



In Great Company

Unlocking the Secrets of Cultural Transformation



What is Culture?

“shared **values, norms and expectations** that govern the way people approach their work and interact with each other.”

“The way things are done around here.”

*“The **rites and rituals** of our company, the reward systems, our basic values.”*



What is Culture?

These definitions are all manifestations of the culture, but none is the culture at the level where culture matters.

A more effective way to think about culture is to realize that it exists at several “levels,” and that we benefit from understand and manage the deeper levels.

The levels of culture go from the very visible to the very tacit and invisible.

The Three Levels of Culture?

Artifacts

Visible organizational structures and processes (hard to decipher)

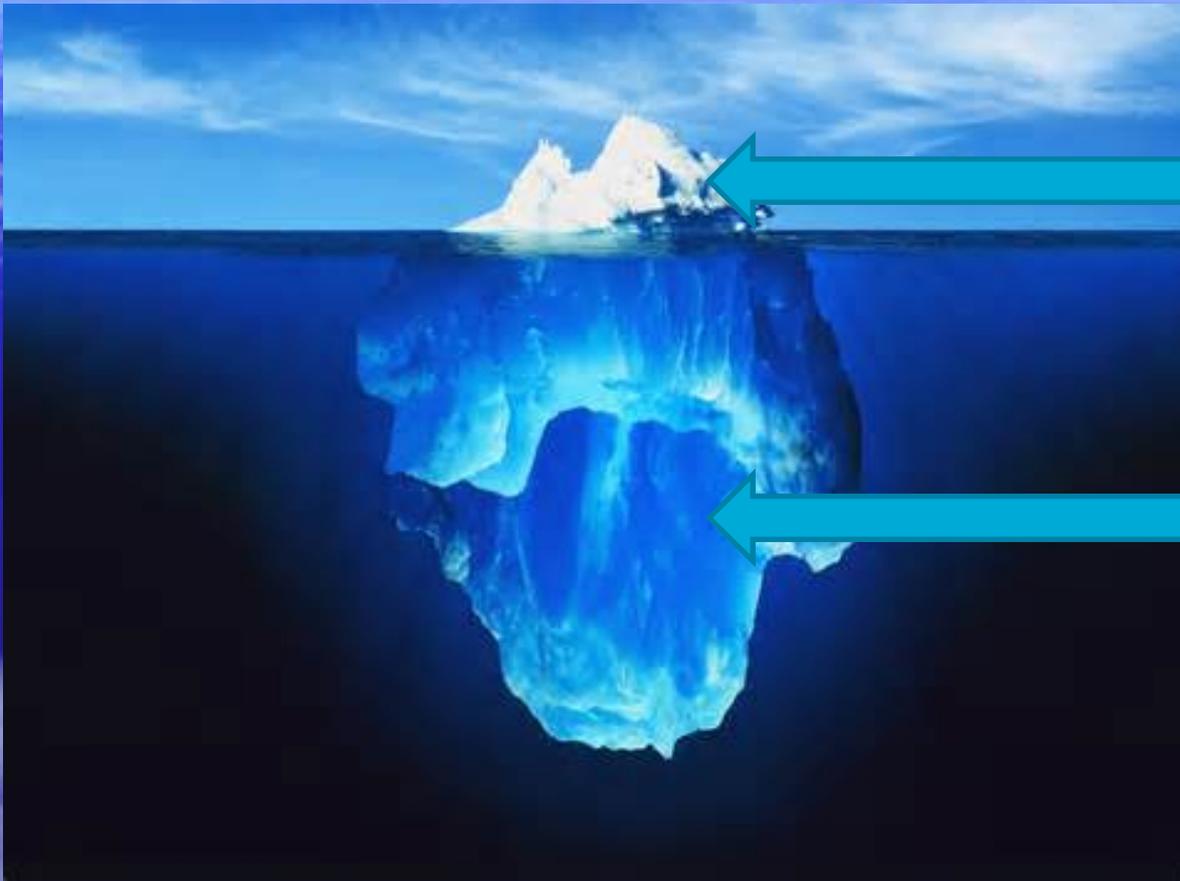
Espoused Values

Strategies, goals and philosophies (espoused justifications)

Underlying Assumptions

beliefs, perceptions, thoughts, and feelings (ultimate source of values and action)

Culture sits beneath the surface



The What

- Physical environment,
- Values, Structures, Systems
- Easy to see and change
- Where organizations focus
- Short term

The why

- Norms & expectations,
- Beliefs and assumptions
- Harder to see & change
- Long term

We can measure culture to make the invisible visible.

When you can see it, you can see strengths and what needs to change.

Culture is Complex

It is clear that culture is a complex concept that must be analyzed at every level before it can be understood.

The biggest risk in working with culture is to oversimplify it and miss several basic facets that matter:

1. Culture is deep.
2. Culture is broad.
3. Culture is stable.

The Bottom Line

Culture can be:

Measured.

Quantified.

Defined

Re-designed.

Why Culture Matters

1. Improve employee engagement

- Increase satisfaction, commitment and loyalty
- Fewer grievances and absenteeism
- Lower turnover

2. Increase clients' level of satisfaction

- Fewer complaints
- Improved levels of interaction with each other and staff

3. Realize immediate profit improvement

- Lower sick pay and turnover
- Motivated employees

4. Realize long-term financial gains

- More innovative ideas and solutions to (complex or day-to-day) problems
- Greater external adaptability

5. Improve management's level of satisfaction

- Fewer problems, fewer complaints
- Increase in people showing and taking initiative
- More motivated employees

6. Create a happier, healthier work place

- Better interactions between staff and management
- Less stress, illness

What Does Culture Influence?

In other words...

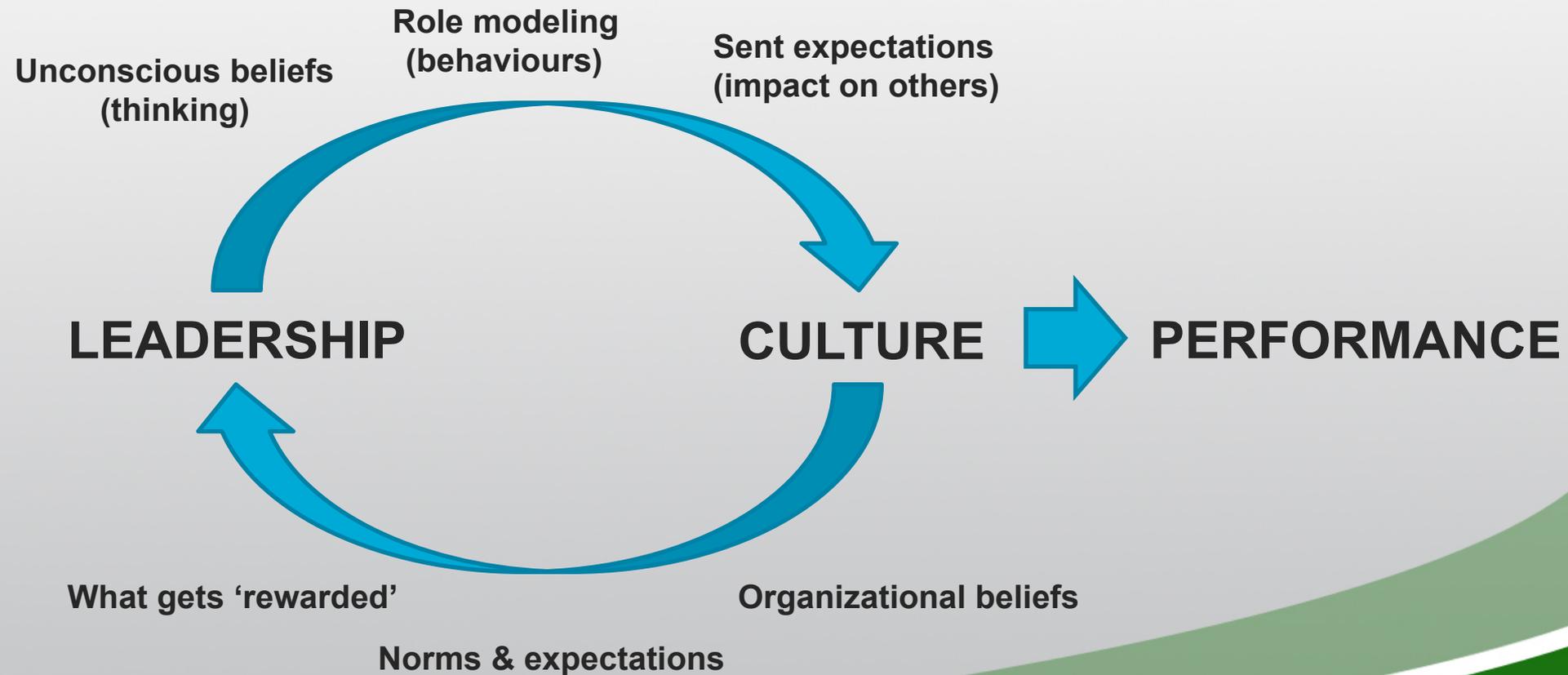
Culture directly affects the long-term viability of an organization and a community.

What is the General Level of Culture Consciousness in Your Organization?

11%	<i>Denial</i>
40%	<i>Non-Responsive</i>
17%	<i>Compliance</i>
11%	<i>Efficiency</i>
18%	<i>Strategic Proactive</i>
3%	<i>Resilient / Sustaining</i>

The Leadership, Culture, Performance Connection

Leaders Have a **Direct** Impact on Culture



Key Questions Around Culture Change

How do organizations transform their cultures?

What creates cultural transformation?

What is the evidence about what works?

The Secrets of Cultural Transformation

The research methodology was designed to fully explore what is was about these organizations that allowed them to successfully transform themselves. The research team also reviewed:

- the rationale for undertaking cultural transformation;
- each organization's mission, philosophy, structures, systems and technology;
- details of the cultural interventions undertaken and their impact;
- the challenges faced and lessons learned;
- the impact of the cultural transformation on performance.

Culture Key Findings

- The more constructive the culture, the greater the financial management (school budget) and other performance measures;
- The leader and the leadership team have the greatest impact on culture.
- Constructive cultures are directly proportional to the constructive attitudes and behaviours from leadership.
- Specifically, the more constructive the leader, the more constructive the culture.

Culture Key Findings

- The more constructive the culture, the less fears exists within it. A “fear-less” organization ignites and unleashes greater innovation, creativity, collaboration and productivity.
- A constructive culture is directly proportional to the ability of an organization to keep it’ s promises – financial, brand, loyalty, quality, employee and customer satisfaction.
- Highly constructive cultures transcend typical organizations to a level we identify as “inspiring”.



Culture Key Findings

Inspiring leadership occurs when there is:

- A highly constructive vision.
- A meticulous alignment between the vision and the attitudes and behaviours of the leader, the leadership team and the culture.

Culture Key Findings

What stands out as inspiring in many of the “Best Leaders”

- They always act based on the right thing for all concerned. They radiate goodness, caring and kindness;
- They are humble, acting with great humility. They don’t see themselves above others, eschewing hierarchy;
- They are deeply humane, real, authentic, who speak and act from the hearts and minds;
- They acknowledge the enormous value within everyone to contribute, and are skilled at inclusion, collaboration and dialogue. The organizations is a community of equals;
- They are warm, gracious, generous, almost as “hosts”;

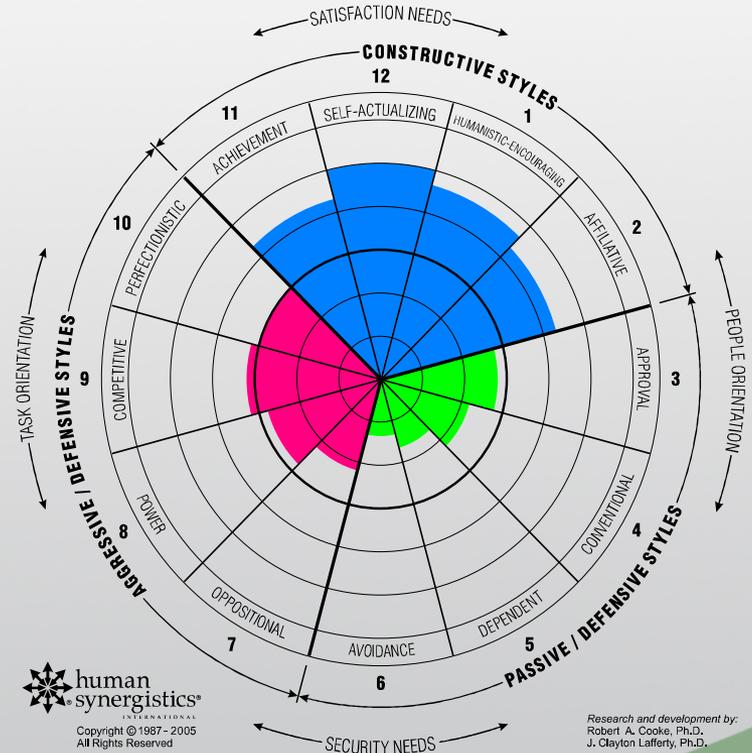
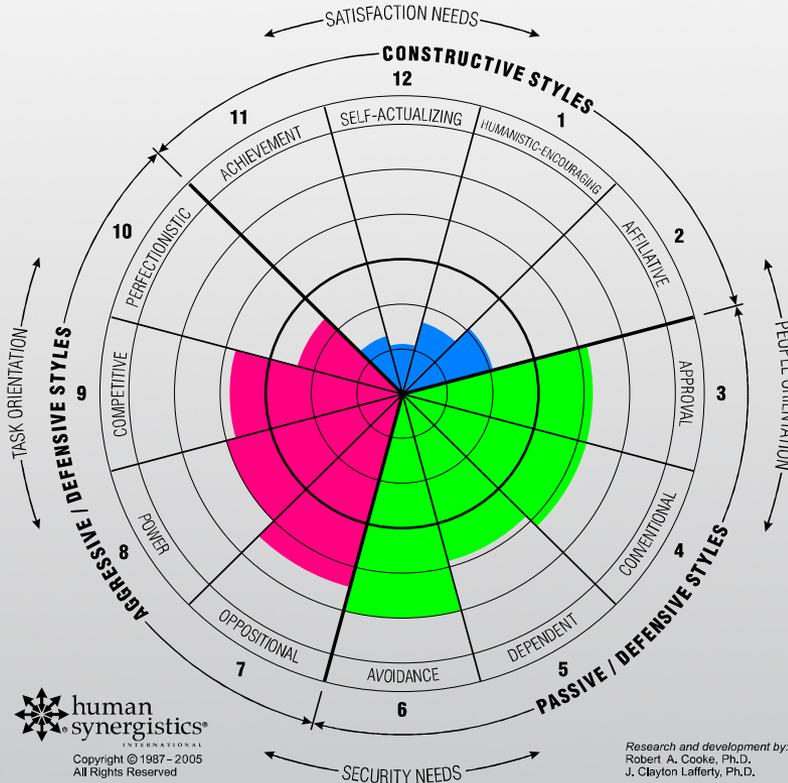
Culture Key Findings

What stands out as inspiring in many of the “Best Leaders”

- They beam with pride about their people and their businesses;
- They make leadership accessible in a number of ways. They are directly accessible and their style ignites and engages one’s own leadership;
- They tend to be open about their feelings and have great empathy to host the feelings of others. They are unafraid to show vulnerability;
- They are extremely committed to giving to the community, both in terms of time and money;
- They balance an enormous amount of creative tension and fear with being an “authentic cheerleader.”

Current Working Culture

Ideal Working Culture



Cultural Assessment Tool by Human Synergistics International



The OCI measures 12 different cultural norms that are organized into three general types of cultures:

Constructive Cultures, in which members are encouraged to interact with others and approach tasks in ways that will help them to meet their higher-order satisfaction needs (includes Achievement, Self-Actualizing, Humanistic-Encouraging, and Affiliative cultures).

Passive/Defensive Cultures, in which members believe they must interact with people in defensive ways that will not threaten their own security (includes Approval, Conventional, Dependent, and Avoidance cultures).

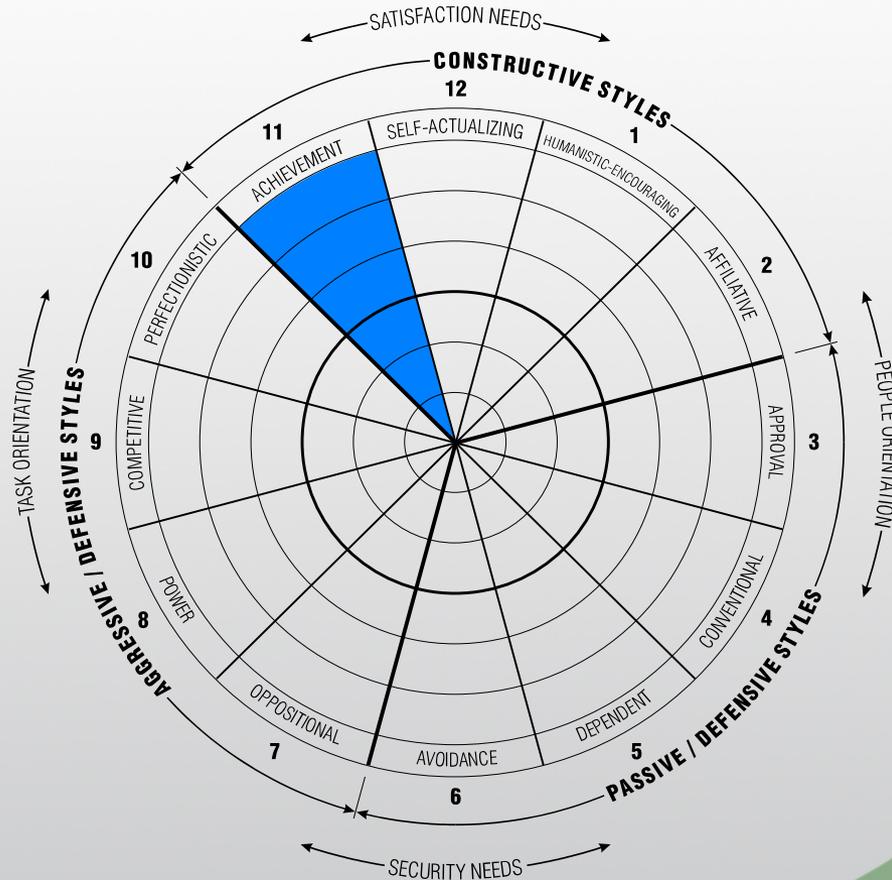
Aggressive/Defensive Cultures, in which members are expected to approach tasks in forceful ways to protect their status and security (includes Oppositional, Power, Competitive, and Perfectionistic cultures).

Constructive Cultural Norms

An Achievement culture characterizes organizations that do things well and value members who set and accomplish their own goals.

Members of these organizations set challenging but realistic goals, establish plans to reach these goals, and pursue them with enthusiasm.

Achievement organizations are effective; problems are solved appropriately, clients and customers are served well, and the orientation of members (as well as the organization itself) is healthy.

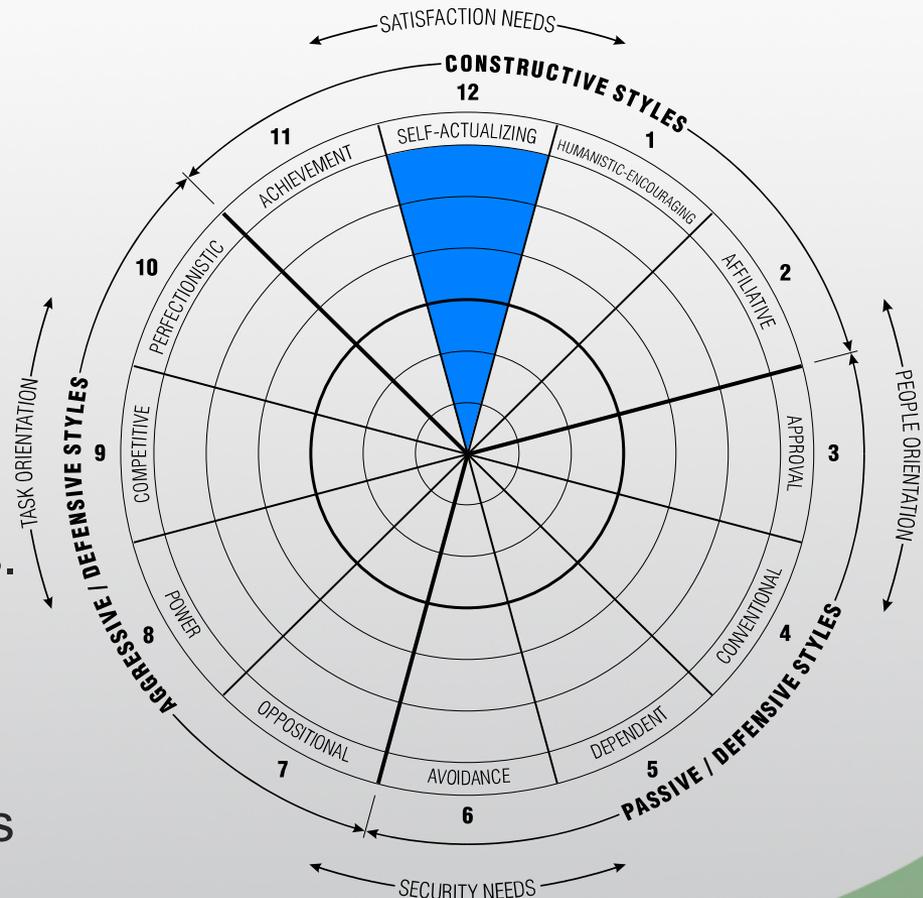


Constructive Cultural Norms

A Self-Actualizing culture characterizes organizations that value creativity, quality over quantity, and both task accomplishment and individual growth.

Members of these organizations are encouraged to gain enjoyment from their work, develop themselves, and take on new and interesting activities.

While self-actualizing organizations can be somewhat difficult to understand and control, they tend to be innovative, offer high-quality products and/or services, and attract and develop outstanding employees.

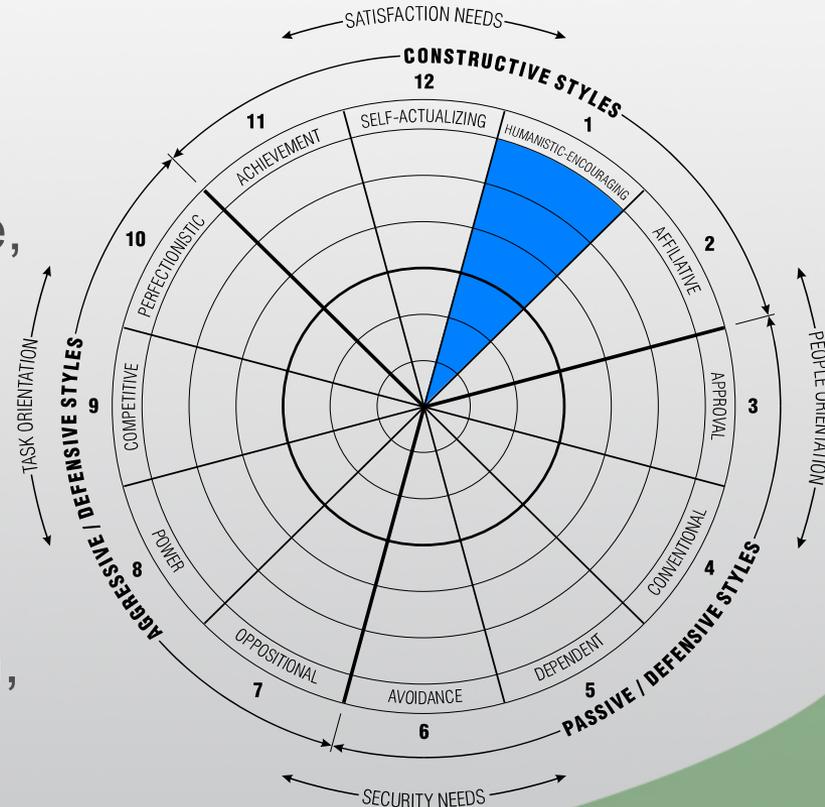


Constructive Cultural Norms

A Humanistic-Encouraging culture characterizes organizations that are managed in a participative and person-centered way.

Members are expected to be supportive, constructive and open to influence in their dealings with one another.

A humanistic culture leads to effective organizational performance by providing for the growth and active involvement of members who, in turn, report high satisfaction with and commitment to the organization.

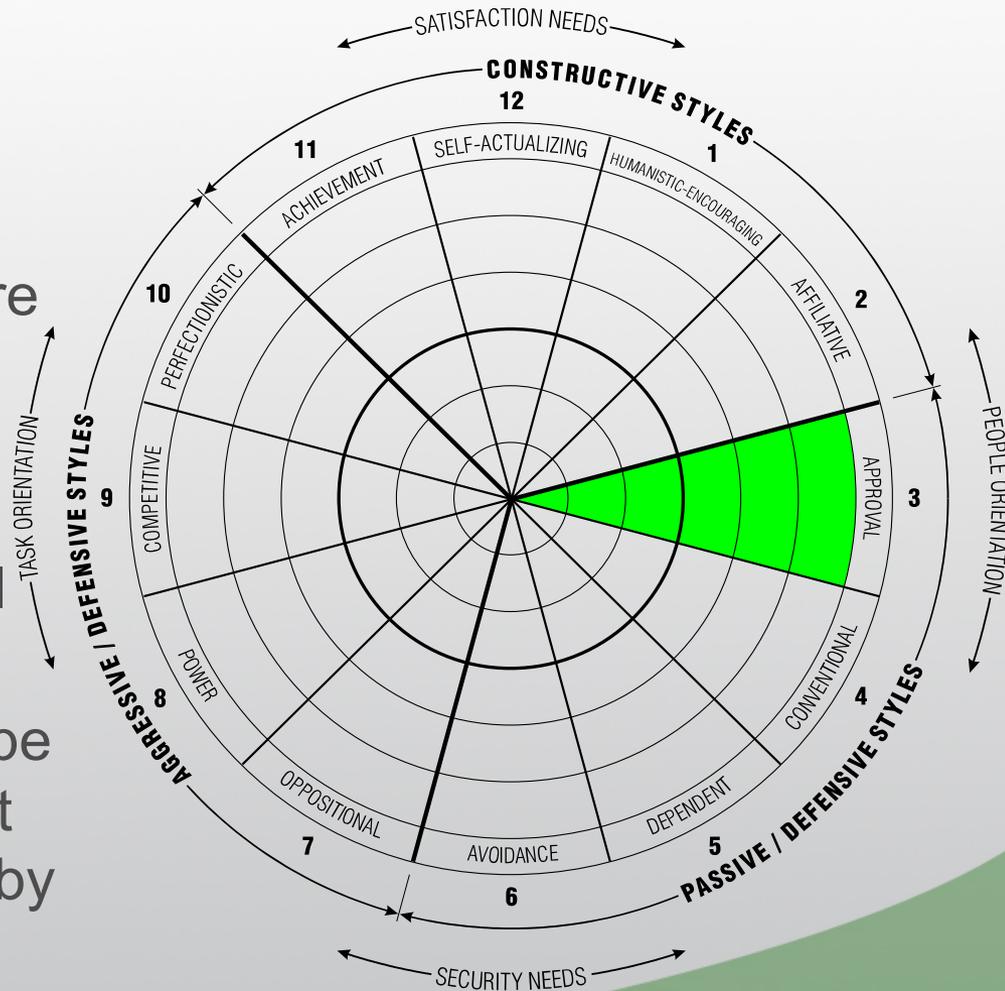


Passive/Defensive Cultural Norms

An Approval culture describes organizations in which conflicts are avoided and interpersonal relationships are pleasant – at least superficially.

Members feel that they must agree with, gain the approval of, and be liked by others.

Though possibly benign, this type of work environment can limit organizational effectiveness by minimizing constructive “differing” and the expression of ideas and opinions.

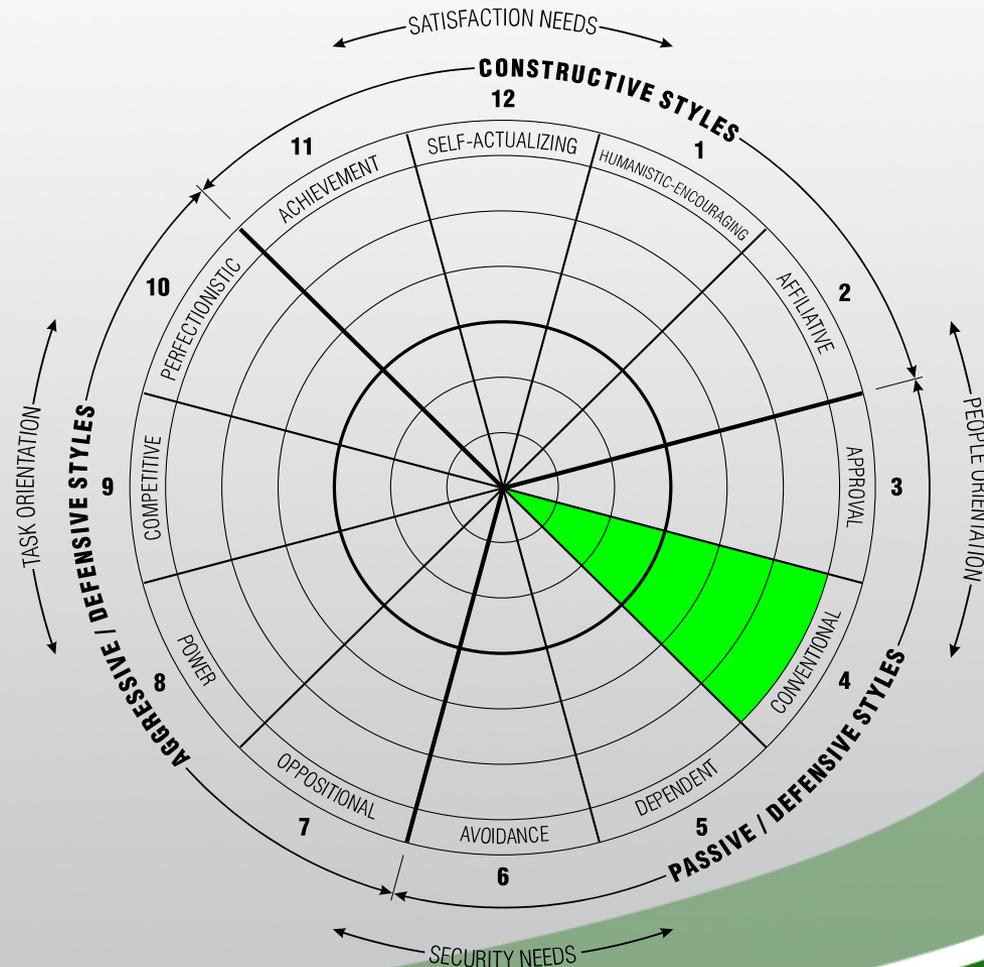


Passive/Defensive Cultural Norms

A Conventional culture is descriptive of organizations that are conservative, traditional, and bureaucratically controlled.

Members are expected to conform, follow the rules, and make a good impression.

Too conventional a culture can interfere with effectiveness by suppressing innovation and preventing the organization from adapting to changes in its environment.

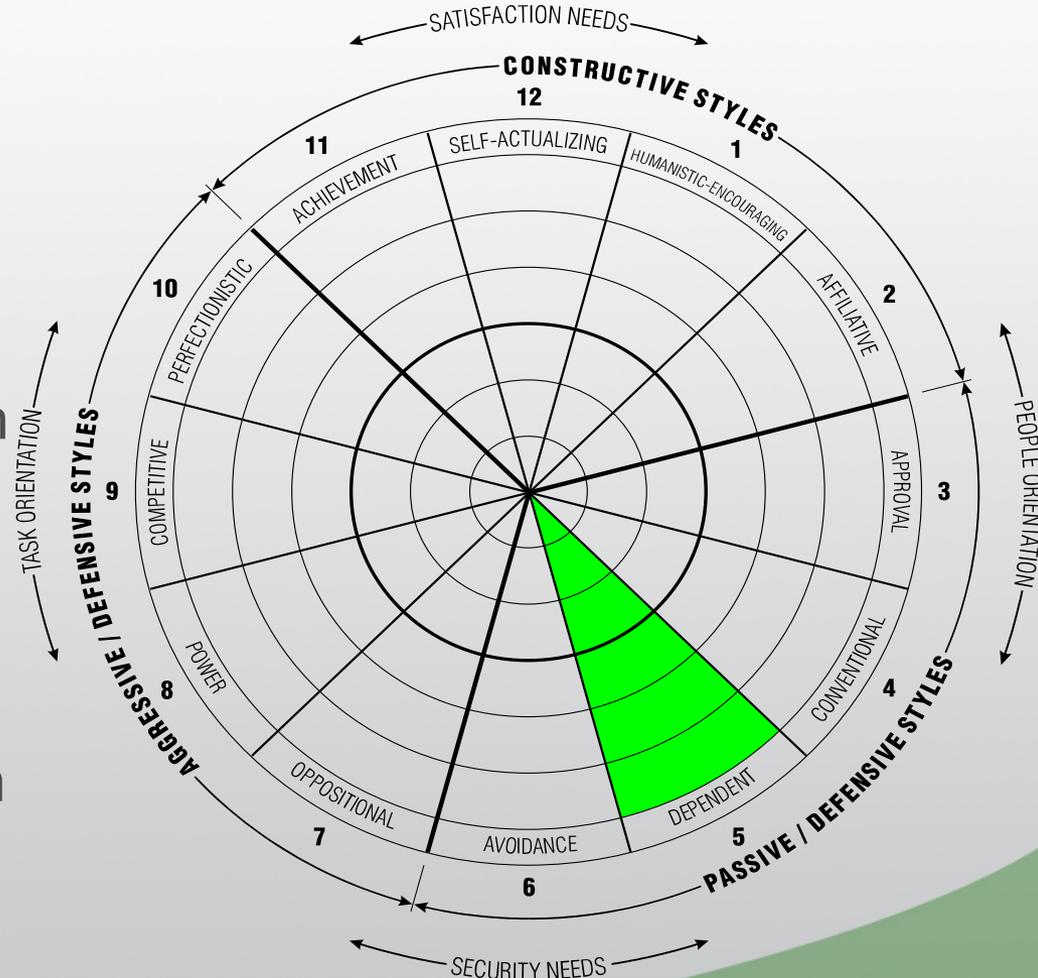


Passive/Defensive Cultural Norms

A Dependent culture is descriptive of organizations that are hierarchically controlled and non-participative.

Centralized decision making in such organizations leads members to do only what they're told and to clear all decisions with superiors.

Poor performance results from the lack of individual initiative, spontaneity, flexibility, and timely decision making.

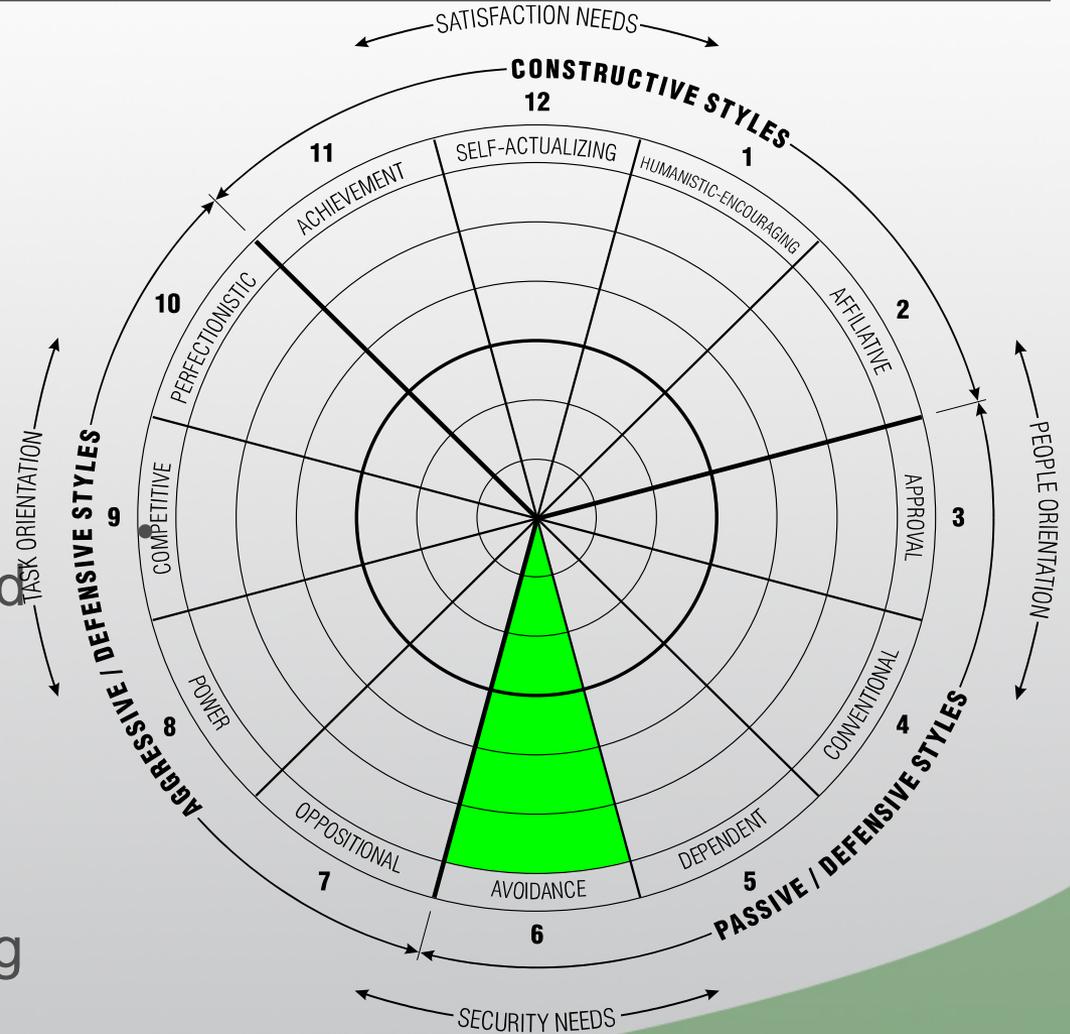


Passive/Defensive Cultural Norms

An Avoidance culture characterizes organizations that fail to reward success but nevertheless punish mistakes.

This negative reward system leads members to shift responsibilities to others and to avoid any possibility of being blamed for a mistake.

The survival of this type of organization is in question since members are unwilling to make decisions, take action, or accept risks.

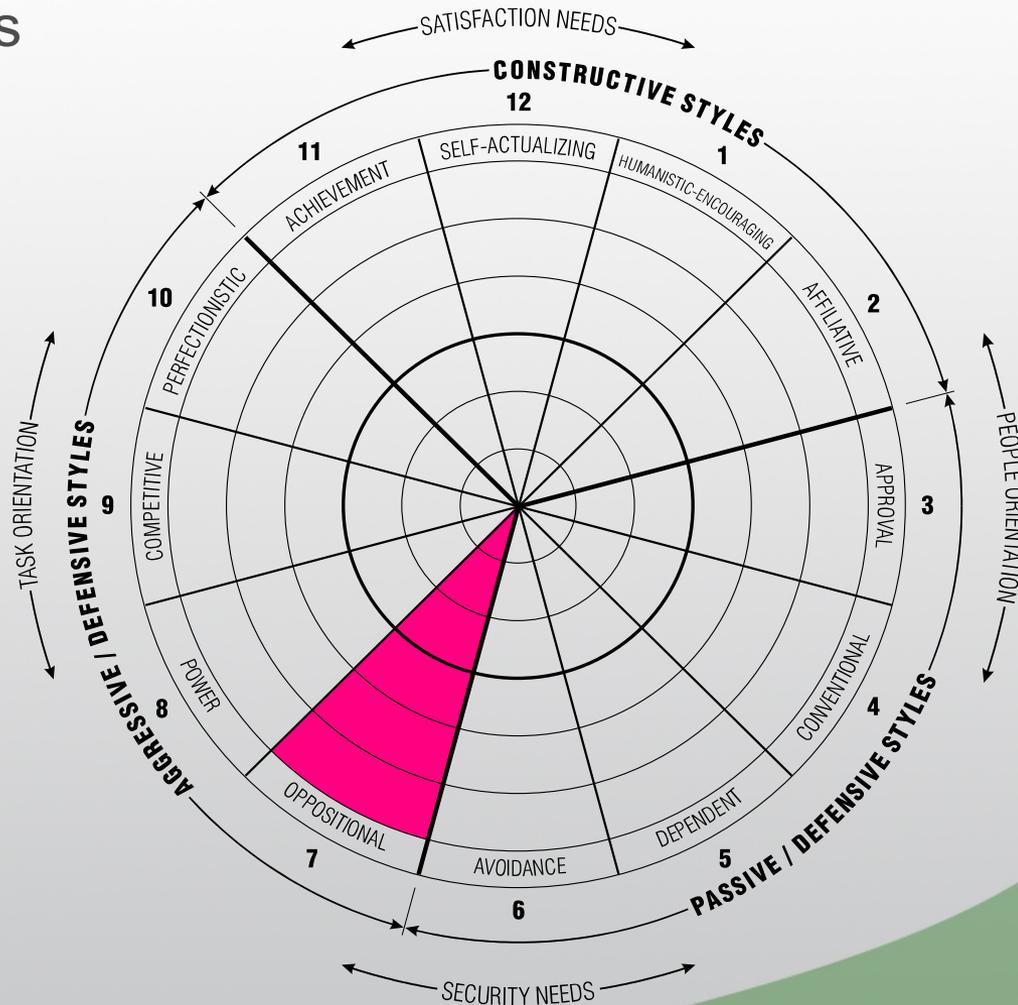


Aggressive/Defensive Cultural Norms

An Oppositional culture describes organizations in which confrontation prevails and negativism is rewarded.

Members gain status and influence by being critical and thus are reinforced to oppose the ideas of others and to make safe (but ineffectual) decisions.

While some questioning is functional, a highly oppositional culture can lead to unnecessary conflict, poor group problem solving and “watered-down” solutions to problems.

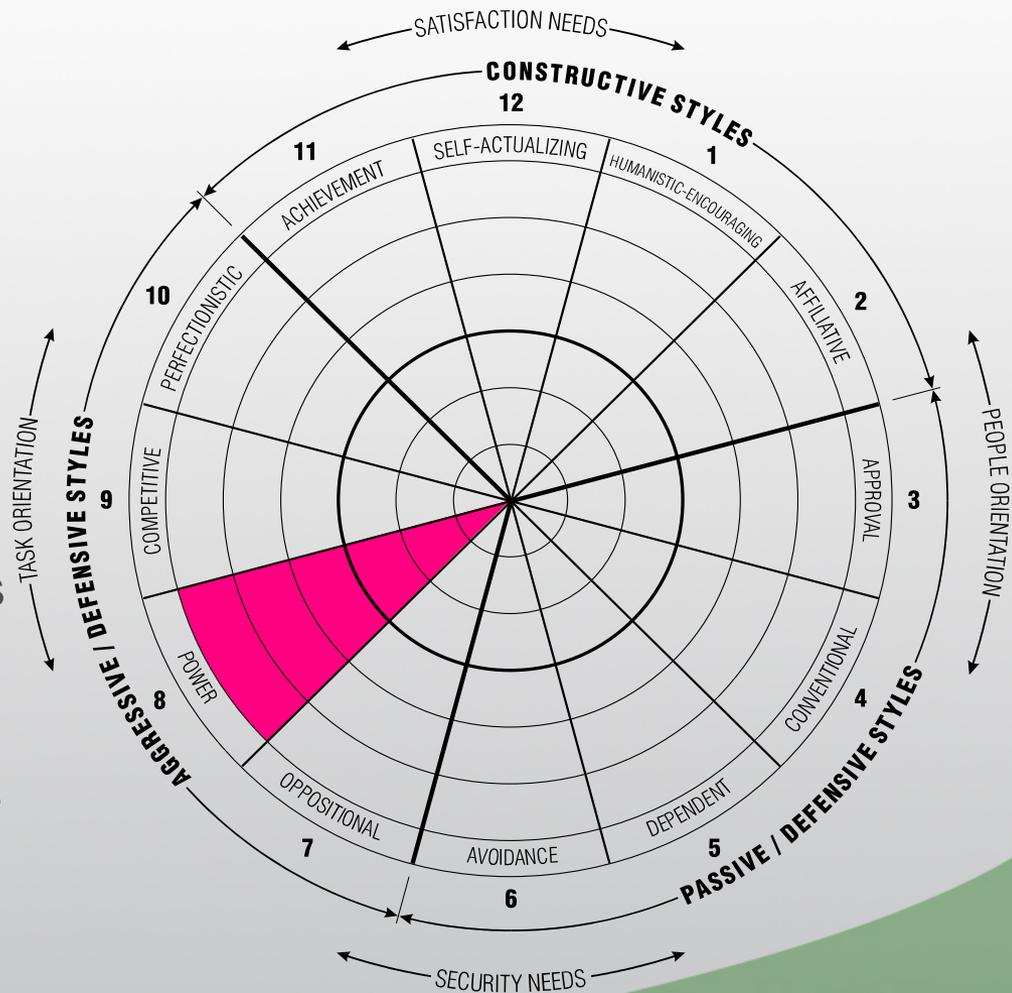


Aggressive/Defensive Cultural Norms

A Power culture is descriptive of non-participative organizations structured on the basis of the authority inherent in members' positions.

Members believe they will be rewarded for taking charge and controlling subordinates (and being responsive to the demands of superiors).

Power-oriented organizations are less effective than their members might think; subordinates resist this type of control, hold back information, and reduce their contributions to the minimal acceptable level.

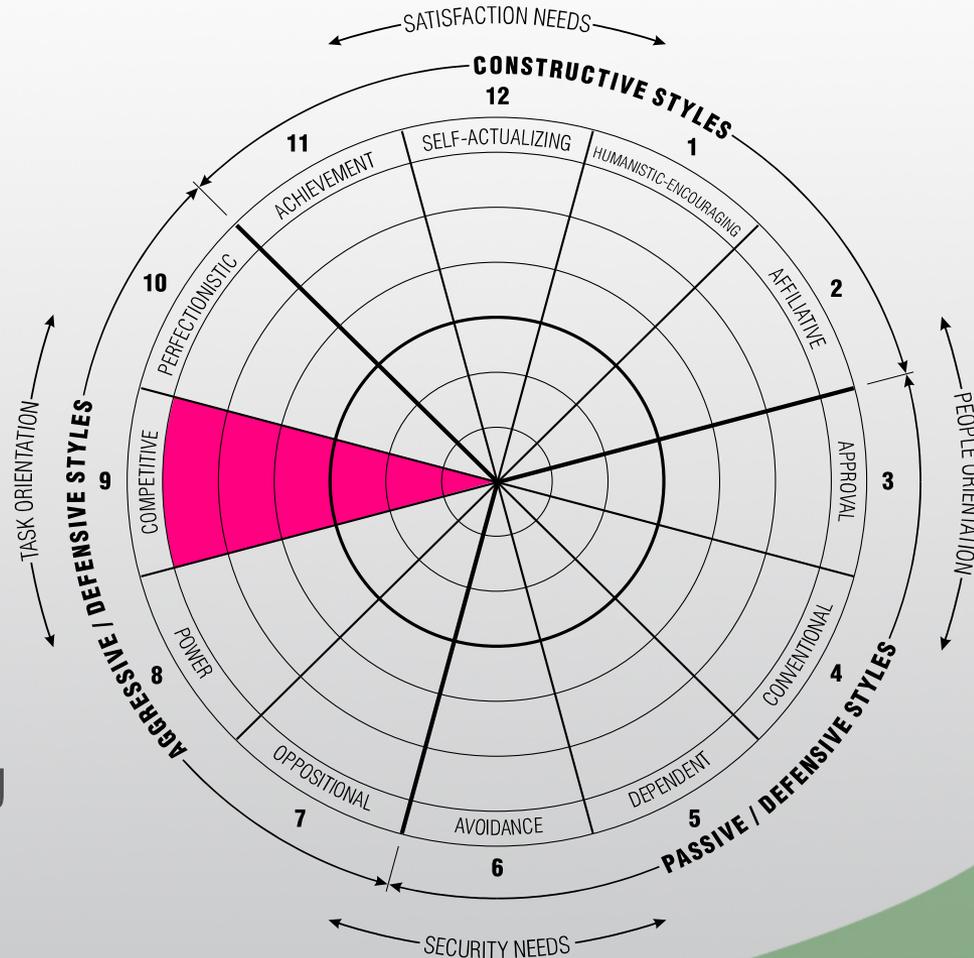


Aggressive/Defensive Cultural Norms

A Competitive culture is one in which winning is valued and members are rewarded for outperforming one another.

People in such organizations operate in a “win-lose” framework and believe they must work against (rather than with) their peers to be noticed.

An overly competitive culture can inhibit effectiveness by reducing cooperation and promoting unrealistic standards of performance (either too high or too low).

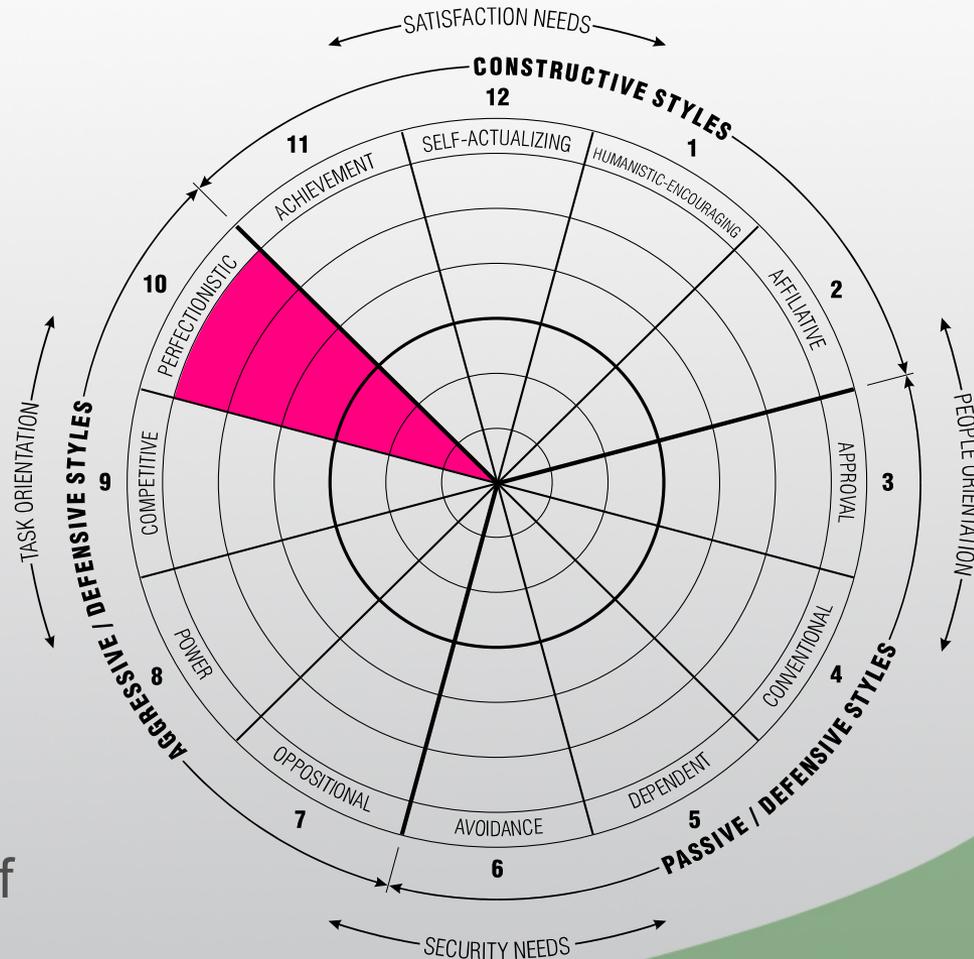


Aggressive/Defensive Cultural Norms

A Perfectionistic culture characterizes organizations in which perfectionism, persistence, and hard work are valued.

Members feel they must avoid all mistakes, keep track of everything, and work long hours to attain narrowly-defined objectives.

While some amount of this orientation might be useful, too much emphasis on perfectionism can lead members to lose sight of the goal, get lost in details, and develop symptoms of strain.





Culture Leadership

“The Mind Set Advantage”

What is Culture Leadership?

A **Culture Leader** can be thought of as a person that can constructively create enough disconfirmation in a team, organization or community to arouse motivation to change and who can then organize (with others) the process needed to make the required changes.

Both things are needed, but the need not be in the same person.

What is Culture Leadership?

Culture leadership - Helping Leaders understand their impact on culture and enabling them to drive and inspire constructive cultures.

Culture Leaders – Leaders who drive and inspire collaborative, confident, and globally competitive cultures.

**Organizational Leader verse Culture leader...
What's the difference?**

The Constructive Leadership Styles Impact on Operations and Culture

Styles at the top, the constructive cluster address problem solving by driving people or encouraging people to **think about goals**, to think about **outcomes**, the objectives - what they are **trying to achieve**.

Doing it in a way that's **creative**, that **open to new ideas**, that **experimental**, that's **learning orientated** - **self actualizing**.

The process, **interacting with each other** in ways that are **developmental**, **teaching**, **explaining**, **giving positive feedback**, **rewarding people** and **working as a team**.

The Passive / Defensive Leadership Styles Impact on Operations and Culture

The PASSIVE / DEFENSIVE STYLES / CULTURE

Are basically **self-protective** styles. With respect to problem solving, change initiation and decision making passive styles of leadership are **not very productive**. In these cultures, leaders just **go along** with others, they often **do what they have always done**, they **wait** for **someone else to make decisions** or tell them what the solution needs to be.

They **rob the group** and organization of utilizing their **expertise** or they just **avoid the problem** all together **pretending it's going to go away**. Passive styles are simply **not effective** for solving problems or **moving the group or organization towards the desired future state**.

The Aggressive / Defensive Leadership Styles Impact on Operations and Culture

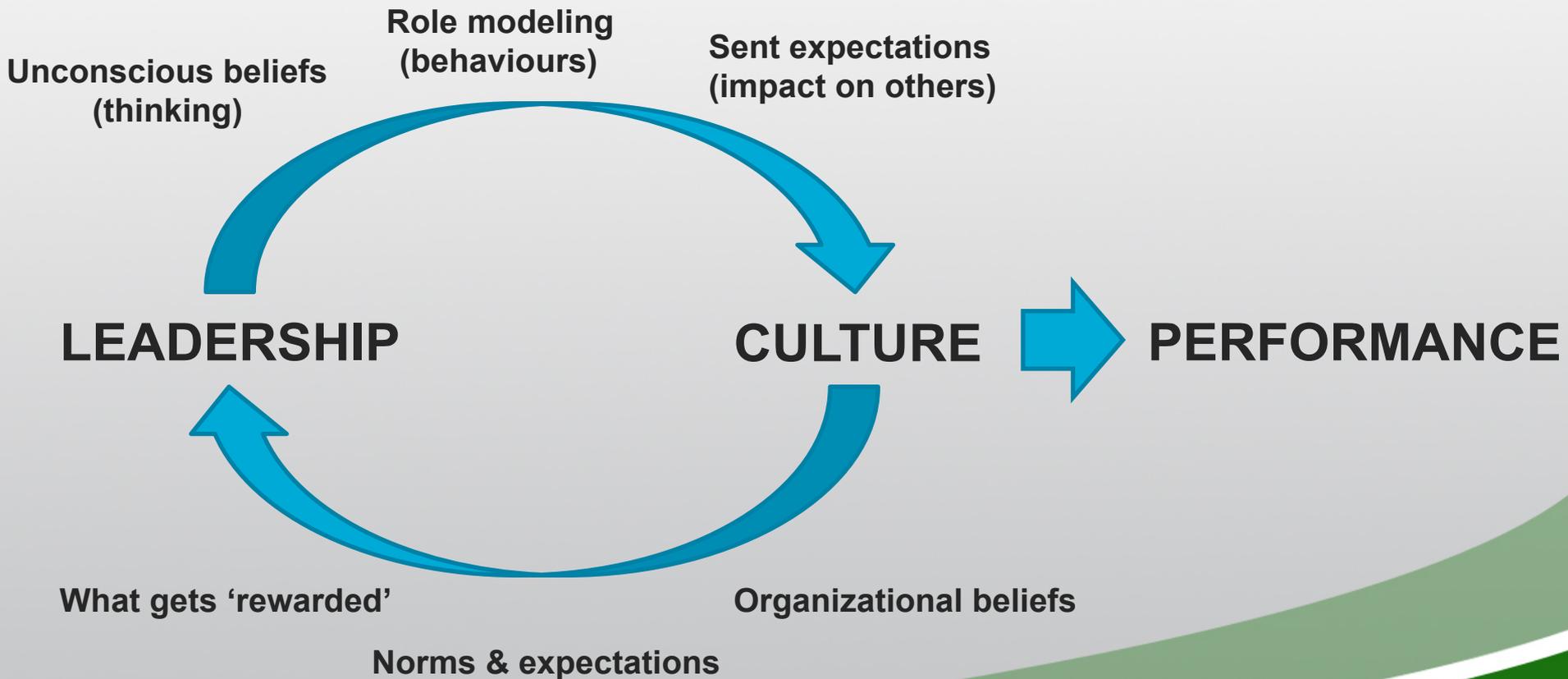
The AGGRESSIVE / DEFENSIVE STYLES / CULTURE

The **self promoting styles** on the aggressive side really **don't do too much more** to facilitate or enable effective problem solving around integration, adaptation or task performance. In aggressive organizations or aggressive groups, people want to **look like they are solving problems** but they are really **working to achieve other goals**. Goals like **maintaining their own power**, goals **like out performing others** or **getting their own way** or having **a perfect solution** even when a perfect solution is not necessary.

Aggressive styles are not very effective for solving problems as the **solutions are like a coin toss**, sometimes they work, sometimes they don't.

The Leadership, Culture, Performance Connection

Leaders Have a **Direct** Impact on Culture



Can Culture Be Changed

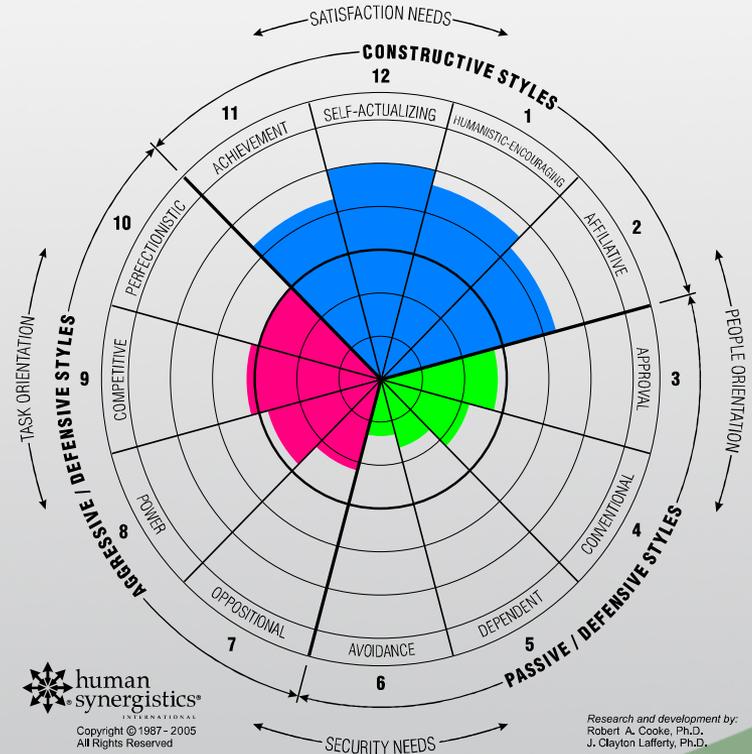
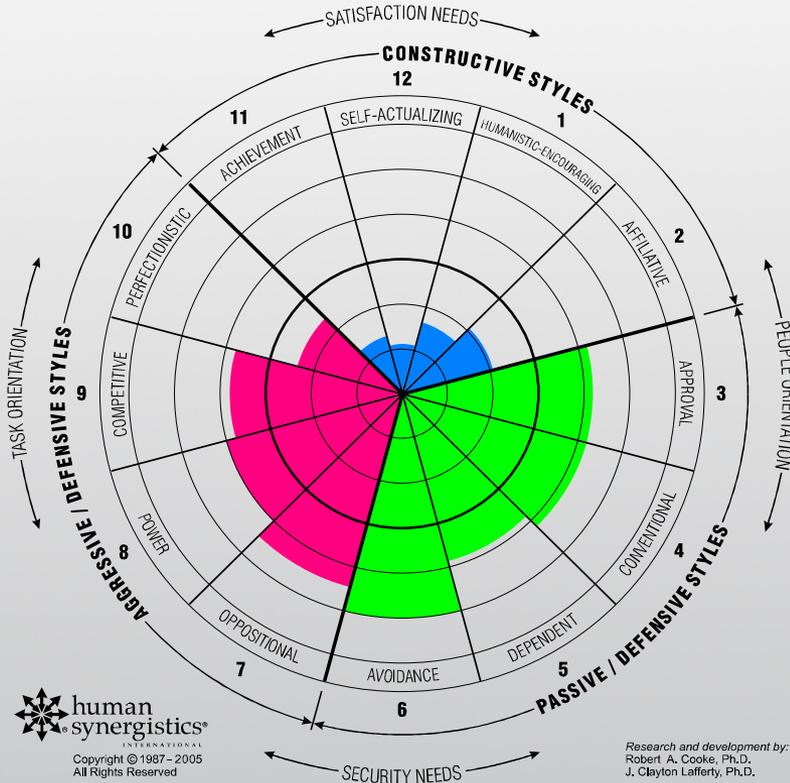
- 1. It starts at the top.*
- 2. It required a 'burning passion' more than a 'burning platform'*
- 3. The case for change needs to be made - communicate, communicate communicate.*
- 4. People need to be engaged in the process.*
- 5. Create a vocabulary around change and what it means for people.*
- 6. There is no one 'magic solution'*

Can Culture Be Changed

7. *Build self-awareness through feedback.*
8. *Build in reality checks.*
9. *There is significant science behind the process of culture change. Find expertise and challenge assumptions.*
10. *Create polyvagal safety.*
11. *Tap the wisdom of the crowd. (kids too)*
12. *Remember culture is about the systems, structures and processes that have lead people to believe they should behave in certain ways.*

Current Working Culture

Ideal Working Culture



Cultural Assessment Tool by Human Synergistics International



Artifacts: The Observable Signs of Culture

Symbols

- Dress and grooming (suits, shirt sleeves, uniforms)
- Status Markers (office size, make of car etc.)
- Achievement Badges

Myths and Legends

- Stories about the Founders
- Tales about extraordinary efforts of employees

Language

- Acronyms and Specific Situation Phrases

Leadership Style

- Visibility / Presence
- Identification of Organization with Owner or CEO (pictures etc)

"Organizational Culture - Key Levers for Change"

The levers for change assessed by the OCI are organized into 9 general areas, within which more specific levers may be found:



Philosophy and Values

The extent to which the organization has a strongly-defined identity in terms of its values, mission, its way of doing things and the integration and involvement of its people. Specific scales include:

- ◆ *Organizational Core Values:*
- ◆ *Organizational Vision:*
- ◆ *Organizational Mission:*
- ◆ *Employee Involvement:*
- ◆ *Customer Service Orientation:*

Job Design

The extent to which the jobs of employees (i.e., the formal and informal specifications of their tasks) are “enriched” in ways that enhance motivation and performance. Specific job design scales include:

- ◆ *Re-Defining The Organizational Structure:*
- ◆ *Roles/Responsibility:*
- ◆ *Autonomy:*
- ◆ *Feedback (from the job):*
- ◆ *Task Identity and Significance:*
- ◆ *Skill Variety:*
- ◆ *Interdependence:*

Individual and Organizational Goals

The extent to which members report that the characteristics of their goals are positive and motivating. Specifically assessed were:

- ◆ *Goal Clarity:*
- ◆ *Goal Prioritization:*
- ◆ *Goal Challenge:*
- ◆ *Participative Goal-Setting:*
- ◆ *Goal Acceptance:*

Quality of Communication

The effectiveness with which ideas, opinions, attitudes, and information (about the organization, its environment, and members) are sent and received within the organization. Specific quality of communication measures include:

- ◆ *Downward Communication:*
- ◆ *Upward Communication:*
- ◆ *Communication for Learning:*

Human Resource Management

The extent to which human resource management systems and practices maximize the utilization and development of employees, and do so in a fair and equitable manner. Specific scales include:

- ◆ *Selection/Placement:*
- ◆ *Training & Development:*
- ◆ *Respect for Members:*
- ◆ *Empowerment:*

Appraisal and Reinforcement

The extent to which employees' performance is monitored and reinforced (formally and informally by their managers and supervisors) in a fair and positive manner. Specific OEI measures include:

- ◆ *Fairness of Appraisals:*
- ◆ *Use of Rewards:*
- ◆ *Use of Punishment:*

Distribution of Influence

The relative amount of control exercised by people at different levels of the organization. *Total amount of influence* refers to the average amount of influence exercised by members across all levels. *Distribution of influence* refers to the differences in the amounts of influence exercised by members at different levels. Measures included in the OEI compare the control and influence of:

- ◆ *The Employees:*
- ◆ *Their Immediate Supervisors/Managers:*
- ◆ *Higher-level Managers:*

Supervisory/Managerial Leadership

The extent to which managers and supervisors exhibit an effective balance of people- and task-oriented leadership behaviors. Specific leadership scales include:

- ◆ *Interaction Facilitation (people-oriented):*
- ◆ *Task Facilitation (task-oriented):*
- ◆ *Goal Emphasis (task-oriented):*
- ◆ *Consideration (people-oriented):*

Supervisory/Managerial Sources of Power

The “bases of power” on which managers and supervisors rely to influence the behavior and performance of their direct reports (i.e., the positive, neutral, or negative factors that explain why members do what their supervisors or managers want them to do). Bases of power and influence assessed by the OEI include:

- ◆ *Personal bases of power (positive):*
- ◆ *Organizational bases of power (neutral to negative):*

For More Information:

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