

ORGANISATIONAL CULTURE

Culture Change

Kotter & Heskett · Schneider · Groysberg · Pfeffer

PAPER 03 / 03

A Furtherance reference compendium on the intellectual traditions behind organisational design, leadership, execution, and culture.

IN THIS PAPER

Culture defined and measured, the series closes on the hardest question: can it be deliberately changed – and does changing it matter to performance? This paper spans the evidence on culture and results, the discipline of changing from the existing culture, a modern diagnostic-to-evolve approach, and the sceptic's corrective. The question: what actually moves culture, and how much of “culture change” is theatre?

The four voices here form an argument. Kotter and Heskett establish that culture affects performance, but conditionally. Schneider insists change must build from the culture you have. Groysberg offers a contemporary map for evolving it. Pfeffer supplies the necessary doubt – that without structural change, culture work is words.

John Kotter & James Heskett *Corporate Culture and Performance, 1992*

Culture-performance evidence · Harvard Business School

CORE THESIS

Culture has a real but **conditional** effect on long-term performance. A merely **strong** culture does not guarantee results – it can entrench the wrong behaviours. Only cultures that are **strategically appropriate** and, above all, **adaptive** – valuing leadership, customers and change – outperform over time.

FRAMEWORK

Theory of culture and performance	Verdict
Strong cultures win	Too simple – strength can entrench or mislead
Strategically appropriate cultures win	Truer – but a good fit can become a trap when strategy shifts
Adaptive cultures win	Best supported – cultures that value change sustain performance

METHODOLOGY

An empirical study of more than two hundred firms over roughly a decade, relating culture measures to long-run financial performance.

SIGNIFICANCE AND CRITIQUE

The study that disciplined the loose “strong culture” claim with data and put adaptability at the centre. The critique: the relationships are correlational, culture was gauged partly through reputation surveys, and the sample is large US firms of a particular era.

William Schneider *The Reengineering Alternative, 1994*

Culture and strategy · change from within

CORE THESIS

“The way you change things around here must fit the way you do things around here.” Culture change fails when it works against the organisation's existing core logic; it succeeds when it builds **from** the dominant culture rather than trying to replace it wholesale.

FRAMEWORK

Core culture	Orientation	Driven by
Control	Impersonal + actuality	Certainty, order, systems
Collaboration	Personal + actuality	Synergy, teamwork, relationships
Competence	Impersonal + possibility	Achievement, expertise, distinction
Cultivation	Personal + possibility	Growth, purpose, potential

METHODOLOGY

A consulting-derived model built for leaders steering change, organised on two axes – personal versus impersonal, and actuality versus possibility.

SIGNIFICANCE AND CRITIQUE

“Start from the culture you have” is a durable and often-ignored change discipline, and the four-culture map is a clean diagnostic. The critique: it is typology-based and practitioner-derived rather than empirically tested.

Boris Groysberg et al. The Leader's Guide to Corporate Culture, 2018

Contemporary culture diagnosis · Harvard / Spencer Stuart

CORE THESIS

Culture can be described along two dimensions – how people **interact** (independence to interdependence) and how they respond to **change** (flexibility to stability) – yielding eight styles. Leaders can diagnose their culture on this map and evolve it deliberately, in step with strategy.

FRAMEWORK

Style	Centres on
Caring	Relationships, trust, mutual support
Purpose	Idealism, contribution, long-term causes
Learning	Exploration, creativity, curiosity
Enjoyment	Fun, stimulation, spontaneity
Results	Achievement, winning, performance
Authority	Strength, decisiveness, boldness
Safety	Planning, caution, preparedness
Order	Respect, structure, shared norms

METHODOLOGY

A large contemporary dataset of organisational and executive assessments, integrating culture style with strategy and leadership context.

SIGNIFICANCE AND CRITIQUE

A modern, integrative and data-backed map that connects diagnosis to deliberate evolution. The critique: it is recent and consultancy-linked, and the eight styles overlap enough that placement can be imprecise.

Jeffrey Pfeffer b. 1946

Power and evidence-based management · Stanford GSB

CORE THESIS

The corrective voice. Much culture-change effort is rhetoric that leaves behaviour untouched, because behaviour is driven by **structures, incentives and power** – not by values statements and posters. When culture and structure conflict, structure wins; durable change therefore means changing what is measured, rewarded and decided, not merely what is professed.

FRAMEWORK

Common belief	Pfeffer's corrective
Change values and behaviour follows	Change structures and incentives; behaviour follows those
Culture drives performance	Rewards, power and design drive both culture and performance
Culture work is soft and benign	Ungrounded culture initiatives waste effort and credibility

METHODOLOGY

Empirical organisational research and evidence-based management – a critical synthesis insisting that claims about people and organisations be held to the evidence.

SIGNIFICANCE AND CRITIQUE

An essential counterweight: culture change without structural and incentive change is theatre. The critique of Pfeffer runs the other way – the emphasis on power and structure can understate the genuine effect of shared meaning and norms, which the rest of this series documents.

A NOTE ON EVIDENCE

A note on the evidence: the culture-and-performance literature is largely correlational, and the “culture change” field is rich in confident models and thin on controlled proof. Read the frameworks here as structured judgement, and weigh Pfeffer's caution – that behaviour follows structure and incentives – before attributing outcomes to culture work alone.

Synthesis

Voice	Central claim	Contribution	Critique
Kotter & Heskett	Culture affects performance, conditionally	Adaptive culture wins	Correlational; reputation-based
Schneider	Change from the existing culture	Four core cultures	Typology; not tested
Groysberg	Diagnose, then evolve	Eight culture styles	Recent; overlapping styles
Pfeffer	Structure beats culture talk	Evidence-based corrective	May understate meaning

FOR THE OPERATOR

For the operator, the series resolves into a working stance: culture is real and it matters, but conditionally and mostly through adaptability; change it by building from the culture you already have rather than against it; and never run a culture programme without moving the structures and incentives underneath it, or it stays theatre. That closes the Organisational Culture series – from shared assumptions, through measurement, to the disciplined, structural work of change.