

# The Role of Culture in Managing Change in a Global Automotive Company

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# Introduction to the problem

- Culture influences change management
- Change directed from the top down assumes organizational similarity
- Cultural ecology (Steward 1955): differences in work groups created and maintained by complex relationships among diverse populations (Baba 1995)

# Methods

- Global Automotive (GA) undergoing several concurrent significant changes
  - Regional reorganization
  - Info. Tech. Svcs. (ITS) separation
- Change Management (CM) team (part of ITS)
  - 8 members
- Participant observation (n=7) and informal interviews (n=3)
  - Formal and informal boundaries, reliance and interdependency
  - Organizational cultural beliefs or values
  - How culture enables or inhibits change

# Findings, 1

## **What are the formal and informal work groups in the organization?**

- Formal roles and functions defined by organization
- Informal processes to work across boundaries:
  - Receiving technical support

# Findings, 2

## **What are cultural beliefs and values at corporate, regional, local, and work group levels of the organization?**

- “Time is precious” (but time is more precious for some than for others)
- “We’ve seen ‘em come and go”
- “No one’s driving but the car is moving”

# Findings, 3

## **How does culture enable or inhibit change in the organization?**

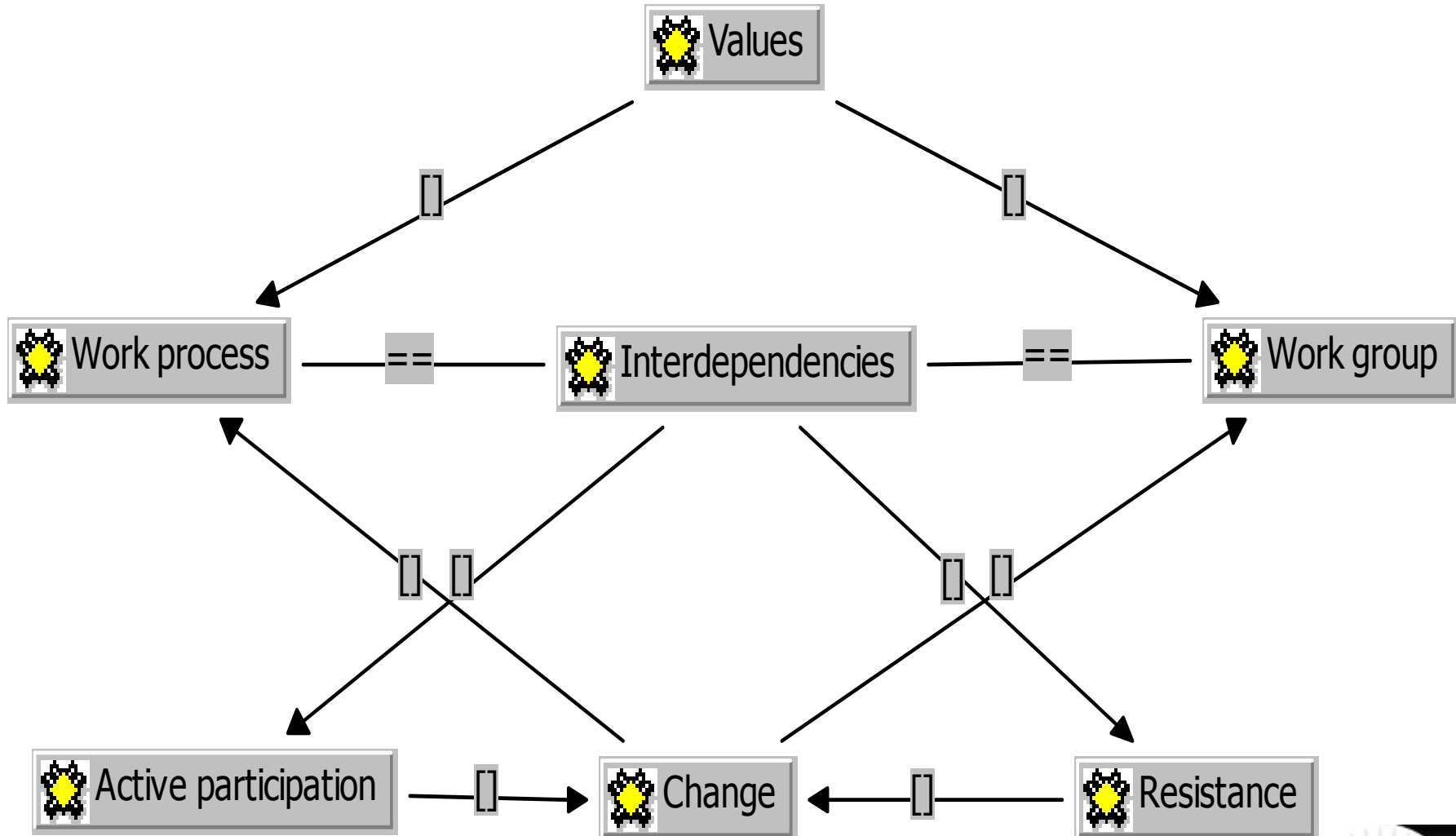
- Resistance
  - “where is loyalty going to lie?”
  - “this seems to be another in an endless stream of paperwork”
  - “no one is representing the role”
  - “it’s one of those times when everything shifts so much, I get a little lost in it all”

# Findings, 3 - cont'd

## **How does culture enable or inhibit change in the organization?**

- Active participation
  - “what’s your opinion, what can we do to make this better for you?”
  - “face-to-face is more personal”
  - setting up an “exchange program throughout the region”

# Towards a model of organizational culture



# Recommendations (with limitations)

1. Invest time to uncover all issues
2. Remember history
3. Coordinate and disseminate information
4. Justify change, explain benefits
5. Define roles and relationships
6. Recognize formal and informal ways of working
7. Incorporate change into existing structures