From Clan Culture Management to Hierarchic Controlled Culture: An Israeli Case Study of a Kibbutz Industry

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Abstract

This article examines the transformation of a kibbutz factory from a clan culture to a hierarchically-controlled culture. When founded, the plant operated on socialist values: equity, democracy, rotation among managers, and familial features. From the 1980s, when the kibbutz underwent the process of “privatization,” its factory also moved away from strict socialist principles. After a financial crisis in the 1990s, the factory experienced a period of decline and finally closed. Later, a private individual, not from the kibbutz, bought and reopened the factory; drastically changing its organizational culture, which now became a stratified hierarchic organization.

Key Words: clan culture, hierarchical culture, kibbutz industry, social change, organizational culture transformation