

## Governing Energy



### Is Culture Freezing Forward Movement?

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Many pundits, including this one have argued that an ethnic or corporate culture can be defined and treated (generally) as persistent. Likewise, others (again including this writer) have contended that Change Management or Business Transformation is a good thing and more easily accomplished than many believe.

Are these two mutually exclusive statements? If you transform an organization, don't you by default change its culture as well? What happens when mergers of equals create a new entity, i.e., airline and financial mergers?

As a physicist, this pundit learned a long time ago that visible light (in fact, all electromagnetic energy) acts as both a particle and a wave.<sup>i</sup> This is the basis of Quantum Mechanics but this is not the focus here.

Another example, at its Triple Point, water can exist as a solid, liquid and gas simultaneously.<sup>ii</sup> If our physical world can exist in multiple simultaneous states, why can't human behavior?

In 1949, the novelist George Orwell coined the term "Doublethink," defined as the ability of an individual to believe two exclusive ideas as correct. Since the individual believes this to be true, there is no cognitive dissonance at work in this person's mind.<sup>iii</sup>

In the social sciences, the term "Culture" is loosely defined along the lines of beliefs, customs, way of life and other aspects a given group may have in common. Moreover, most organizations believe their culture is a source of strength and even competitive advantage.

Change in today's business world is constant, yet it is built on a strong foundation—Organization/Sector Culture. Are those involved in this environment guilty of Doublethink, or at least have a level of cognitive dissonance?

Societal norms do change, i.e., the use of seat belts in a car, cigarette smoking, etc. Therefore, cultures evolve.

However, long held beliefs can hold progress back. For example, some firms are habitually 'laggards' when adopting technology. This culture may put them at a perpetual competitive disadvantage.

Statements such as, "We are a large global firm and need to make sure the technology is mature" are not as viable as perhaps they were in the past. Witness the Shale Oil sector over the past 24 months. Those companies that adopted certain technologies and drove the production cost break-even point down fared better than those that did not.

All cultures evolve casting aside certain beliefs and adopting others. One way to look at this progression is to go back to our quantum mechanics model.

Cultural progression may be seen as the wavelength in the red part of the visible spectrum—longer period. On the other hand, business transformation might be viewed as a violet high energy photon—shorter period.

In this model, both culture and business transformation work as a hand in glove. Culture provides strong slower changing foundation upon which to continuously change to meet emerging business requirements.

### **Is Your Organization's' Culture Advancing Your Firm or Retarding Its Progress?**

For more on this subject, see [Structural Dynamics:Foundation of Next Generation Management Science](#)

Additional details are available from the author.

## About the Author

Dr. [Scott M. Shemwell](#) has over 30 years technical and executive management experience primarily in the energy sector. He is the author of six books and has written extensively about the field of operations. Shemwell is the Managing Director of The Rapid Response Institute, a firm that focuses on providing its customers with solutions enabling Operational Excellence and regulatory compliance management. He has studied cultural interactions for more than 30 years—his dissertation; *Cross Cultural Negotiations Between Japanese and American Businessmen: A Systems Analysis (Exploratory Study)* is an early peer reviewed manuscript addressing the systemic structure of societal relationships.

## End Notes

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<sup>i</sup> <https://phys.org/news/2015-03-particle.html>

<sup>ii</sup> [https://en.wikipedia.org/wiki/Triple\\_point](https://en.wikipedia.org/wiki/Triple_point)

<sup>iii</sup> <https://en.wikipedia.org/wiki/Doublethink>