

Impact of organisational culture on newspaper readership

Organisational Culture

Declining readership numbers raised important questions about how to grow and develop the newspaper industry. Human Synergistics' Organisational Culture Inventory (OCI) and Organisational Effectiveness Inventory (OEI) were commissioned as part of a nationwide Readership Institute study to create a high performance culture. A large representative sample from the US newspaper industry was surveyed to inform their business practice.

Industry:

Representative sample from the newspaper industry in the USA.

Diagnostic tool:

OCI and OEI.

Number of employees

surveyed:
5,500 from 90 organisations.

A study conducted by the Readership Institute of North Western University in conjunction with Dr Robert A Cooke, July 2000

The data reveals that newspapers in general are not well positioned to increase readership. The more Constructive newspapers were found to achieve better outcomes in nearly all areas. There appears to be the capability within the top executive teams to build more constructive cultures and thereby attract and maintain readers.

Inquiry

How does culture impact upon newspaper readership? How can newspapers improve their performance?

Research Opportunity

The Readership Institute undertook a study of the newspaper industry to examine:

- What enables newspapers to get above average results with readers?
- How does specific newspaper content and service influence readership?
- How do newspapers' people, culture and management practices influence readership, or enable newspapers to innovate to meet reader needs and interests?

Population and Methodology

The Readership Institute representatively sampled the newspaper industry in the US. The OCI and OEI was completed by nearly

5,500 employees at 90 of the 100 Impact Newspapers. Some employees of the newspapers responded to the OCI either about which behaviours and personal styles are expected (that is, the actual culture) or about which behaviours and personal styles should be expected (that is, the preferred culture). Others responded to the OEI, which examines the causal factors and outcomes of culture.^o

Results

Preferred Culture

Employees uniformly described the constructive styles as dominant in their preferred culture. The primary style is Humanistic-Encouraging. Ideally, people should be expected to:

- Encourage others
- Be a good listener
- Help others grow and develop

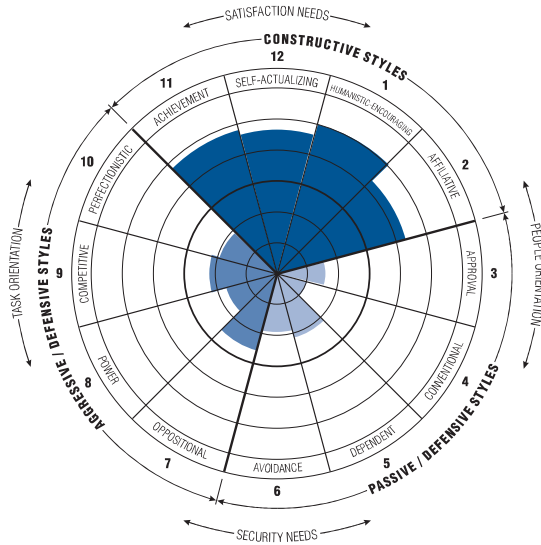
The secondary style is Achievement. Ideally, people should be expected to:

- Know the business
- Pursue a standard of excellence
- Think ahead and plan the business

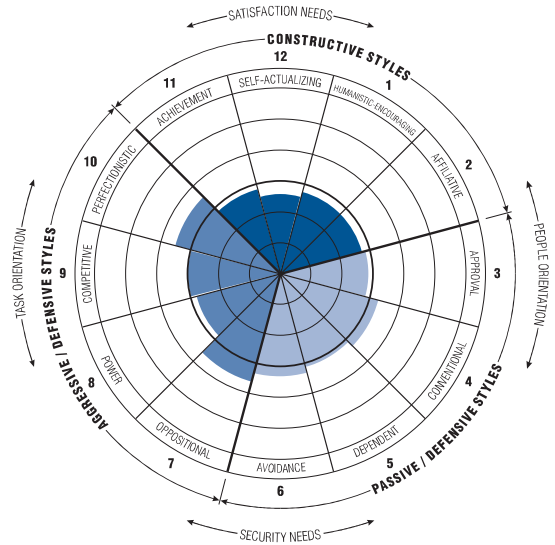
Actual Culture

Overall, the culture of the newspaper industry is relatively defensive in comparison to that of "healthy" organisations in general.

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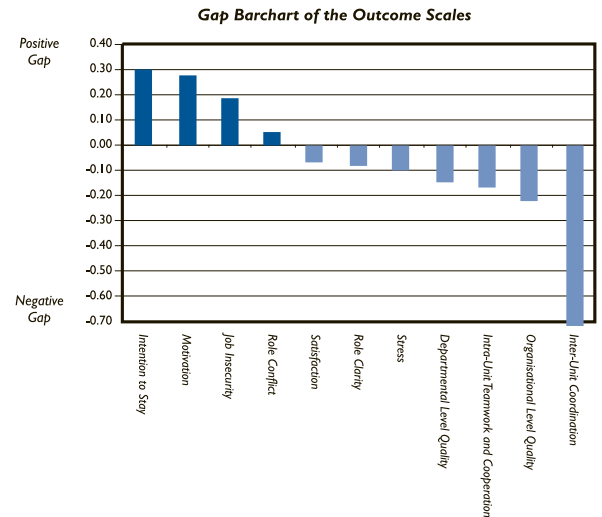
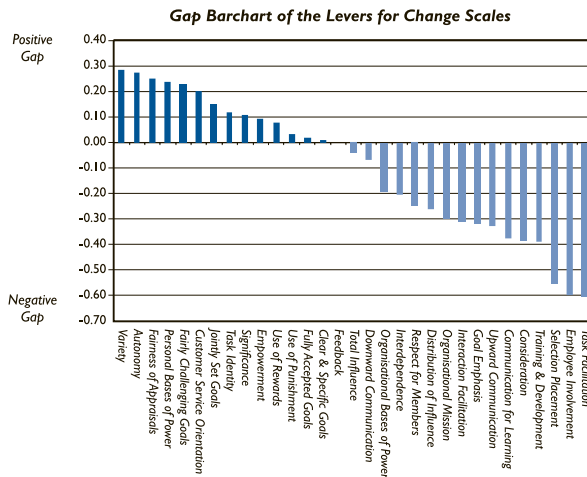
Preferred Culture, N=169 newspaper employees



Actual Culture, N=90 newspaper companies

Culture by Departments in Impact Newspapers

Department	Overall Culture	Primary Style	Secondary Style
Advertising	Passive/Defensive	Perfectionistic	Conventional
Marketing	Passive/Defensive	Avoidance	Perfectionistic
Circulation	Aggressive/Defensive	Oppositional	Perfectionistic
News-Editorial	Aggressive/Defensive	Perfectionistic	Oppositional
Top Executives	Constructive	Humanistic-Encouraging	Achievement



With respect to the specific cultural norms, the primary style is Perfectionistic and the secondary style is Oppositional.

An example of the Perfectionistic style in a newspaper company is when an advertising department regularly disrupts the production process to take late advertisements just before press time. The advertising department contends that its mandate is to provide perfect service for the accounts which fund the newspaper.

But if the newspaper is delayed and 20 percent of readers do not receive it before they leave for work, then the advertising department is using perfectionism to put its goals ahead of the company's goals. In this way, the advertising department is not reaching its full potential market.

The Impact Newspapers fell into three main culture types – Constructive, Passive/Defensive and Aggressive/Defensive and a fourth mixed type with elements of passive and aggressive which is called Passive/Aggressive. Of the 90 newspapers only 17 were, overall, Constructive. Of the others 27 were overall Aggressive/Defensive; 21 were overall Passive/Defensive; and 25 were overall Passive/Aggressive.

It is interesting to note that whilst the top executive experience constructive culture this does not permeate down through the organisation.

Levers for change

The levers for change are those factors that create the actual operating culture. These results are benchmarked against the historical average. The key causal factors deserving attention to improve the newspaper industry's culture and performance are:

- manager's facilitation of work (task facilitation),
- employee involvement at all levels in shaping the mission (employee involvement) and
- the match of people with jobs being rational and objective (selection/placement).

Outcomes

The most significant outcome of this study is that those newspapers with more constructive cultures experience higher readership numbers.

In comparison to Constructive cultures, the newspaper industry's results are below average in individual, group and organisational outcomes.

These outcomes of course go hand in hand with the original driving force of this study, i.e. declining readership numbers.

As the Gap Bar chart of the Outcome Scales indicates, newspapers as a group were better than the historical average in the areas of employee intention to stay, employee motivation and feelings of job security. Areas of concern are the group outcomes of inter-unit co-ordination, intra-unit teamwork and cooperation, and employee stress.

Of particular interest in this graph is the fact that departmental quality scored comparatively low.

Those newspapers with constructive cultures showed significantly higher departmental quality outcomes.

This may well be linked to the more positive readership outcomes.

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Implications

The implications of this study are important not only for the newspaper industry, but also more broadly. Cultures with more Constructive styles lead to better performance on a broad range of outcome measures – both in terms of external marketplace performance and internal organisational performance.

It appears that most newspapers are not well positioned to take up the challenges of readers' needs and interests. The newspaper industry's Perfectionistic and Oppositional culture has been primarily built through the design and type of structure and supervisory/managerial leadership style. These then are key levers for the newspaper industry to build better readership.

A summary of the Readership Institute study is available at: http://www.readership.org/institute/impact_quick_guide.pdf

The Full OCI/OEI Report is available at: http://readership.org/institute/organization/data/final_culture_report.pdf

(Please note that the style of the OCI/OEI report is in the 1997 format and since the publication of this report, all OCI/OEI reports are in the 2001 format. For a sample copy, please contact Human Synergistics.)

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