

Topic Learning Outcome:

Integrate theories of leader-group relationships into real world situations and case studies.

What is an Organization Environment?

Broadly, organization environment is the psychological atmosphere that emerges from the way an organization conducts itself. It is the intellectual and cultural climate that shapes attitudes and guides behavior, ultimately signaling whether the organization is a good or bad place to devote half of one's waking hours.

An organization environment has no particular location. It is pervasive. It can encompass and saturate everything we do: how we communicate; how we make decisions; how we interact with one another; what we celebrate; and what discourages us.

The environment is never neutral. It has compelling content. It shapes our ideas and perspective. It can promote openness or silence. It can encourage risk taking or risk aversion. It can allow for differences or require sameness.

The organization environment can encourage or dissipate effort. Indeed, it has been argued that a work environment can influence an inner passion to solve problems and that great ideas dry up when people are hurting or focused on organizational dysfunction. A good environment, often shaped by a strong culture, is productive and focused on results. A bad environment diverts meaningful effort into meaningless distractions: turf issues, politics, power plays, beating the system, outsmarting the process, indecisions, bad decisions, re-decisions.

Finally, an environment is self-perpetuating, simultaneously reflecting and reinforcing the tone of the organization. The longer an organization environment evolves, the more enduring it becomes, whether for good or ill.

Self-Assessment Questions:

1. How would you describe the current organizational environment of this LED 602 course? What perpetuates this environment and what role do you as the student play in creating this environment?