

# Cultural Divergence in Project Firms:

the case of a leading main contractor operating from multiple offices

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# Aims and Objectives

- Examines Enterprise Culture in one project firm
- Challenges assumptions of homogeneous culture – the firm displays a heterogeneous culture, particularly between branch offices
- Key research objectives to examine:
  1. The extent of cultural diversity within one organisation
  2. Differences between branches offices
  3. The principal sources of divergence

# Research and Practice Issues on Culture

- The role of management in establishing organisational norms and cultural coherence
- The way in which people renegotiate norms from the bottom up
- Emergent and incremental development of local/regional organisational norms
- The impact of local and regional culture upon the organisation – the strength of the internal culture and management practices are both informed and affected by the cultural context

# Culture

- Culture is socially constructed (Berger and Luckmann, 1984)
- Defined by Alvesson and Due Billing (1997:104-105) as:
  1. National or regional level – primary socialisation:  
*the framework that guides our action and social relations...it may refer to an entire society*
  2. Organisational level – secondary socialisation:  
*...or to any collective within it*
- Organisational culture is influenced by regional social preferences (Handy, 1999) – internalised as organisational norms and can override primary socialisation if strong enough

# Levels of Social Interaction

- Team to individual members – relates to the culture individuals bring to the team
- Team culture in itself
- Team to the outside entity – the organisational culture within which the team operates
- Similarly applies at other social levels – branch offices and organisation

# Methods

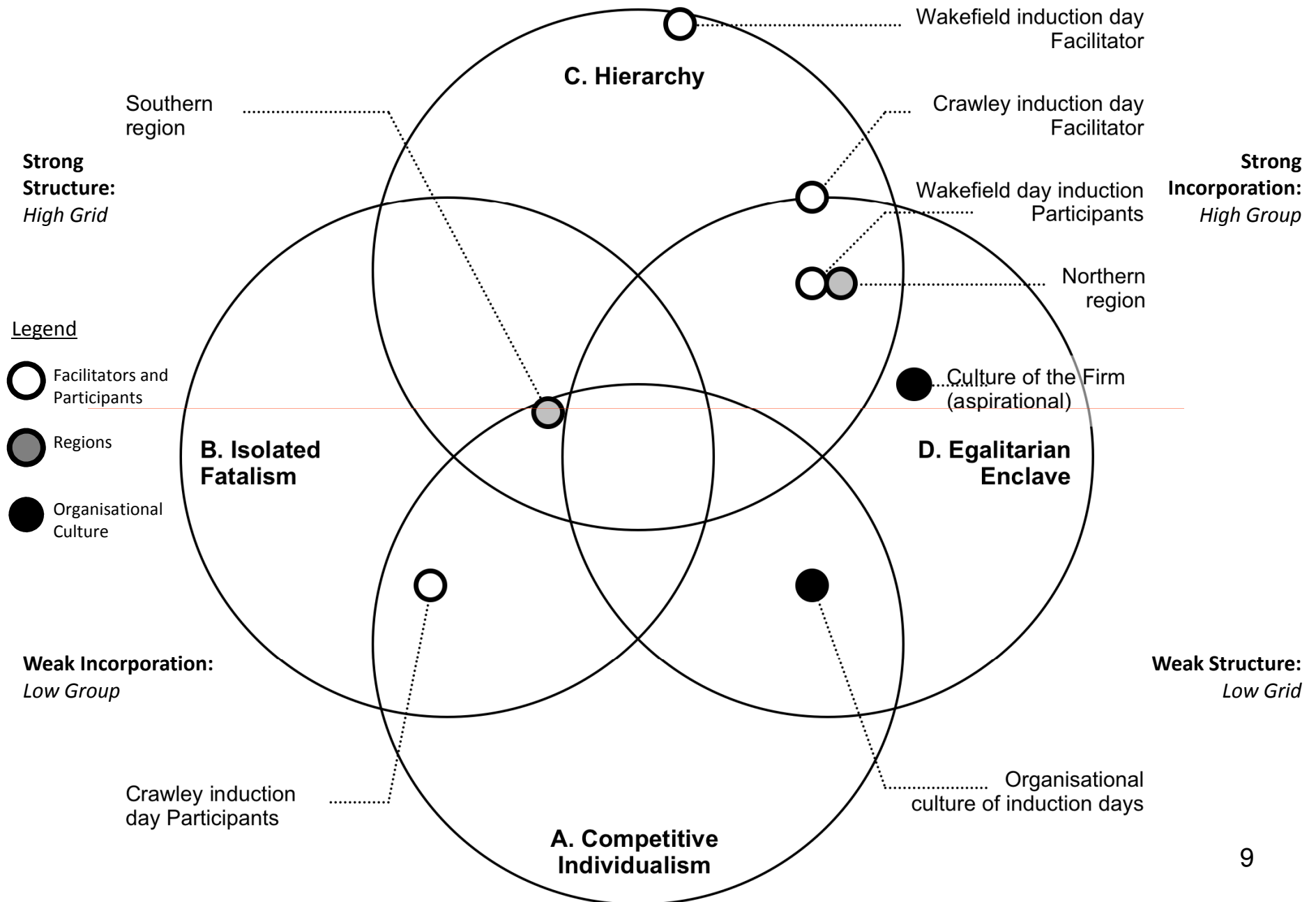
- A single case study project firm of a major contracting organisation
- National with branch offices – North and South of England
- Operating in building and maintenance markets:  
*“The Nation’s Local Builder”*

# Methods

- Qualitative data from cultural immersion during induction days
  - “Front region”: people in organisational role (during induction processes): filming as well as direct observation
  - “Back region”: people in social setting (mainly dinner and bar)
- Quantitative data from questionnaire
- Tasks
  - “Out of the box”: role play on client interaction
  - Role play interpreting stated company values

# Methods and Findings

- Data analysed through Douglas' (1999) ethnographic grid-group model
  - Hierarchy
  - Isolated fatalism
  - Competitive individualism
  - Egalitarian enclave



## North (Wakefield)

Hierarchy + some Egalitarian  
Negotiating/Agreeing Leadership + Norms

Task effectiveness dominant  
Induction training seen as of little value

Humour used to ridicule management

Regional culture dominant in front and back region

Less women yet not treated equally by male colleagues

## South (Crawley)

Competitive Individualism + Hierarchy  
Strong individuals assume roles and impose authority on others – inducing some conflict and some isolationism

Task efficiency dominant  
Induction training used as a means to negotiate informal pecking order

Humour used to reinforce informal pecking order

Lip service to organisational culture in roles

More women, yet aggressive team players

# Management

One culture

“We are one team” and other values

Aggressive rhetoric for conformance,  
yet.....

Lack of management to:

*either* align regional and organisational  
culture

*or* override regional culture with strong  
organisational culture

# Employees

Them versus us (especially in North)

Regional (primary) + organisational culture  
(secondary)

Some conformance in roles, largely reverting  
to type, especially in back region

Some unwillingness to be managed

# Conclusions

- Overall the company appeared to be recipients of the primary culture and did not invest in order to impose the secondary culture as if it was primary
- Implication for the behavioural and contextual competencies IPMA's "eye of competence" (Caupin et al, 2006) management:
  - *Either* have to be authoritarian to impose culture and norms at organisational, office and project team levels
  - *Or* work with the regional factors to optimise organisational and team cultures in context
- Cultures are dynamic and thus requires active management attention