

Culture

A Quick Guide

Part of our cultural change workshops

Why?

- Research over many years shows that company best able to change:
 - Do not use ‘off the shelf’ change initiatives
 - Adapt their change processes to suit the changing context and culture
 - Regularly evaluate change impact
 - Empower employees to change
 - Have senior management and line management buy in – they ‘walk the talk’ in a consistent way

Source: partly from Gratton et al, Lessons From the Leading Edge (in production)

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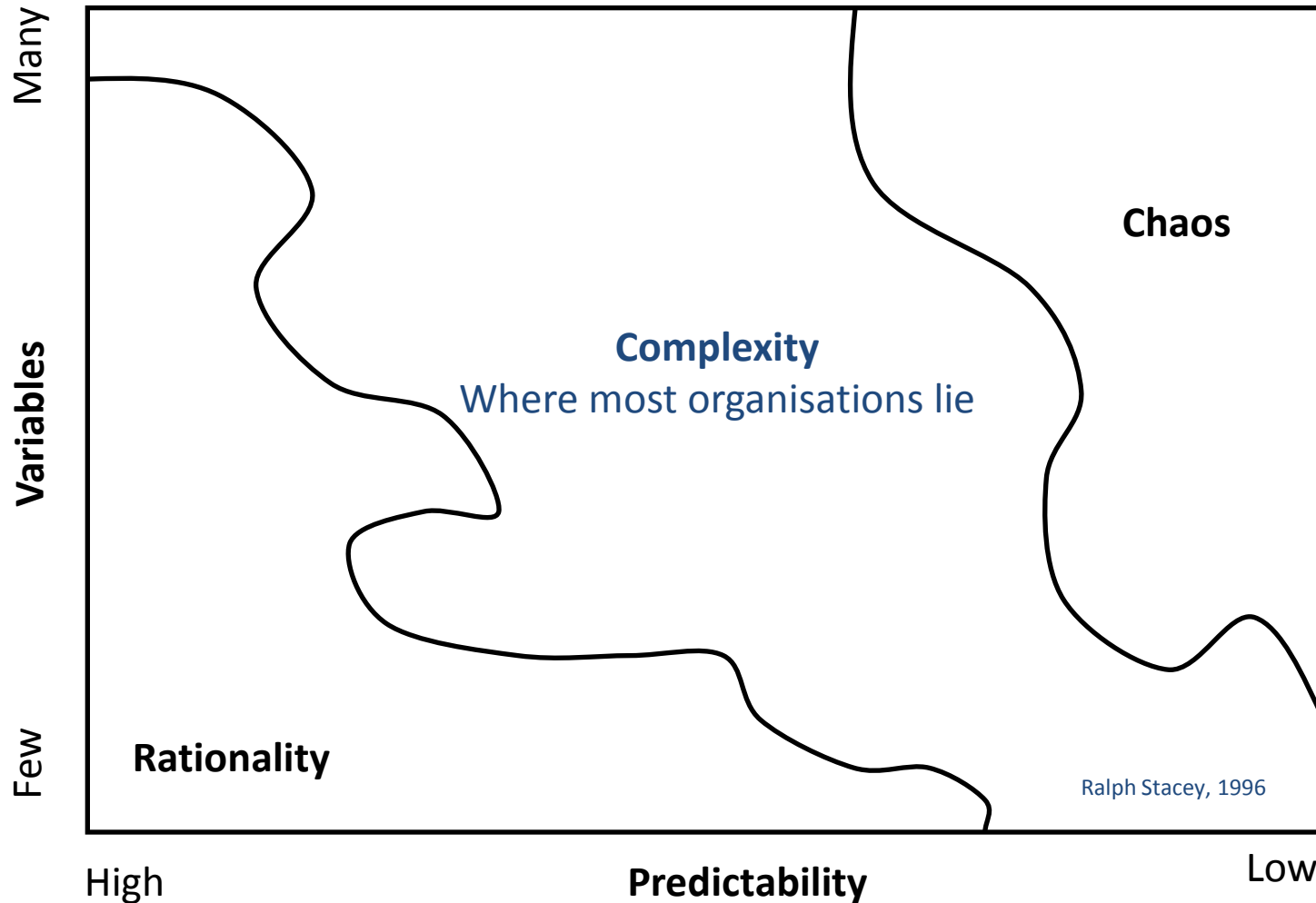


What is culture?



- Culture is defined as
 - The shared beliefs, values, attitudes, assumptions and behaviours of the organisation's members (Schein 1983, 1984, 1985)
 - 'The way we do things here'
 - 'How it feels to work here'
 - It is **not** the structures and systems, but it's influenced by them
- Expressed in several ways in the organisation
- Very little consensus on how it can be changed – it's a complex system
- We need to understand the system and how to manipulate it through different 'levers'
- Then, choose the correct levers and adjustments
- Reviewing and adapting regularly is critical as the culture moves. What worked in the 'old' culture could cause problems in the new.

The new organisational environment



Leadership implication

- Set few specifications – let others fill in the gaps
- Distribute control
- Generate sense of urgency
- Monitor and regulate the pace of change
- Set the organisational direction
- Explore contradictions, encourage different viewpoints
- Accept a certain level of internal conflict and difference
- Raise tough questions
- Encourage diversity
- Scan the external environment
- Encourage feedback
- Link professional networks
- Loosen or tighten networks
- Encourage learning

Olson & Eoyang (2001)

So how do we ever design interventions?

- The 80/20 rule has to apply in change. If you understand broadly the culture you're changing, you can broadly get the right mix of interventions
- We need to design interventions at the smallest grouping that makes sense
- Then, we need to focus on where there are problems
- We will look at business units/locations as the target for change in this session

Organisational Culture

- Greiner defined 4 culture types which are as follows:
 - Power
 - Role
 - Achievement
 - Support
- These culture types are very different and require us to think in different ways about how to implement change.
- These cultures apply to business units, locations and even entire organisations
- At a team level, other tools work much better

Exercise

- Read the instructions and complete the questionnaire

4 key culture types

Power

Based on: Rewards and punishments

Relies on: Control of resources by dominant group

At best: Strength, justice, paternalistic, benevolence, 'firm but fair', omnipotent leaders

At worst: Fear, abuse, self serving, intrigue

Role

Based on: Roles and procedures

Relies on: Rule of law, well designed bureaucracy

At best: Stability, rationality and justice, fairness within rules

At worst: Impersonal, inflexible, slow to change, overly bureaucratic

Achievement

Based on: "Doing their thing", "making a difference"

Relies on: Internal motivation through achievement and job satisfaction

At best: High energy, alignment & common vision, self-organising

At worst: Anarchic, burn-outs, wasteful

Support

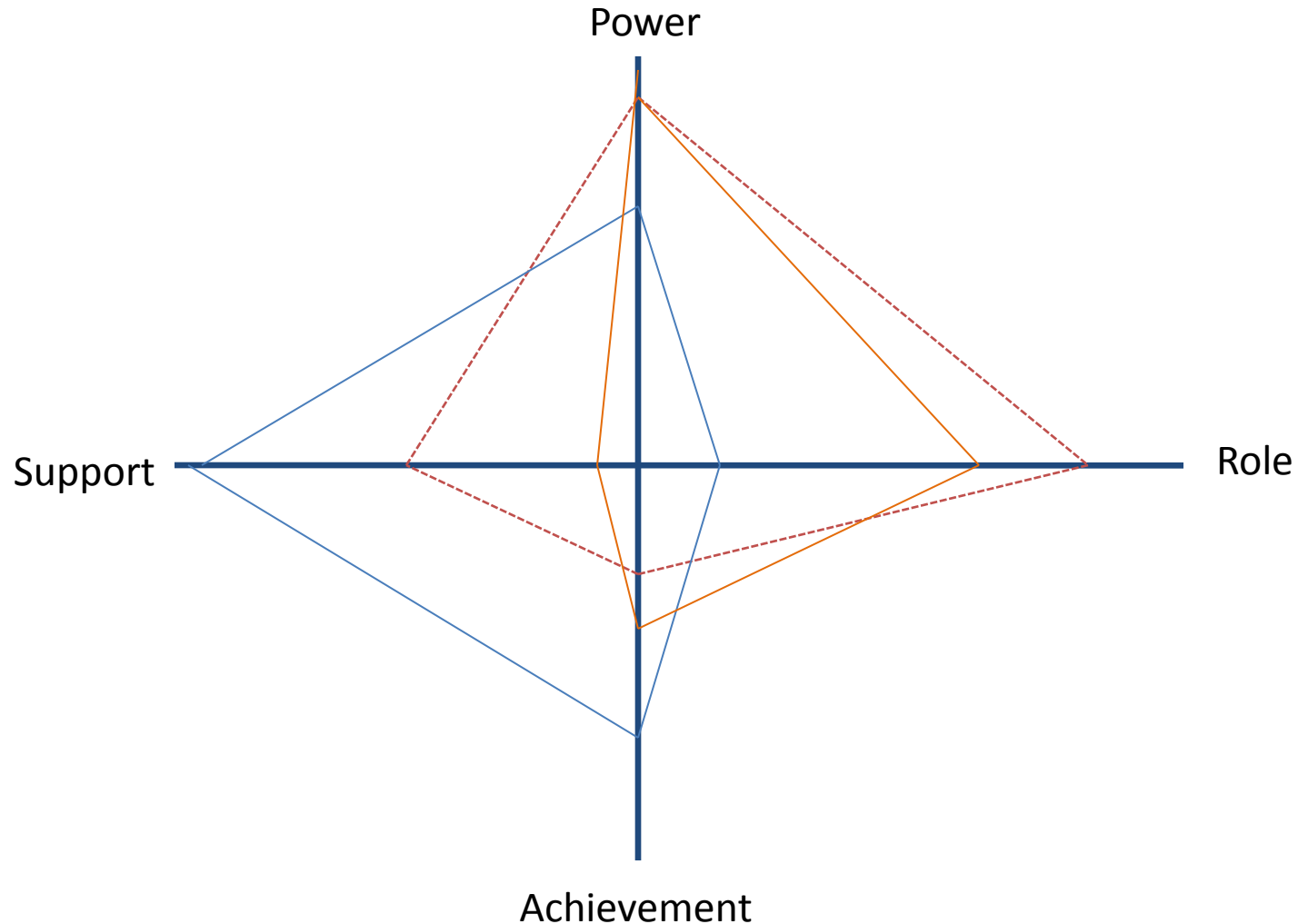
Based on: Mutuality and connection

Relies on: Commitment through belonging & common purpose

At best: Teamwork, attuned, responsive, cohesion, self maintaining

At worst: Avoids conflict and tough decisions

Every organisation is a blend



Features

Power

Decisions: Centralised, autocratic, taken by leader or dominant group

Communication: Direct to/from power centre, ignoring hierarchy

Control: Rewards and punishment

Motivation: Fear & power, instrumental, calculative

Values: Strength

Role

Decisions: Formal systems, procedural, taken by committee

Communication: Via hierarchical channels & systems

Controls: Rules and sanctions

Motivation: Compliance, instrumental, contractual

Values: Order & stability

Achievement

Decisions: Decentralised, meritocratic, taken by the experts

Communication: Informal, direct to those involved

Control: Common vision, training, work itself

Motivation: Job satisfaction, achievement

Values: Competence

Support

Decisions: Decentralised, consensual, participative

Communication: Informal, inclusive, open

Control: Common purpose, mutual adjustment

Motivation: Commitment, support, mutuality

Values: Cohesion

Power Implications

- Get the power brokers onside
 - Self interest, coercion, logic and reason etc
 - Based on individual factors
- Decision making will be centred around key stakeholders. If they are not present, no decision will be made
- Communication is 'hub and spoke', always via the power brokers, who will lend credibility
- Control over resources is the key value – knowledge, know-how, budgetary sign off
 - Power brokers will resist any threat to this
- All changes need to be backed by the key stakeholders if they are to be sustained
- Focus change on benefits and consequences

Role implications

- Key issue is doing things by the book, so decisions need to go through the right channels
- Ownership for change comes from it having been approved by the right committees
- Working the system is a key skill
- Meetings need to be attended to those with roles in the change to be discussed
- Decisions need to be made by people with the right role
- Communication is via proper channels
- Communication flows up and down channels – cross functional change is therefore a problem
- Rational persuasion is key to change – if the status quo is threatened, change will be resisted
- Changes need to be embedded in processes and procedures to be sustained
- The key value is compliance and so change focusing on role performance is likely to be successful

Achievement implications

- Key issue is 'doing the job better'.
- Decisions are based on technical merit and need to involve those affected by the change
- Ensure people whose domain of responsibility are consulted on any change
- Information flows are likely to follow informal networks and should be made directly to those affected
- Co-ordination and control come from a common vision of 'excellence' and 'doing a good job' Change will be judged on the basis of whether it enhances work performance and your expertise
- You will be judged on your perceived ability to enhance the person's performance
- Systems and procedures are respected only where they directly contribute to getting the job done
- Proposed changes will be judged in the same light

Support implications

- Key issue is inclusion and mutuality
- Participation and involvement are key to decision making
- Change needs to be consulted widely on and a broad ownership established for them to be accepted
- Proposed changes need to link to the shared sense of purpose
- Meetings should include as wide a representation as possible and should be facilitated
- Communicate often and widely, keeping everyone informed of what is happening, whether the change directly affects them or not
- Once people are convinced of the need for change, they will support it mutually
- People will relate to you providing they are convinced you share their ideals and are committed to achieving them
- People are motivated by being part of the greater whole and the support they have in contributing to them
- Systems and procedures are seen as 'necessary evils'
- Change will be supported if it is seen to be in line with the common purpose and not divisive or tension causing

Culture is changed through levers

- Culture is changed (+ and -) through the following types of levers
 - **Passage:** Induction programmes, training, branding
 - **Enhancement:** Awards, promotions, case studies
 - **Renewal:** Project teams, taskforces, consultants
 - **Integration:** Parties, uniforms, days out, teambuilding
 - **Conflict resolution:** Negotiating committees
 - **Degradation:** Sackings, demotion, passing over, limit scope of groups
 - **Sense making:** Rumours, stories, gossip, narrative, surveys
 - **Challenge:** Different behaviour, company performance, new ways to do things, redundancies
 - **Counter challenge:** Grumbling, complaints, absence from meetings, withdrawal
- An intervention is just the application of one or more levers

Exercise

- Match the intervention to the organisation type
- This will give you a feel for what interventions will work in your culture type and which won't
- Don't worry if you don't finish – the objective is to engage with the subject

- For more information, or to attend a change management course, please contact
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