, and therefore environmental, if it cannot be controlled by the organization. An organization would, no doubt, be considered quite powerful if it could exert any conceivable influence over its own environment. Usually, we think of environmental forces as being economic, psycho-sociological, diplomatic, and technological. However, within an organization, a subordinate leader's relevant environment also includes his or her superior's strategy, implementing guidance, policies, and regulations. In general, the lower the level in the organizational hierarchy, the more that the accumulation of senior-level guidance and directives will become the dominant influencing environmental

force as opposed to the progressively more remote economic, psychosociological, diplomatic, and technological forces.

Vision of an Endstate. Vision is the leader's expectation of a desired future endstate for his or her organizational unit. A corporate executive may envision a particular sales volume, market share, and the firm's reputation for quality and service five years' hence. A Division Commander, prescribing the state of his unit at the end of his command tenure, may speak of ethical climate, performance in selected exercises, individual and crew proficiency, and various combat readiness indicators. This vision can become the impetus for goal-directed behavior within the organization. But, to do so, the vision must be consistent with the organization's legitimate purpose, sufficiently lucid to be effectively communicated throughout the organization, and realistically attainable. These conditions have significant implications for implementing change because they are relevant to what will later be described as organizational culture.

Strategy as a Decision Template. The leader's strategy is a conceptual map that sets a direction and prescribes the character of the journey for moving the organization from its present state to his or her envisioned endstate. It is a template to guide future decisions. Military commanders may consider the traditional five paragraph operations order to be a form of "strategic" document. The mission statement establishes an endstate while the concept of operation visualizes the conduct of the operation from beginning to end. The order serves as a template for subordinates

to make decisions that contribute to attaining overall organizational goals. The relevant operating environment is concisely captured in the familiar METT-T analysis (mission, enemy, terrain, troops, and time available).

Holistic View of the Organization. A leader must be able to visualize his or her organization as a complete entity operating in its environment. This perspective enables the leader to assess relative strengths and weaknesses vis-a-vis the environmental forces as well as to speak of overall organizational effectiveness. This view affords a leader with insight that shapes vision, tests the efficacy of options prior to their implementation, and facilitates synergy. A holistic view also enables a leader to establish more appropriate priorities than might otherwise be set if subsystems are appraised and evaluated in isolation. Attention to details and subsystems, in the absence of the unifying "big picture," will likely reduce overall organizational effectiveness and obscure the second- and third-order effects of decisions.

Art and Science. The strategic process employed by leaders is more art than science since it involves sensitivity and judgment about many interactive, and often subtle, environmental forces and human processes. While managers and analysts are often engaged in collecting and arraying descriptive data, interpretation of data is an art leaders must master. Strategic art includes making qualitative assessments of the abilities and future behaviors of allies, neutrals, competitors, adversaries, superiors, and subordinates.

As such, strategic thinking is an inherently subjective process, grounded in experience and never completely free of bias.

The demonstrated ability of many seasoned senior leaders to combine reports, statistical analyses, dialogue, and visual inspections to form accurate appraisals of an organization's ability and willingness to perform suggests that such skill can be developed and refined through experience. Although junior leaders are not strategic leaders in the same sense as chief executive officers and commanders-in-chief, lower- and mid-level leaders can develop skills for these senior-most positions by understanding the strategic process and adding that perspective to their work.

Organizational Change. Implementing an existing strategy or shifting a strategic posture brings about organizational change: change to sustain or enhance a strength; change to mitigate or overcome a weakness; change to direct resources toward a refocused vision. Regardless of impetus, change is implemented through members of the organization. And the extent to which change is accepted or resisted depends on the extent to which it fits the members' established knowledge structures of how the organization's work, and how their part in it, gets accomplished. These knowledge structures are the cognitive paradigms which enable people to make sense of what happens in their organization, and thus they reflect the culture of the organization. By understanding their organization's culture, leaders can craft methods to more effectively implement change. The following discussion suggests that an organizational culture perspective of the Army can

provide leaders, especially senior leaders, with a means to bring the strategic process to fruition.

ORGANIZATIONAL CULTURE

Traditionally, the study of culture, or ethnography, has been the domain of anthropologists and sociologists who have investigated customs and characteristics of civilizations or ethnic groups. Since the 1950's behavioral scientists, primarily social psychologists and psychologists, have applied ethnographic methodology to understand the behavior of organizations. In some cases their purpose, rather than academic inquiry, was to use that understanding in a clinical fashion in their role as organizational change agents.⁵

The distinction between the ethnographic and clinical perspectives on organizational culture merits elaboration. According to Schein, a noted scholar and author of seminal works on organizational culture, "The ethnographer obtains concrete data in order to understand the culture he is interested in, presumably for intellectual and scientific reasons."⁶ The ethnographer is not a part of the organization and does not intend to intervene in its processes. The ethnographer is an observer strictly on a scientific mission, although one might argue that the act of observation, in itself, can be a form of intervention. To mitigate the effect of intervention, the "participant-observer" role has become an accepted approach. In it, an ethnographer assumes a legitimate but, often out of necessity and convenience, relatively low-level

position in the subject organization. From it, the participant-observer can unobtrusively document the behaviors of fellow organizational members in their natural setting.⁷

Schein's clinical perspective is grounded in his work as a problem-solving consultant/therapist to client organizations. The clinician is retained by the organization's leadership to solve a problem it cannot solve alone. Understanding a client's organizational culture can give the clinician insight to explain why the client's current practices have not achieved desired results. The clinician's interest in the client's organizational culture is motivated by a contract to recommend and implement a remedy to an undesirable situation, rather than to satisfy intellectual curiosity. In this capacity, the clinician's interest is usually limited to learning enough about the culture to solve the problem at hand.

The role recommended for Army leadership is neither that of scholarly ethnographer nor clinician/therapist, but, rather, a distinct role that includes elements of both. As an integral part of its culture, the Army leader cannot project the detached independence of a scholar and may not possess the formal training of an anthropologist. Also, the Army leader's experience will influence his subsequent interpretations of culture, and, as a decision maker in that culture, he cannot be an unobtrusive participant-observer. Despite the bias and interpretive limitations it imposes, the organizational culture perspective nonetheless affords the Army leader with insight to explain, anticipate, and influence the

behavior of organizational members in response to change.

The accumulation of research and writing on organizational culture has produced a growing number of advocates offering many competing definitions of the term "culture" and a variety of prescriptions for applying the concept in organizations. Recently, some critics have expressed skepticism that inquiry into the nature and uses of organizational culture might be a passing fad, because it neither prevents nor solves many common organizational problems.⁸ Critics may be too harsh and advocates may have oversold the concept. The truth, perhaps lies between.

Tautology notwithstanding, the relative merits of the organizational culture perspective may be best expressed in terms of culture. The rise of the industrial state ushered an era of bureaucratic organization structure and scientific management. These were dominant instruments of the new culture because they obtained desired productivity improvements, innovation, and prosperity in a stable, predictable organizational setting. The cultural legacy of scientific management has placed a high value on decision processes that quickly converge on problem definition, on applied quantitative methods to produce parsimonious models, and on optimal solutions with rational appeal. An advocate of using the organizational culture perspective to understand behavior offers this counterpoint:

In the pursuit of our everyday tasks and objectives, it is all too easy to forget the less rational and instrumental, the more expressive social tissue around us that gives those tasks meaning.⁹

That "expressive social tissue" is the culture of the organization. A leading organizational culture scholar and clinician described culture as

a pattern of basic assumptions -- invented, discovered, or developed by a given group as it learns to cope with 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.¹⁰

Upon this pattern of basic and unconscious assumptions are built the recognizable and observable manifestations of culture: values, artifacts, and behaviors.¹¹ In a similar vein, another leading scholar offered this view of culture:

A potentially more fruitful approach is to regard culture as the source of a family of concepts. The offsprings of the concept of culture I have in mind are symbol, language, ideology, belief, ritual, and myth.¹²

To the leader contemplating using the organizational culture construct to facilitate change, the previous discussions imply subtle caution: it is a hierarchical construct and it requires interpretation. At its core are unconscious, instinctive mental processes accumulated over a lifetime that tell us what we "know" about human nature.¹³ For example, some leaders "know" that people are inherently irresponsible while others "know" people to be self-directed, and often the leaders' style reflects such fundamental beliefs.¹⁴ What we instinctively "know" about human nature shapes our values; these values, in turn, influences behavior. We rely on values for the norms which guide our actions and enable us to judge others. Values and underlying assumptions are not experienced directly. Rather the discernible evidence of

values -- symbols, language, rituals, etc. -- are seen, heard and felt. Consequently, to understand a culture, one must interpret the sensory evidence to explain the organization's underlying system of values and basic assumptions about human nature.

In the context of change, grasping this hierarchical relationship is essential because what is commonly termed "resistance to change" is often not mere obstinacy. People affected by a nominally benign change may be instinctively reluctant to adjust their value-based sense of what-ought-to-be that the change may require of them. For example, the apparent innocuous change to a staff meeting seating arrangement may be met with substantial resistance because it contravenes the established order of dominance among staff members. This also suggests that a leader who fails to appreciate deeper cultural influences may design an organizational change strategy too superficial to achieve the desired transformation.

As a prelude to a field study of twenty organizations in two European countries, researchers reviewed the organizational culture literature and came to this conclusion:

There is no consensus about its definition, but most authors will probably agree on the following characteristics of the organizational/corporate culture construct: it is (1) holistic, (2) historically determined, (3) related to anthropological concepts, (5) soft, and (6) difficult to change. All of these characteristics of organizations have been separately recognized in the literature of the previous decades; what was new about organizational culture was their integration into one construct.¹⁵

The team of researchers who conducted this study drew upon contemporary organizational development literature and their field

experience to create a four-factor classification scheme to structure their investigation. Those factors, arrayed from the most superficial (symbols) to those with the deepest meaning (values) are explained below.¹⁶

Symbols: words, gestures, pictures or objects that carry a particular meaning within a culture.

Heroes: persons, alive or dead, real or imaginary, who possess characteristics highly prized in the culture and who thus serve as role models for behavior.

Rituals: collective activities that are technically superfluous but are socially essential within a culture -- they are therefore carried out for their own sake.

Values: broad, nonspecific feelings of good and evil, beautiful and ugly, normal and abnormal, rational and irrational; often unconscious and rarely discussable; not observable but manifested in the visible practices of symbols, heroes, and rituals.

The organizational culture construct -- that behaviors can reveal a person or group's values and fundamental assumptions about human nature -- next turns to its application in an organizational setting. However, a leader, intent on using the culture construct to predict acceptance or resistance to a contemplated change, will face several challenges in fashioning an effective implementation strategy. First, in any organization there will likely be a subculture which supports the principal values found in the broader culture characteristic of the organization as a whole. There may also be subcultures running counter to the dominant organizational culture and yet others that are neutral and independent of it. In dealing with culture and its influence on change, a leader must, therefore, be aware of selective perception, i.e., seeing only the

cultural forces likely to favor a particular change while not considering the possibility of counter-subculture forces.

Second, there can be quite a difference between what people do and what they say they do. Common assessment tools, such as interviews and questionnaires, must be used with caution because of the likelihood that respondents will answer in "acceptable" ways. For example, most people would probably say it is wrong to steal from an employer, but a thief is also likely to give that response.

Third, inferring values from stated or observed behaviors is an art, and a sophisticated one at that. For example, an employee may espouse honesty and respond that it is wrong to steal from an employer. Yet that same employee, feeling unfairly evaluated and undercompensated, may take employer property to redress this perceived injustice. In this instance, honesty and equity are worthy values. Only a real test will reveal which will dominate.

These three challenges make a strong case for reliance on multiple independent measures to corroborate conclusions about culture and the values they represent. Developing such assessment skill can certainly benefit leaders.

THE CULTURE CONSTRUCT AND LEADERSHIP

Leadership has been the subject of formal study since the turn of the century. However, after thousands of studies and manuscripts, there has yet to emerge a consensus definition of the term "leadership" that can be reliably applied. A 1989 survey and analysis of leadership literature identified four major approaches to leadership:¹⁷ (1) the power-influence approach: it attempts

to explain leader effectiveness in terms of the types of power possessed and exercised by the leader, e.g., control over rewards, technical expertise, charisma; (2) the behavior approach: it studies what leaders do and how effective leaders differ from ineffective ones, e.g., amount of time spent on activities, interactions with others, decision making; (3) the trait approach: it seeks to explain effectiveness in terms of extraordinary personal attributes possessed by successful leaders, e.g., decisiveness, self-confidence, tolerance of stress; and (4) the situational approach: it investigates how various leader traits and behaviors are best suited to different situations faced by the leader, e.g., Hersey and Blanchard's Situational Leadership Theory, which claims follower maturity determines the best leader behavior.

Recently, Richard M. Cyert, president of Carnegie-Mellon University offered this observation about the study of leadership.

Leadership has been examined from a number of points of view. Generally, it has been studied within small groups or by surveys, not in the context of working organizations. However, it is primarily within an organization that leadership is exercised.¹⁸

Harvard Business School's John Kotter, in a treatise on the difference between management and leadership, asserted that management is about coping with complexity while leadership is about coping with change; complexity is managed through planning and budgeting while change requires setting direction by developing a vision of the future.¹⁹ He makes the point that in contemporary large organizations good management brings order and consistency to stave off chaos. However, in a volatile environment

. . . doing what was done yesterday, or doing it 5% better, is no longer a formula for success. . . . More change always demands more leadership. Consider a simple military analogy: A peacetime army can usually survive with good administration up and down the hierarchy, coupled with good leadership concentrated at the very top. A wartime army, however, needs competent leadership at all levels. No one has yet figured out how to manage people effectively into battle; they must be led.²⁰

Change can be internally driven by events such as personnel turnover, introduction of more efficient processes, or systems and procedures that exceed control limits and need adjustment. Change may also be the result of external events, such as an adversary's innovative countermeasure or competitor's new product, changes in political leadership or government policy, or shifts in population demographics. Either way, change may be seen as reactive to events that have unfolded or proactive in anticipation of a significant event. Regardless of type or impetus, implementation of change is contingent upon how well it fits with existing knowledge structures.

Bartunek and Moch have identified three types of change. A first-order change modifies an existing knowledge structure. Thus, the fielding of the M1 main battle tank appears to be a first-order change since it tended to reinforce an established paradigm. A second-order change requires restructuring of an existing knowledge structure. The Roundout example appears to be a second-order change, since its implementation required reforming a knowledge structure, especially in the active component. A third-order change modifies an existing knowledge structure; however, the successor knowledge structure is one developed participatively by

members of the organization, rather than one advocated and imposed by senior leadership. An example of a third-order change is the flexible work schedules jointly initiated and developed by workers and managers to replace schedules formerly prepared and announced by supervisors.

To a leader, the distinction among these three types of change has implications for implementing strategy and leadership style. A first-order change suggests no organizational resistance. A second-order change suggests a potential for resistance that will require careful management of the change process in order to achieve successful implementation. In either case, the leader must understand the affected underlying knowledge structure which, in turn, implies that the leader understand the organization's culture construct. A third-order change has significant implications for leadership style, because members of the organization will appraise the forces of change and have meaningful influence in the change process. A third-order change implies an organizational culture that values participation and accepts expression of different interests and points of view.

A recent study by Galioto demonstrates the clinical application of ethnographic methods to describe organizational culture; also, it affords organizational leadership with insight to formulating and implementing change.²¹ Galioto investigated the organizational culture attributes of the Army National Guard, its harmony with the culture construct of the Army, and implications for Guard readiness. His several independent assessment methods --

questionnaires, an earlier Army Research Institute survey, and participant-observation -- led him to conclude

The National Guard, it appears, would fall under the purview of the orthogonal model. The active Army military cultural values are overlaid on the Guard as a whole, but the Guard also has its own particular set of values that complement the culture of the active establishment while recognizing its own distinctive citizen-soldier subculture.²²

The significance of Galioto's work to this study lies not in the conclusion per se, but in his recognition of distinct types of subcultures: enhancing, orthogonal, and counter-cultural.

An enhancing subculture would exist in an organizational enclave in which adherence to the core values of the dominant culture would be more fervent than in the rest of the organization. In an orthogonal subculture, the members would simultaneously accept the core values of the dominant culture and a separate, unconflicting set of values particular to themselves. The counterculture is self-explanatory.²³

A leader contemplating change would be well-served to understand not only the dominant culture of his or her organization, but also the more subtle subcultures that may exist. The study also suggests that it may not be worth the effort to bring differing subcultures into conformity with the dominant culture especially if those subcultures are enhancing or orthogonal (neutral).

An ongoing longitudinal study of the transition of an Army National Guard battalion from military police to air defense artillery suggests that a leader can effectively use the organizational culture construct and the notion of reframing knowledge structures to reduce resistance to change.²⁴ Although the battalion commander in this study was neither ethnographer nor clinician, he did use ethnographic methods to identify essential elements of his organization's culture and relevant knowledge

structures. Early research interviews and surveys revealed rather negative attitudes toward reorganization, suggesting resistance was imminent. Unit members valued their military police training and missions as well as their role in the state and the total Army; becoming an air defense unit had little appeal for them. The commander's challenge was to overcome resistance and effectively reorganize his battalion.

The battalion commander used symbols (Stinger missile photos, video tapes, radio-controlled target displays, ADA regimental lineage), heroes (chain of command leading by example in air defense specific and physical training, competition leading to naming the most proficient Stinger team), and rituals (frequent informal meetings with soldiers to explain and justify the reasons for reorganization and the importance of the new mission, ceremonially retiring military police colors and uncasing ADA colors) to reframe role and mission knowledge structures founded on values of soldier commitment to excellent performance, unit cohesion, and cautious acceptance of formal authority. Military occupational specialty qualification rates, retention rates, and external evaluations were used as assessment criteria. This battalion exceeded expectations across these criteria. These favorable results were attributed to the commander's successfully reframing relevant knowledge structures.²⁵

CONCLUSIONS

An organization's strategy and its culture are closely related concepts. Although the formulation of strategy is influenced by

environmental forces, attainment of strategic goals is accomplished through members of the organization. Organizational members rely on cognitive structures to comprehend strategy and to give meaning to their role in achieving the organization's strategic aims. These cognitive structures, or paradigms, form the organization's culture construct.

Senior leaders charged with formulating their organization's strategy must also understand the culture of their organization if strategy is to be effectively implemented. Since culture permeates the entire organization, leaders at all levels in the hierarchy are, in essence, strategic leaders. So they also need to understand strategic processes and the culture construct.

Change to an organization's strategy is not complete until its culture is in harmony with its revised strategy. In stable organizations strategy and culture may become indistinguishable. Only when change is imposed are existing knowledge structures revealed.

Bureaucracies may have just as much culture as other settings, but they have fewer occasions to be made conscious of it. Public bureaucracies would seem to have the most elaborated cultures when their members are interviewed coincident with a change in administration, budget negotiations, changes in funding, or revision of mission. People learn how they have always done things when someone tells them to do things differently.²⁶

Although the Army exhibits many attributes of bureaucracy, from an ethnographic perspective it may be better viewed as a clan. In terms of organizational governance, one may distinguish clans from bureaucracies (accounting and legal means are used to determine and compensate a member's value) and market organizations where the pricing mechanism sets value.²⁷ Accordingly

...clan members tend to believe in the long run they will be dealt with equitably. This belief is critical to the clan because, given the ambiguous nature of the transactions it typically governs, short-term or specific equity is virtually impossible to determine. ...Members must believe in long-term or general equity. That is, they tend to believe that, over a 10 or 20-year period, justice will be done.²⁸

Implications for reducing the size of the Army and altering its force structure and stationing are not certain, but several tentative conclusions seem clear. Subcultures within the Army, and the cognitive paradigms they use to give meaning to their work and make sense of change, will determine the impact of "breaking the Army paradigm." Those who subscribe to the clan paradigm, as career soldiers probably do, will likely cope reasonably well with downsizing if they feel they are being treated fairly; however, their commitment to the Army institution suggests that resistance due to breach of faith may be significant. Those who interpret the Army through a market-based knowledge structure will likely find downsizing more acceptable if accompanied by financial incentives. Those who interpret the Army through a bureaucratic knowledge structure will likely react unfavorably to downsizing because of lost job security and uncertain future working conditions.

Breaking the paradigm suggests a need not only to raise the consciousness of Army leaders about strategy formulation but also to increase understanding of the organizational culture construct which provides insight to effective implementation.

ENDNOTES

¹Departments of State and Defense, "NSC-68: A Report to the National Security Council," in Naval War College Review 27 (May-June 1975): 51-108.

²Department of the Navy, Headquarters U.S. Marine Corps, FMFM-1, Campaigning ([Washington, DC]: U.S. Marine Corps, 1990), 3-4.

³Arthur A. Thompson, Jr. and A.J. Strickland III, Strategic Management: Concepts and Cases (Homewood, IL: Richard D. Irwin, Inc., 1990), 8.

⁴*Ibid.*, 15.

⁵Edgar H. Schein, Organizational Culture and Leadership (San Francisco: Jossey-Bass publishers, 1985), 21-22.

⁶*Ibid.*, 21.

⁷See Anot Rafaeli, "When Cashiers Meet Customers: Analysis of the Role of Supermarket Cashiers," Academy of Management Journal 32 (June 1989): 245-273; David M. Fetterman, Ethnography: Step by Step (Newbury Park, CA: Sage Publications Inc., 1989), 45-47; James P. Spradley, Participant Observation (Holt, Rinehart and Winston, 1980), 53-62.

⁸Geert Hofstede and others, "Measuring Organizational Cultures: A Qualitative and Quantitative Study across Twenty Cases," Administrative Science Quarterly 35 (June 1990): 286.

⁹Andrew M. Pettigrew, "On Studying Organizational Culture," Administrative Science Quarterly 24 (December 1979): 574.

¹⁰Schein, 2.

¹¹*Ibid.*, 14.

¹²Pettigrew, 574.

¹³Schein, 14.

¹⁴Douglas McGregor, The Human Side of Enterprise (New York: McGraw-Hill Book Company, 1960).

¹⁵Hofstede, 286.

¹⁶*Ibid.*, 291.

¹⁷Gary A. Yukl, Leadership in Organizations, 2d ed. (Englewood Cliffs, NJ: Prentice-Hall, Inc., 1989), 7-10.

¹⁸Richard M. Cyert, "Defining Leadership and Explicating the Process," Nonprofit Management & Leadership 1 (Fall 1990): 29.

¹⁹John P. Kotter, "What Leaders Really Do," Harvard Business Review 68 (May-June 1990): 104.

²⁰Ibid., 104.

²¹Joseph Galimoto, An Analytical Study Describing the Organizational Culture of the Army National Guard and Its Effects on Readiness (Alexandria, VA: U.S. Army Research Institute for the Behavioral and Social Sciences, December 1988), Special Report No. 10.

²²Ibid., 48.

²³Ibid., 47-48.

²⁴Peter P. Poole and John E. Stevens, "Overcoming Resistance to Change: Triggering Organizational Transformations," in Proceedings of the Western Decision Sciences Institute, Vancouver, BC, 14-17 March 1990.

²⁵Ibid., 12-13.

²⁶Karl E. Weick, "The Significance of Corporate Culture," in Organizational Culture, eds. Peter J. Frost and others (Beverly Hills: Sage Publications, 1985), 386.

²⁷Alan L. Wilkins and William G. Ouchi, "Efficient Cultures: Exploring the Relationship between Culture and Organizational Performance," Administrative Science Quarterly 28 (September 1983): 470.

²⁸Ibid., 471.

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