



## learning and leadership

### five ways to develop your corporate culture

Organizational culture is often seen, rightly or wrongly, as an impediment to getting new ideas or business launched. In many of our corporate clients, I often hear about why certain ways of working are taboo or how things have failed in the past and so cannot be tried again for the stigma attached to them. Engendering a culture which supports the goals of the corporation and empowers its people is an essential platform for growth. Most people in organizations are under-utilized. Despite everybody's workload, much effort and activity is not directly connected to company or team goals, so inefficiencies prevail.

This article looks at some of the reasons that cultures are formed the way they are, why it is easier to do things 'the way they have always been done' and five techniques to guide your culture in a desirable direction to build capabilities and motivate for the future. Being an attractive place to work is not something measured (regrettably) on the bottom line of the annual report, but certainly affects it.

Managers must pay attention to nurturing culture in teams and across organizational boundaries if they expect to do more with less as their organizations face the challenges of the future. In addition, with so much change in staffing levels and the trend to outsourcing, defining the company as being something more than a paycheck becomes critical and essential to achieving desirable future goals.

Discussion on issues and challenges	2
Techniques for culture development	3
About the author	4

In a recent interview, Henry Mintzberg said "In the past some large organizations treated people paternalistically, but reasonably decently. But many have destroyed that contract. It's significant that the two most popular management techniques of all time - Taylor's work study methods - to control your hands - and strategic planning - to control your brain - were adopted most enthusiastically by two groups, communist governments and American corporations." So what does this say about the culture of many of the organizations we work in today? I'm often not surprised when I hear from even very senior level executives in companies that potential changes planned for their organization (even for its direct betterment) will be hard and resisted by the culture.

Faced with the barrage of layoffs, people in our organizations are feeling bruised and slightly scared that they might be next in the RIF (reduction in force) line. This instills even less of a culture that wants

**A GALLUP STUDY OF FEEDBACK FROM A MILLION EMPLOYEES FROM 400 COMPANIES CONCLUDED THAT LESS THAN HALF OF THE WORKERS' POTENTIAL WAS BEING USED TO REALIZE THEIR EMPLOYERS' GOALS – IF YOUR COMPANY HAD A MACHINE OR OTHER ASSET THAT ONLY WORKED 40% OF THE TIME YOU WOULD DO SOMETHING ABOUT IT!**

to do anything differently and it is in this downtime that an organization faces two choices. It can rebuild and grow strong by doing something different, changing its former possibly complacent culture by removing the old guard and starting afresh. The other choice is to leave the organization's culture to its own devices, and instead, put all management attention on 'hard' developments of products, services and the like, but not pay any attention to organizational capability which is derived from the culture. Thus, culture is left to form on its own, which is how the majority of the organizations in the world choose to treat it, as if it were some overwhelming force like nature, that no-one could exercise control over. A

company may be fighting hard for its survival so we can appreciate the need for short term focus but even then, to really get the assets in your company performing at maximum, just as you would a piece of machinery or ensuring that you get full utilization of a technology investment, some attention must be paid to putting a culture in place that engenders the traits you want in your company, and removes old and unwanted behaviors. While we do not advocate that you try to micro-manage culture in your company, and also recognize that inside a company there are many different cultures at work in various business units and functions, we do believe that there are ways you can instill desired behaviors through a combination of leadership and learning, and weed out some elements.

When I hear about culture issues from executives I always relate a favorite anecdote about how organizational culture is formed. There are three monkeys standing in line in a cage, and above the third monkey there is a bunch of bananas. The third monkey naturally reaches for the sweet treats, and as he takes one, the other two monkeys are drenched with water. So they immediately start at the third monkey who is busily munching on his favorite food. But he doesn't realize what's happening, so he reaches for another banana and the other two are deluged. By the time the third monkey has eaten the bunch of bananas, the other two are quite annoyed. So in steps the scientist, and replaces the third monkey with a new monkey. He spies the bananas and as he stretches out his arm, he is attacked by the other two monkey. The new monkey doesn't quite understand why, but quickly stops going after the bananas. Some time passes and the scientist comes back and takes one of the drenched monkeys and replaces him. This new monkey again goes for the



bananas and the other two attack him. Then the scientist replaces the third of the original monkeys, with a new one. This new monkey is immediately attacked, and has no idea why. Even when the banana/water system is disabled, and another monkey introduced, he is attacked immediately. And if the scientist keeps repeating the experiment, the two monkeys in the cage attack the new ape being introduced, though nobody can remember why, its just the way it is...

Does this sound familiar in your organization, even though it's a little extreme? Do people find themselves doing things a certain way, because it's the way it's always been done? The connection

**WE ARE TALKING ABOUT CHANGING THE HEARTS AND MINDS OF INDIVIDUALS. AND THE HARDEST PART IS CHANGING HEARTS.**

between learning and leadership is so strong that it is often hard to 'unlearn' things which seem intrinsic behaviors in an organization. It is also true to say that people can get 'change fatigue', where upheaval because the norm. Business unit boundaries are redrawn as lines on the sand and so people await the next wave to wash them away. This type of perspective makes employees cling all the harder to things they 'know' are 'right', because those are things that have not changed. At

the end of the day, when we talk grandly about social dynamics and organizational culture, we are actually talking about changing the hearts and minds of individuals. And the hardest part is changing hearts. Minds are easy in some ways – there we can use logic, rationality and hard numbers to make our case. But we all know that however strong a case may be getting behaviors to really change is a big challenge. We all know that it makes sense to do things a certain way (like exercising every day or resisting the extra piece of dessert because your cholesterol will be better and in the long term you will be healthier), but its very hard to adopt these practices. That's because there is always a tradeoff between short term gratification and long term vision and there's always a tradeoff between believing about something in the future and using your energy to make a change or taking a risk, and the other extreme of just reverting to your 'hardwiring', not having to think about your response and staying under the radar.

But enough about the problems. All of us are aware of the issues involved, so let's look at some starting steps that can be implemented in your organization to begin the process of getting the culture you want.

### **Techniques for Culture Development**

- **Start Small, Act Big** – Begin change with yourself, become a leader in culture change even if you regard yourself as 'lower on the totem pole'. Work with the team around you and try to understand your culture as it stands currently. You could embark on a large exercise to identify the values of the organization, which is only valuable if your current culture is receptive and if the values you identify are not so generic as to be useless. Values are only helpful if they guide us when making choices in the ways that we deal with other people. For example, saying that your company values being ethical in business dealings is probably not that helpful in motivating your people. You would need to give examples of ethical practices (especially any 'grey' areas) and examples of internal dealings, as well as examples with third parties. When you have success stories to brag about how well the people in your team work together and what a great place your department is to work, have team members talk about it to 'virally' market it around the organization. No fanfares, just using the grapevine. You'll be amazed at how many people will contact you wanting to know how it was done.

- **Build Trust** – Trust begins with yourself and your team. Often times people trust the people they work most closely with, but distrust those that are in another department or function etc. If the environment around people is one of distrust, you will have a hard time motivating employees to give you anything but ‘standard’ responses. Ask yourself and your team about what percentage of time is spent dealing with political games, interpersonal/departmental rivalries and conflicts and hidden agendas. When you reach a number, think about how to reduce it through having open communication channels on dealing with criticism, complaints and competition.
- **Engender Collaboration** – The reason that most small teams trust each other is because they have an opportunity to work with people closely and to get to know one another. They feel comfortable enough to empathize and model how different people will react. Most people spend a lot of time thinking about how to do this with their boss, and not enough time on how to do this with their counterparts in other parts of the organization. Instead of trying to barter a culture of compromise (where you give up things), try to have a culture of collaboration which requires commitment from people to listen to each other fully. To work on collaboration skills, select projects and issues you are currently grappling with and brainstorm with a variety of people individually and in a group. Encourage them to hear one another out, and present the list of ideas gathered from a number of meetings and see how they compare. Also, be sure to celebrate success stories of collaboration across departments or inter-team. Small rewards go a long way in changing behaviors.
- **Inspire Creativity** – Necessity is the mother of invention so the old saying goes, and these are not idle words. Work on the challenges big and small and encourage creativity, by making people think of ideas they believe would never work in the current organization, either because the idea would be ridiculed, would be so out of the norm that it would be killed immediately or because it was tried before and failed. Sharing ideas out of the norm helps build trust and you could also work on how to run these kinds of brainstorming exercises in the future for collaboration. Don’t limit the flow of ideas, and tune them to be useful solutions to the issues you are facing.
- **Inspire Action** – There are many barriers to action. For example, at a personal level where too much time is spent on activities that are not critical to team goals, or at an organizational level from insufficient employee motivation, and even on a leadership level that fails to engage the hearts and minds of people. So how to inspire action that blasts through these barriers? Execute, execute, execute. Plan on implementing ideas, and execute on that plan. If you meet with failure, figure out why. Notice how long it takes to do the planning for the implementation of an idea, and work on making the process better. Commit to having action plans at the end of every meeting, and not just an action to plan another meeting. Understand the strengths of each team member and use them to their full potential – people doing what they do best is vital to execution.

These techniques will help you to start to create the culture you want in your organization, starting with your team and yourself. There are many business benefits of why having a culture of openness and empowerment will drive success for your company, but the real benefits will have to be discovered in your own company. Engage hearts and minds and you will reap the benefits.

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