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BUSINESS PERCEPTION OF CONTEXTUAL CHANGES: SOURCES AND IMPEDIMENTS TO ORGANIZATIONAL LEARNING*

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Abstract

A firm's ability to shape its policies to meet societal demands depends on how it perceives the opportunities and risks in its environment. We hypothesized that corporate culture plays a significant role in shaping organizational perceptions. This paper summarizes the findings of a study on how the organizational culture of a chemical firm headquartered in West Germany affected the evolution of its social and personnel policy from 1950 to 1989 given the changes in its sociopolitical environment during this period. The study shows that the culture of a company, by shaping its perceptions, plays a central role in determining the areas in which the organization is likely to be able to learn easily and those in which it is likely to resist changing its policies.

Die Fähigkeit von Unternehmen, geeignete Strategien für den Umgang mit Veränderungen in ihren Rahmenbedingungen zu entwickeln, hängt oft davon ab, wie in diesem Unternehmen Möglichkeiten und Risiken im gesellschaftlichen, politischen und ökonomischen Umfeld wahrgenommen werden. Dieser Untersuchung liegt die Hypothese zugrunde, daß die Organisationskultur eine wichtige Rolle bei diesen Wahrnehmungsprozessen spielt. Am Beispiel einer Studie über einen Chemiekonzern wird in diesem Aufsatz aufgezeigt, wie die Sozial- und Personalpolitik des Unternehmens durch den gesellschaftlichen Wandel, im Zeitraum von 1950-1989, beeinflußt wurde. Durch ihre Auswirkung auf die Perzeption legt die Unternehmenskultur auch im wesentlichen die Bereiche im Unternehmen fest, in denen die Lernbereitschaft hoch ist und diejenigen, die eher zögerlich auf Veränderungen reagieren.

BUSINESS PERCEPTION OF CONTEXTUAL CHANGES:
SOURCES AND IMPEDIMENTS TO
ORGANIZATIONAL LEARNING[1]

Organizations operate in complex and changing environments which they need to understand, respond to, or even shape, in order to survive. At any one time, a multitude of issues are on the agenda of the society in which an organization is located, which in principle the organization can choose to deal with or not. Issues and agendas change over time; companies quite often have paid high costs for taking issues on too late. Therefore, a wide range of management techniques have been developed to help companies to scan their environments over the past decades, however with quite differing results. Companies operating in the same environment and having access to the same management techniques pick up signals with different sensitivity. Equally striking is the fact that a firm's level of sensitivity to one issue is not necessarily a good predictor for its receptiveness for signals on another issue. These differences suggest that one has to look deeper into the organization itself to understand what enables companies to perceive signals that are, technically, in their range of sight. The purpose of this article is to explore how specifically corporate culture can shape the perceptual filters of organizations and influence their ability to learn how to handle emerging issues in their environment.

1. Framework of the Study

The way in which businesses respond to demands from their environments has repeatedly been the subject of intense research from various viewpoints and theoretical approaches (Dierkes, Coppock, Snowball & Thomas 1973; Sethi, 1975; Beesley & Evans, 1978; Wood, 1991). Interest in the relations between firms and their contexts was spurred in Europe, especially in the German-speaking realm during the

1970s, when public criticism of business became especially apparent (Dierkes 1974; Plesser, 1975; Weitzig, 1979; Dyllick, 1986). This criticism paved the way to a discussion of corporate social responsibility, a discourse that has continued ever since.

In the constant effort to find an appropriate balance between economic and social concerns, the business community's perception of social changes is ultimately highly relevant. A business organization's ability to shape its policies to meet social and economic demands depends on whether it recognizes and accurately interprets the opportunities and risks of the framework in which it operates. However, the perceptual processes of business organizations are precisely what have received scant attention to date. Little is known about which factors affect the ability of firms to perceive and respond to changes in their environments. This gap in theoretical development is in stark contrast to the rich literature on response patterns (Ackerman, 1973; Argyris & Schön, 1978; Post, 1978; Carroll & Hoy, 1984; Dutton & Dukerich, 1991; Berthoin Antal, 1992), and the cumulation of knowledge about issues management processes and structures (Ansoff, 1980; Wartick & Rude, 1986; Dyllick, 1989; Greening & Gray, 1994).

How can this gap be closed and a more solid basis for understanding the link between social change, organizational perceptions and organizational behavior be established? Recent research suggests that corporate culture may play a significant role. Schein's frequently cited definition of organizational culture is a useful point of departure:

> The pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have 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. (1984, p.3, italics ours)

This implies that values and norms shared in a culture shape how receptive the members are to new and different ideas in general, and how positively or negatively they are likely to be to each type of new idea. Work by other scholars has begun to explore the connection between corporate culture and the way firms perceive their environment and the speed and nature of their response to what they perceive (Galbraith,

1973; Berthoin Antal, 1985; Isabella, 1986). These and other studies have observed that businesses can differ quite significantly in their reaction to changes in their environments even in situations where the overall socioeconomic, political, and cultural setting is quite similar for a large number of businesses within a given region and historical period (Dierkes, 1988; Dierkes & Berthoin Antal, 1985; Ketteler, 1993). This divergence suggests that factors specific to each business strongly influence or even determine the way it perceives its environment; they must be filtering the perception a firm has of its environment (Dierkes & Hähner, 1993). Following the recent conceptual literature it can therefore be hypothesized that the corporation's culture shapes such filters (Dill & Hugler, 1987; Heinen, 1987; Hatch, 1993).

To probe deeply enough to study this hypothesis and understand the impact of organizational culture on corporate perceptions and actual behavior, a longitudinal case study was conducted on the personnel policy of a major chemical firm headquartered in the Federal Republic of Germany and operating internationally. Wood's definition of corporate social policy as "a rational, comprehensive plan and process for a firm to achieve its social goals in consonance with its economic goals" (1990, p.135) was applied with the specific focus on employees as key stakeholders of the company's social policy. This focus was chosen firstly because the employees of a firm function as links between the organization and its environment and are thereby central figures bringing societal demands into the organization. Secondly because the primacy accorded to this stakeholder relationship is characteristic of German industry.

2. Methodology and database

This research required a design that included several complementary methodologies. A case study approach entailing individual and group interviews, document analysis, and participant observation was chosen to enable indepth analysis (Yin, 1991). This is in keeping with the recognition of the power of case studies to analyze the dynamics of framing (Barzelay, 1993). Our research differs from most case studies by encompassing a longitudinal analysis of the firm's environment over a significant period of time. The reconstruction of the emergence of issues required document analysis and expert interviews. Figure 1 illustrates the overall research design.

Figure 1 - Research Design

The research was conducted in a number of sequential and parallel steps. First, in order to understand the context within which the firm was operating during the period under study, the socially relevant topics and major social changes in West Germany from 1950 through 1989 were identified. A multitude of documents from that period were analysed. These included the Statistical Yearbooks from 1951 to 1990, publications by social science research institutes, opinion surveys, studies on social policy and legislation in Germany, and materials from the unions and employers' federations. In addition, a content analysis was conducted of the weekly news magazine, *Der Spiegel* that appeared for the whole period under study. This analysis of written materials was followed by ten expert interviews to check for possible gaps and

misperceptions[2]. The resulting overview provided the pool of issues against which to assess the firm's sensitivity to social expectations.

Parallel to this data collection on the sociopolitical environment, the firm's basic philosophy and strategies relating to personnel and social policy during that period were also analyzed, as were changes they underwent. Drawing on privileged access to the company's archives, which are fairly complete, we explored minutes of the managing board's meetings, discussion and position papers, brochures, newsletters and magazines written for employees and other stakeholders. Special attention was paid to the agreements concluded between the management and the works councils and to the subsequent measures introduced in order to implement the agreements. The results of this investigation were then checked in discussions with current and former employees in the personnel department who had been instrumental in formulating or implementing policies over the period under study. The "external" and "internal" data sets were then compared to reveal patterns in nature of the perception and the timing of the responses to social issues.

The next step was to identify key features of the firm's organizational culture, which posed a special challenge. A combination of perspectives and methodologies was required. First, after several kinds of materials were explored for their expression and reflection of norms and values in the company, the firm's internal staff journal was selected because it contained many articles that conveyed the organization's prevailing values. The resulting insights were checked through interviews with managers in different parts of the organization and representing different levels in the hierarchy in order to draw out common elements. Members of the works council were also interviewed. The content analysis and semi-structured interviews were supplemented with a form of participant observation to collect richer and deeper insights into the daily facets of the culture and to ascertain how members of the organization experience the influence of the past in the present. During the two-year project, one of the three members of the research team worked in the firm under study. In keeping with past research on expressions of corporate culture (e.g., Deal & Kennedy, 1982) among the features observed were

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[2] *For a detailed presentation of the data on these social changes relevant to the German business community 1950-1989 see Berthoin Antal, Dierkes & Hähner, 1994a.*

linguistic elements such as set phrases and the original coinages of words, unwritten rules of conduct, ritualized or standardized behavior, symbols, style of attire, and "legends" in the firm. This source of learning about the corporate culture was useful in interpreting the data collected through the other more structured methods.

To deal with the high degree of subjectivity inherent in such qualitative and exploratory research, the team alternated between collecting data independently and jointly, so as to have opportunities to share experiences in the organization and to multiply the data collection points. The data was documented and analyzed systematically by all three team members. The two team members not working in the firm constantly reviewed the procedures and the insights into the corporate culture generated by the participant observer. In addition, the results of this research step were discussed individually with former and current employees of the firm to recheck observations and interpretations by members of the culture (for methodological details, see Helmers, 1990, and Ketteler, 1993, pp.24-32).

The distilled elements of the corporate culture were then explored for their explanatory value in understanding the patterns that had emerged in the comparative analysis of the two data sets. The outcome is a set of propositions about the dynamics of the relationship between a firm's sensitivity to social demands as illustrated in the domain of personnel po-
licy and the firm's corporate culture.

3. Key Findings [3]

A. Sociopolitical issues in West Germany 1950-1989

The most salient characteristic of social development in West Germany from 1950 through 1989 was the rapid improvement in material living conditions. This was accompanied by shifts in values and socially relevant issues. Desires and demands that dominated in the early years were superceded by new attitudes and interests in the later decades.

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[3] *For a detailed presentation of the data, see Dierkes, Hähner, & Berthoin Antal (1997)*

Some issues took on different dimensions over time and appeared in new constellations.

Table 1: Overview of issues receiving significant attention in the sociopolitical environment of companies in West Germany, 1950-1989

ISSUES	1950's	1960's	1970's	1980's
General social policy	x	x	x	x
Housing problems	x			x
Capital formation by members of the workforce	x			
Financing retirement*		x		x
Marginalized groups in society			x	
Labor market problems*	x	x	x	x
Youth issues*	x		x	x
Codetermination	x	x	x	
Working time	x	x	x	x
Automatisation	x	x	x	x
Cooperation at the workplace	x		x	
Equal opportunities for women	x	x	x	x
Employee suggestion schemes		x		
Educational policy		x		
Health policy			x	
Drug addiction		x	x	x
Accidents at work		x	x	
Environmental protection		x	x	x
Differences between white- and blue collar workers				x
Corporate social responsibility			x	
Data protection			x	x
Foreign workers*		x		x

* These themes appeared under different perspectives in the decades under study

B. Trends in personnel and social policy of the company 1950-1989

The company's personnel and social policy is characterized by a tradition of comprehensive employee benefits. The provision of these

benefits was shaped by different philosophies over the period under study. At the outset, a philosophy of paternalistic concern for employees dominated, and the benefits focused on satisfying basic needs. A shift was observed starting in the 1960s towards "help to self-help", a trend that continued throughout the following decades.   In the 1980s the benefits are oriented primarily to preventive care and the provision of advice for employees.

Table 2: Social issues receiving significant attention in the company's personnel and social policy 1950-1989

ISSUES	1950's	1960's	1970's	1980's
General social policy and benefits for employees	x	x	x	x
Housing construction for employees	x	x		x
Capital formation by employees	x			
Company pension scheme		x		x
Social criteria in selection procedures	x		x	
Employment policy	x	x	x	x
Young employees	x		x	x
Codetermination	x		x	x
Working time	x		x	x
Automatisation	x	x	x	x
Management style/policies	x	x	x	
Women at work	x	x		x
Employee suggestion schemes	x	x	x	x
Training and development	x	x	x	x
Health policy	x	x	x	x
Drug addiction			x	x
Accidents at work	x	x	x	x
Environmental protection*				x
Differences between white- and blue collar workers	x	x	x	x
Corporate social responsibility			x	
Data protection				x
Foreign workers		x	x	

* This reflects only those dimensions of environmental policy that are related to personnel. Other aspects of the company's environmental policy are not included here.

C. Central features of the corporate culture

The key values in the culture of the company remained remarkably consistent over the 40 years under study.[4] Certain changes did emerge over time, but they took place gradually, not suddenly or conflictually. Stable values:

- Clear profit orientation;
- A concept of employees that includes not only material interests, but also cultural, social, and ethical aspects;
- High level of commitment to employees; emphasis on long term relationship between company and employees, strong sense of belonging;
- Strong family-oriented values;
- Importance attached to cooperation and internal resolution of differences of opinion;
- Strong commitment to research and development;
- High value of training and development;
- High value on security and safety.

Shifts were observed in the following values over time:

- Authoritarian management style and hierarchical organizational mindset shifting gradually to emphasis on cooperation and flexibility;
- Paternalistic attitude about caring for employees decreased over time, towards seeing employees as responsible adults, and finally to employees in a functional way as human resources whose potential for performance should be maximised;
- Strong emphasis on role of individuals in decisionmaking, shifting to team orientation over time;
- Identity as German company, expanding to an international orientation in recent years.

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[4] *The study did not seek to describe the culture comprehensively by capturing the differences between various subcultures present in such a large corporation, but rather to highlight the common elements that could be relevant for organizational perceptions relating to decisions on corporate personnel and social policy.*

The conditions under which the company was founded are significant for these cultural values: the area in which the fledgling company was located was utterly underdeveloped, circumstances that had necessitated many measures first to attract a work force and then retain it in times of high fluctuation. The importance of caring for the employees was also a strongly held value of the chief executive officer at that time, an individual who is still referred to as the firm's great patriarchal figure. The fact that staunch commitment to the employees has remained a formative part of the firm's corporate culture for so long can be taken as evidence of the great staying power that organizational cultures have.

4. Discussion

A comparison of the publicly discussed topics, concerns, and expectations with the personnel and social policies of the firm being studied revealed that the firm clearly perceived and acted upon most of the demands relevant to social and personnel policy either before or at the time they were raised in the business environment. The ability to respond quickly and even anticipate was observed throughout the period under review. This keen sensitivity to issues of personnel policy can be explained by the firm's employee oriented ethos, which has been an element of the firm's corporate culture ever since the firm was founded more than a century ago.

There are nevertheless variations within the range of issues that the firm picked up on in its personnel and social policy during the period under study, and these offer insights into how corporate culture and the environment interact to increase the probability of perception and response.

1) The patterns that emerged in the study suggest that if an issue is related to several elements of the corporate culture, the likelihood that it will be recognized by the company is significantly higher than for issues related to only one element of the firm's culture. These elements of culture are either logically linked or are believed to be closely related by the firm's staff and management. Figuratively speaking, they can be understood as overlapping or interlocking elements. In the culture of the organization examined in our case study, such a close link between

elements of the culture exist between the firm's strong orientation to employees, family thinking, and interest in stable and long-term employment.

The simultaneous appearance of such parallel elements in a culture helps focus the perception of demands and expectations that the environment brings to bear on the firm. Social issues that fell into the area of overlap between different elements of culture were anticipated by the firm or perceived early in the public attention cycle. The coalescence of related cultural elements enhances the firm's capacity to perceive demands posed by the environment, providing precisely what is required for structures and processes that quite often are so appropriately called "organs of perception." The existence of such parallel elements is highly probable in a firm's culture because that culture in its totality corresponds to a certain "mentality" that determines its consistency. Though it is true that inconsistencies can occur, a culture must be largely coherent if it is to survive.

The firm is notably quick at joining in, even initiating, public discussion of topics touching on cultural elements that have shaped its corporate culture over a long period of its history. This holds for the overwhelming majority of the cases in which the company under study perceived the need to change at an early point in the issue attention cycle and learned to alter its policy accordingly.

One example is the intense consideration that the firm has always given the concerns of young people. This attention springs from the family thinking and paternalism that have figured as traditional elements in the firm's culture and from the great value attached to training and human resource development. Another example is the consistent sensitivity the company showed to issues of codetermination, as a result of the overlap between the cultural elements of family values, the strong sense of belonging, and the importance attached to cooperation and the internal resolution of differences of opinion. Similarly: The company issued employee stocks and offered low-interest loans as early as 1953, before such benefits were widely discussed. This can be seen to stem from the family-oriented values in the culture and the long-term commitment between the company and its employees. These patterns all suggest that the sensitivity the firm shows to social issues is especially keen when a demand from the environment bears on several traditional and interlinked parts of its corporate culture.

2) By contrast, the patterns in the study indicate the firm lags in responding chiefly when it is confronted with demands from the environment that run counter to traditional elements of its culture. The firm's behavior toward policy on equal opportunities for women is an example. Although the topic of the role of women in the company was put on the agenda several times over the period under study, women were seen primarily in their role as housewives until the end of the 1970s. Only in periods of high demand for labor was the part time employment of women considered appropriate. The issue of equal opportunities took a long time to penetrate the organization, which is understandable when one sees that the professional advancement of women is experienced by members of the culture as contradicting the elements of family thinking and paternalism rooted in the organization's corporate culture. In other words, the topic was "visible" to the company, but resisted as a result of the combination of cultural elements it contradicted.

3) There were a few cases in which the company picked up on issues that did not fall into culturally overlapping categories. These cases suggested different logics for sensitization. For instance, the firm brought up the subject of occupational accidents before it became a matter of public discussion. The early recognition of work safety can be explained by the fact that the emphasis on safety as a key element of the corporate culture is related to the firm's dedication to research and development. Safety is an integral part of chemical research. It is entrenched in the professional culture of chemists and figures decisively within the firm, where chemists predominate. However, it may also be that the connection between different cultural elements is stronger than was first apparent in the analysis. Expanding on other research (Helmers & Knie, 1992), one could argue alternatively that such moorings in two or more cultural dimensions of different origin that nevertheless meet in the firm might explain, in particular, the great impact that otherwise "peripheral" safety concerns have on the perceptual processes of the firm under study. The sector-specific sensitivities that surfaced in a study of corporate and management principles (Berthoin Antal, Dierkes & Hähner, 1994) also speak for the existence of cultural elements that transcend the individual firm.

The investigation of the personnel and social policy of the firm over time and the changes in the firm´s culture also permitted us to observe the

impacts that change in the corporate culture can have on perceptual capacity. Changes in corporate culture generally occur incrementally rather than abruptly. This implies that new cultural elements are gradually superimposed on existing values; they do not replace them suddenly.[5]

The results of the study show that the firm's perception of publicly discussed topics tended to lag when they touched on newly emerging cultural elements in an early stage of their development. An example is the transition to more participative leadership styles. The paternalistic values of the culture made the company slow to respond to this. The transition in the conception of employees from "dependent children" to "mature partners" gradually enabled the organization to perceive the issue as one that required changes in personnel policy.

A variety of assumptions can be made about the general scope of such perceptual lags if the viability of different newly developing elements of culture is kept in mind. In principle, the sensitivity of the firm depends on how the new elements fit with the other, unchallenged elements of the corporate culture. Cost-awareness and a functional orientation to human resources as recently developed new elements of the firm's culture, for instance, were gradually reflected in the personnel and social policy of the firm. They harmonize with both the strong profit orientation of the firm and the image of the mature employee, to which the corporate culture opened up in the 1970s. This shift in the culture was also supported by the social change that began in the late 1960s, which, among other things, increased the emphasis on personal responsibility of the individual. Social change extended to the employees, too, who contributed to the altered understanding of the employment relation. The change in this firm's culture was thus building on traditional elements of culture and matched the changes in both the environment and the attitudes of the employees. This is probably why both cultural elements have been able to take hold reasonably well in a relatively short time.

By contrast, the element of internationalization, which has likewise arisen in recent years, is at odds with the firm's long established identity

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[5] *During transition periods there may therefore be logical inconsistencies in a culture, often held by different subgroups. These were not researched in detail here but would be worth pursuing in a follow-up study.*

as a "German company."[6] It is difficult for internationalization to become a strong element of the culture because it is largely isolated, unsupported by any other element. Moreover, the turn to internationality desired by the corporate management is likely to find little or no backing from most of the firm's current employees. Internationalization is irrelevant, even threatening, to individual employees, who would fear for their jobs assuming that production would be moved out of the country. No real internationalization is taking place in the social environment of the employees, either. True, the subject of "Europeanization" continues to attract general societal interest, but the formidable difficulties of making it happen make clear just how deeply engrained thinking along national lines is in the population. The differences in the viability of new cultural elements show how much the manifestation of these elements depends on whether they fit the existing corporate culture and whether the members of the organization embrace them.

The study indicated yet another important factor in the firm's perception of demands from the environment: the perspective from which a subject was discussed in society. A problem can be discussed publicly from an angle that prevents the topic from being perceived by the firm because of the language or line of reasoning. Under such circumstances, the "organs of perception" formed by the firm's corporate culture do not detect an issue. When the definition of the problem and/or the line of reasoning is recast in different terms that do fit into a category to which the organizational culture is sensitive, the problem can become visible to the company and be addressed by it. When seen from a new perspective, the issue now fits the pattern of perception formed by the culture and can be identified as relevant.

This point is illustrated by the issue of drug abuse, which the firm under study did not deal with as long as it was publicly discussed as a problem of adolescent fringe groups. So defined, the subject had no obvious relevance for the firm according to its point of view. Not until discussion shifted to examine the matter in terms of middle-class addictions and

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[6] *The case study company has had a strong international presence for many years. The phenomenon of companies with an extensive international presence but a national identity is not rare. Adler & Ghadar's (1990) and Ohmae's (1990) step-models of internationalization help explain how mindsets can stay rooted in one culture although activities expand to others.*

health policy did the firm address the drug issue in its social and personnel policy. In keeping with its generally high sensitivity in the field of health policy, the firm perceived the drug problem in its redefined framework rather quickly. Clearly, the way in which a topic is defined in society must be considered as a strong factor influencing the speed with which businesses respond.

In summary, the results of this rather extensive case study strongly support the initial assumption that a firm's perceptual capacity and behavior toward social issues is significantly shaped by the firm's culture. Moreover, the results of the study differentiate facets of this thesis and allow us to formulate the following hypotheses for examination in future research:

Hypothesis 1: A company is more likely to perceive an issue as relevant if it falls within the area of overlap between several cultural values;
Hypothesis 2: A company is less likely to respond to an issue if it contradicts strongly held values;
Hypothesis 3: A company is more likely to respond to an emerging issue if it coincides with a longstanding value in its culture;
Hypothesis 4: A company is likely to be slow to respond to an emerging issue if it corresponds to a new value that is in the process of being introduced into the company;
Hypothesis 5: A company is more likely to respond to an issue if it is framed in society in terms that coincide with the corporate culture.

Despite such a strong general confirmation of the basic hypothesis, the study leaves gray areas in which corporate culture cannot account for all the firm's policy responses. The firm´s cultural feature of "orientation to the employees", for example, is not sufficient or clear-cut enough to explain the leading role the firm has played in shortening the work week. Likewise, the heavy emphasis on research and development cannot be fully accepted as the source of the firm's early study of a company suggestion plan.

It is possible that the research methodology contributed to the failure of corporate culture to offer an exclusive and all encompassing explanation for business reactions to its environment. The decision to focus on the large themes in the corporate culture common to the organization as a whole, rather than going into details and differentiating between subgroups, maximized the generalizability of the results but may cause

one to overlook one or more cultural elements that had an impact on the firm's behavior with regard to these very topics. It could also be that individual elements were reduced so narrowly to their "essence" that they can no longer apply to explanations of some kinds of corporate behavior.

It is, however, most likely that the firm's way of dealing with social change is not influenced solely by cultural factors, be they elements rooted in the corporate, professional, or industrial culture. Additional variables affecting corporate action such as power relations within the firm or the influence of groups or organizations outside it must be considered. Future research would need to explore how these and other factors interact with culture to shape perceptions and the ability or will to pick up on issues in the environment.

5. Implications for research

The project's objective of empirically examining the degree to which the culture of a firm shapes its perception of social demands from its environment has been met. The results not only support the thesis that culture and perception are closely connected but also permit distinctions between the ways they relate. It thus appears to be worth pursuing further research in order to analyze in greater detail the influence of corporate culture on perceptual behavior.

A variety of directions stand open to future research, for work on corporate culture is still in an early phase of development both methodologically and conceptually. Research concepts and methods have been borrowed from anthropology, usually unsystematically and often uncritically (Helmers, 1990), and they have been used in combination with those from organizational psychology, sociology, and economics (Dierkes, Rosenstiel, & Steger, 1993). Work needs to be continued on the question of just how compatible the approaches from anthropology are with the basic assumptions and methodologies of "traditional" organizational research in the social sciences. The mix of methods used in this study and the procedures for ensuring the reliability of the results need to be refined further. Additional experiments with different mixes of methodologies and different forms of representation should be conducted.

The results of this case study provide various points of departure for the design of further empirical research. It would be useful to explore several policy areas to compare the responsiveness patterns in relation to organizational culture. Since different subcultures exist within a shared organizational culture, a fact that has meanwhile been sufficiently substantiated in the literature (Martin & Siehl, 1983/84; Helmers, 1993), it would also be important to explore their role in shaping perceptions. Multiple case studies comparing firms that operate, at least to all outward appearances, in the same socioeconomic setting could reveal similarities and differences in the perception and structure of that setting and thereby afford a clearer idea of how and how much organizational culture restricts a firm's perspective and behavioral alternatives. To begin understanding how the perceptions of firms are affected by cultural elements typical of specific sectors, professions, and nations, it would also be important to design and carry out a macrolevel cross-sectional study comparing the manners of perception and response of firms operating under such different conditions.

6. Stepping forward to organizational learning

If a firm's sensitivity to demands from its environment depends in great part on organizational culture, then managers must pay special attention to the development of their corporate cultures in order to keep their corporate policies in tune with their times, particularly during periods of rapid sociocultural change. The past decade has seen a proliferation of "how to" publications offering managers quick fix solutions to changing their culture. Cultures have proven quite resistant to such manipulations, which has surprised management scholars much more than anthropologists, who have long studied the great stability generally characteristic of cultures.

This is not to say that cultures do not change and cannot be influenced by their environment or their members--just that the process is slower and less mechanistic than some popular texts would lead one to believe. Change in social values does have an impact on the culture of a firm, but changes in culture take place slowly. Additional time passes before they rnake themselves felt in policies as they are actually practiced. The Durability of corporate culture is increased by success, primarily economic success, which confirms corporate strategy and reinforces the value system underlying it.

An additional factor complicating the processes of cultural change is that members of a culture are largely unaware of their cultural assumptions and norms. This is as true of managers in corporate cultures as it is of members of other kinds of cultures. This circumstance alone means that culture largely eludes attempts to influence it consciously and directly. But even when managers' knowledge of their firm's culture is quite precise, successfully having an impact on it is extremely complicated and only partly predictable. A change in organizational culture requires rethinking by most members of the organization, a process that is bound to involve considerable delays.

The challenge to managers is therefore to understand and learn to deal with the implications of their corporate cultures for the ability to perceive and act on changes in the environment. Knowledge of the organizational culture makes it possible to take it into consideration before making decisions on corporate policy, thereby increasing their chances for general acceptance. If managers are aware of the firm's culturally-embedded strengths and weaknesses in perceiving social problems, they can also identify the areas in which lack of sensitivity needs to be offset. Measures can be taken to compensate for cultural blind spots in the organization so that the company can learn to see and deal with important issues it has not traditionally been open to.

Over time, a wide variety of strategies have been found for creating or maintaining such willingness to learn and adapt, since many firms that have shown such adaptability for long periods of their history (Dierkes & Raske, 1994). They encompass inputs and new ideas either from the corporate culture's own members and groups that are allowed to be different, or from external individuals and groups "that are different and understand and know us" (Berthoin Antal, 1991).

Recent research differentiates between two distinctively different learning structures and patterns (Dierkes & Raske, 1994). In companies of the first model the organs of perception, the people who are different and bringing new ideas, tend to be the senior officers of the company or members of staff functions closely working with them. Change in perception especially comes about with changes in most senior executive functions. In companies of the second learning model, processes of changes in perceptions include "sponsors" (members of senior management who encourage, support, and challenge such individuals,

groups, and work units) and "champions" (individuals and groups who take up or develop new ideas and actively advocate them within the organization) (Berthoin Antal, 1992). Usually, individuals and groups promoting change of perception in both models of organizational learning are active in diverse external networks and have come to acquire a great ability to develop ideas that sound unusual for the culture and to bring them into the firm.

The analysis of effective processes for maintaining and developing the willingness to learn and change shows that well adapted firms have created structures enabling them to recognize the need to reorient themselves even in phases of great success. They have developed ways to initiate and conduct this process of reorientation. But whether those structures exist and whether such processes are actually implemented depends, in turn, on the firm´s culture, whose values and views have to have incorporated tolerance for the unusual. Processes strengthening a business culture's constituent perceptions, values, and behaviors must exist alongside tolerance for processes encouraging the search for new strategies of success and their supporting cultural characteristics. Firms that have not learned this can be extremely successful in the short and medium term with one strategy and their dominant culture, but they simultaneously reduce their chances for long-term survival or success.

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