Culture Change Towards New Work Concepts

4.1 Organizational Culture and New Work

The world of work has been significantly impacted by the COVID-19 pandemic and is undergoing fundamental and structural changes (Lauer, 2020). In addition, global trends, fierce competition on a global scale and climate change are changing the work environment permanently (Helmold, 2020). New Work is the epitome of this transformation. There are many triggers for this development. Digitization, connectivity and globalization as well as demographic change are among the causes of the change in the world of work. The question of how we deal with the megatrend New Work is becoming increasingly important for companies (Evsan, 2020). The reason why is that companies have to compete not only between themselves, they also have to compete for talents and employees. New Work measures and concepts are one opportunity to win this battle for talents (Bergmann, 2019). New technologies, digitization, automation and comprehensive networking mean that certain professions are becoming superfluous. Industrial production has changed radically in recent decades. The new way of thinking, the desire for change, the desire for meaning, personal development but also digitalization and thus also the developments in the field of artificial intelligence will pose more and more people in the “old working world” the question of what they want to do in the future (Bergmann, 2019). The observer quickly ends up with the questions:

- Why do we actually do what we do for work?
- Why did we decide to go this career path?
- Why did we choose a technical or commercial profession?

Leadership is the capacity to translate vision into reality.
Warren Bennis
• Do we really want to become an industrial mechanic because we have always been interested in the manufacture, maintenance and monitoring of technical systems?
• Or do some people rather become industrial mechanics because there is simply the job of an industrial mechanic?

When parents ask their children what they want to be when they grow up, they never give answers like “I want to work on the assembly line” or “I want to become a process manager”. This is where the original concept of New Work comes in.

New Work concepts and processes have positive effects on the performance of the organization in terms of quality cost, delivery and other improvements. However, it is necessary to establish organizational infrastructures which required for effective and efficient implementation and continuation (Fatma, 2015). That means that the change towards a New Work culture, lean structures and transformational leadership must be implemented into the Corporate Culture of any enterprise and organization (Helmold, 2020; Lauer, 2020).

The Cultural Web, developed by Gerry Johnson and Kevan Scholes in 1992, provides one such approach for looking at and changing your organization’s culture (Johnson & Scholes, 1997). Using it, one can expose cultural assumptions and practices, and set to work aligning organizational elements with one another, and with your strategy. These infrastructures must integrate cultural elements as illustrated in Fig. 4.1. The challenge to implement and sustain new work and lean management

![New Work Cultural Web](image_url)
processes lies in the need to identify the organizational culture infrastructure that will allow this system to operate well in the new organizational contexts.

The values and norms that underlie lean processes may create conflict with the culture that already exists within the organization; such divergence retards adoption and performance (Helmold & Samara, 2019). Johnson and Scholes identified six distinct but interrelated elements which contribute to what they called the “paradigm”, equivalent to the pattern of the work environment, or the values of the organization. They suggested that each may be examined and analysed individually to gain a clearer picture of the wider cultural issues of an organization. The seven contributing elements (with example questions used to examine the organization at hand) are as follows:

- Organizational Culture
- Stories and Myths
- Rituals and Routines
- Symbols of New Work
- Control Systems
- Organizational Structures
- Power Structures

### 4.1.1 Stories and Myths

These are the previous events and happenings, both accurate and not, which are discussed by individuals within and outside the enterprise. This element deals with the questions, which events and people are remembered by the company or not. It indicates what the company values, and what it chooses to immortalize through stories. Questions concerning the stories and myths are:

- What form of company reputation is communicated between customers and stakeholders?
- What stories do people tell new employees about the company?
- What do people know about the history of the organization?
- What do these stories say about the culture of the business?

### 4.1.2 Rituals and Routines

The Rituals and Routines category refers to the daily actions and behaviours of individuals within the organization. Routines indicate what is expected of employees on a day-to-day basis, and what has been either directly or indirectly approved by those in managerial positions. Questions in this category are:

- What do employees expect when they arrive each day?
- What experience do customers expect from the organization?
- What would be obvious if it were removed from routines?
- What do these rituals and routines say about organizational beliefs?
4.1.3 Symbols

This element, Symbols, deals with the visual representation of the company; how they appear to both employees and individuals on the outside. It includes logos, office spaces, dress codes and sometimes advertisements. Questions are:
• What kind of image is associated with the company from the outside?
• How do employees and managers view the organization?
• Are there any company-specific designs or jargon used?
• How does the organization advertise itself?

4.1.4 Control Systems

Control Systems are the systems and pathways by which the organization is controlled. This can refer to many things, including financial management, individual performance-based rewards (both measurement and distribution) and quality-control structures. Questions that must be tackled in this respect are:
• Which processes are strongly and weakly controlled?
• In general, is the company loosely or tightly controlled?
• Are employees rewarded or punished for performance?
• What reports and processes are used to keep control of finance, etc.?

4.1.5 Organizational Structures

This aspect refers to both the hierarchy and structure designated by the organization for the concept of New Work. Alongside this, Johnson and Scholes also use it to refer to the unwritten power and influence that some members may exert, which also indicate whose contributions to the organization are most valued by those above them.
• How hierarchical is the organization?
• Is responsibility and influence distributed in a formal or informal way?
• Where are the official lines of authority?
• Are there any unofficial lines of authority?

4.1.6 Power Structures

This element is referring to the genuine power structures and responsible individuals within the organization. It may refer to a few executives, the chief executive officer (CEO), board members, or an entire managerial division. These individuals are those who hold the greatest influence over decisions, and generally have the final say on major actions or changes.
• Who holds the power within the organization?
• Who makes decisions on behalf of the company?
• What are the beliefs and culture of those as the top of the business?
• How is power used within the organization?

4.1.7 Cultural Web to Change

As above, the first step of changing the culture of the organization towards New Work is to analyse elements of the Cultural Web as they currently exist. The next step is to repeat the process, examining each element, but this time considering what one would like the culture, beliefs and systems to be. This can then subsequently be compared with the ideal culture, and the differences between the two can be used to develop achievable steps towards change within the company. One will likely only then realize the true strengths and weaknesses of the organization’s current culture, what the various hindrances are to growth, and how to go about changing specific elements to develop and achieve success. A new strategy can evolve from this by looking at introducing new beliefs, and prioritizing positive reinforcement of current, successful ones. Hopefully, by integrating this system of analysis, managers can find themselves able to break free of ritual and belief systems within a company to achieve real change and innovation.

4.2 Need for Change of Organizational Culture

Successful organizations do not prosper by devoting a ruthless approach to chip away at costs, relentlessly reducing all decision-making to a reduction in head count. The purpose of a New Work or lean culture change is to secure the future of the entity by uniting its people to deliver to the voice of the customer. New Work, lean Culture Change and transformational leadership drive organizational success by motivating employees, adding more value to existing consumers and winning loyalty Naranjo-Valencia et al. (2011), Shim & Steers (2012). It is about developing resilient service provision, developing core staff competencies and attracting and retaining the best people. The New Work Culture reverses the polarity of the organization shifting from a fire-fighting mode to a planning mode, where prevention of problems rather than reacting after the event of failure becomes the norm. Healthy, positive, organizational Cultures are characterized by a long-term continuity perspective, with a focus on tactics to resolve immediate short-term problems. The dominant culture should support and reward cross-organizational working. Implementing New Work, new Leadership or lean Thinking is a cultural change that requires leadership because in the end it’s all about people. Here are 10 guidelines your leader can do right now to change the culture:

Challenge People to Think

If you are not thinking, you’re not learning new things. If you’re not learning, you’re not growing—and over time becoming irrelevant in your work. The most successful leaders understand their colleagues’ mindsets, capabilities and areas
for improvement. They use this knowledge/insight to challenge their teams to think and stretch them to reach for more.

**Lead by Example**
Leading by example sounds easy, but few leaders are consistent with this one. Successful leaders practice what they preach and are mindful of their actions. They know everyone is watching them and therefore are incredibly intuitive about detecting those who are observing their every move, waiting to detect a performance shortfall.

**Take Lots of Leaps of Faith**
Making a change requires a leap of faith. Taking that leap of faith is risky, and people will only take active steps towards the unknown if they genuinely believe—and perhaps more importantly, feel—that the risks of standing still are greater than those of moving forward in a new direction. Making a change takes lots of leaps of faith.

**Create an Environment Where It Is Ok to Fail**
Failure should be encouraged! That’s right. If you don’t try, you can’t grow; and if growth is what you seek, failing is inevitable. There must be encouragement to try and it’s ok if you try and it doesn’t work. An environment where you can’t fail creates fear.

**Eliminate Concrete Heads**
“Concrete Heads” is the Japanese term for someone who does not accept that the organization must be focused on the elimination of waste. People feel threatened by the changes brought about by lean. As waste and bureaucracy are eliminated, some will find that little of what they have been doing is adding value. The anxiety they feel is normal and expected. To counteract this, it is critical that people are shown how the concept of work needs to change.

**Be a Great Teacher**
Successful leaders take the time to mentor their colleagues and make the investment to sponsor those who have proven they are able and eager to advance. They never stop teaching because they are so self-motivated to learn themselves.

**Show Respect to Everyone**
Everyone desires respect. Everyone. Regardless of your position or power, ensure you show everyone respect. Everyone wants to be treated fairly.

**Motivate Your Followers**
Transformational leaders provide inspirational motivation to encourage their followers to get into action. Of course, being inspirational isn’t always easy. Some ideas for leadership inspiration include being genuinely passionate about ideas or goals, helping followers feel included in the process and offering recognition, praise and rewards for people’s accomplishments.

**Develop a True Team Environment**
Create an environment where working as a team is valued and encouraged; where individuals work together to solve problems and help move the organization forward. Individuals who will challenge each other and support each other make teams more successful.
Encourage People to Make Contributions

Let the members of your team know that you welcome their ideas. Leaders who encourage involvement from group members has shown to lead to greater commitment, more creative problem solving and improved productivity. Constant change is a business reality and organizations must continually adapt to their environments to stay competitive or risk losing relevance and becoming obsolete. For each change, leaders must define it, create a vision of the post-change world, and mobilize their teams to make it. Fundamentally, a change of culture occurs when people start behaving differently as a result of a change in the climate of the organization. There are many different models of how an organizational culture is shaped by the prevailing climate and how it can be assessed. Leaders who protect the status quo through control must surrender to change in order to secure the future for their organization. Don’t be the leader who rewards herd mentality, and me too thinking. Don’t be the leader who encourages people not to fail or not to take risks. Be the leader who both models and gives permission to do the exact opposite of the aforementioned—be a leader who leads. The culture of an organization is learnt over time. It can be taught to new employees through formal training programs but is more generally absorbed through stories, myths, rituals, and shared behaviours within teams. Organizational culture will impact positively or negatively on everything you try to do whether you want it to or not.

4.3 Impacts of New Work Culture

The idea of New Work focuses on the philosophical question of human freedom and requires a significant cultural change in any organization. With the New Work concepts, the previous job systems have come ultimately to their end (Bergmann, 2019). In the following there are the major impacts of a cultural change towards New Work:

- Classic concepts of work—in terms of time, space and organization—have to be rethought.
- You will learn what New Work means and which opportunities it brings and what you should consider as a manager.
- The changes in the world of work are already more real than ever.
- The classic “nine-to-five job” will soon be a thing of the past in most industries.
- The ties to fixed workplaces as well as standardized times and organizational structures continue to dissolve.
- The work of the future is flexible and project-based.
- More and more people are working as freelancers (solopreneurship).
- The old structures of hierarchies, planning and error avoidance are unsuitable for the fast-moving world.
- Employees need an informal exchange of information.
- Digitization supports and frees people from routine tasks and offers more functions through applications.
- Digitization opens up the possibility of communication with one another.
This increases the innovative strength in companies but also in society exponentially. At the same time, this also causes unrest. The boundaries between work and leisure are blurring. This also causes unrest. Solving this task correctly means new work. So New Work is not a program, not a process, but a question of attitude, culture and leadership. It is about modern leadership, which is characterized by eye level and appreciation and more by coaching and less by announcement. New work means considering the balance of interests. In the course of the multifaceted change in the world of work, the question is how we innovatively define and organize work in order to make a progressive contribution to corporate strategy.

### 4.4 Case Study: Toyota

Toyota Motor Corporation’s organizational culture defines the responses of employees to challenges the company faces in the market. As a global leader in the automobile industry, Toyota uses its organizational culture to maximize human resource capabilities in innovation (Helmold, 2020). The company also benefits from its organizational culture in terms of support for problem solving. The different features or characteristics of Toyota’s organizational culture indicate a careful approach in facilitating organizational learning. The firm undergoes considerable change once in a while, as reflected in the change in its organizational structure in 2013. Toyota’s organizational culture highlights the importance of developing an appropriate culture to support global business success. Toyota’s organizational culture effectively supports the company’s endeavours in innovation and continuous improvement. An understanding of this corporate culture is beneficial for identifying beliefs and principles that contribute to the strength of the firm’s business and brands. Following its reorganization implemented in 2013, Toyota’s organizational culture underwent corresponding change. Prior to 2013, its organizational culture emphasized a sense of hierarchy and secrecy, which translated to employees’ perception that all decisions must come from the headquarters in Japan. However, after 2013, the characteristics of Toyota’s organizational culture are as follows, arranged according to significance:

- Teamwork
- Continuous improvement through learning
- Quality
- Secrecy

Teamwork. Toyota uses teams in most of its business areas. One of the company’s principles is that the synergy of teamwork leads to greater capabilities and success. This part of the organizational culture emphasizes the involvement of employees in their respective teams. To ensure that teamwork is properly integrated in the organizational culture, every Toyota employee goes through a teambuilding
training program. Toyota’s organizational culture facilitates the development of the firm as a learning organization. A learning organization utilizes information gained through the activities of individual workers to develop policies and programs for better results. Toyota’s organizational culture highlights learning as a way of developing solutions to problems. In this way, the company is able to continuously improve processes and output with the support of its organizational culture. Quality is at the heart of Toyota’s organizational culture. The success of the company is typically attributed to its ability to provide high quality automobiles. To effectively integrate quality in its organizational culture, the firm uses Principle #5 of The Toyota Way, which says, “build a culture of stopping to fix problems, to get quality right the first time”. The Toyota Way is a set of principles that defines the business approaches used in Toyota’s organizational culture has a considerable degree of secrecy. However, the level of secrecy has declined in recent years following the reorganization of the company in 2013. Before 2013, information about problems encountered in the workplace must go through the firm’s headquarters in Toyota City, Japan. However, following the reorganization, the company’s organizational culture now does not emphasize secrecy as much. For example, problems encountered in US plants are now disseminated, analysed, and solved within the North American business unit of Toyota. The characteristics of Toyota’s organizational culture enable the company to continue growing. Innovation is based on continuous improvement through learning. Quality improvement and problem solving are achieved through the activities of work teams. However, the secrecy feature of Toyota’s organizational culture presents possible drawbacks because it reduces organizational

Fig. 4.2 Workshop in China. (Source: Author’s Source)
flexibility in rapid problem solving. Figure 4.2 shows a Lean Workshop conducted by the General Manager and his lean team experts, Dr. Marc Helmold, in China.

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