

Shaping Culture: including the use of an Advanced Culture Survey

Theoretical Underpinning of the LeaderShape Approach to Shaping Culture

Climate vs Culture

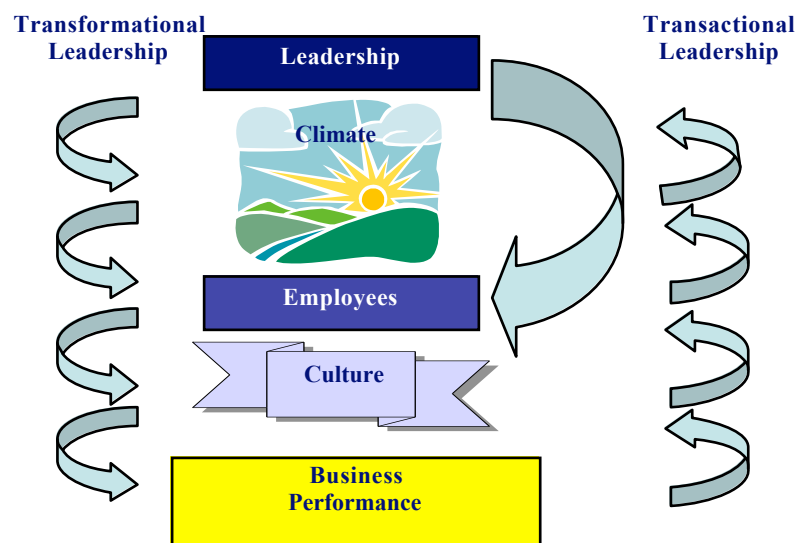
One of the most important roles of a leader (or leadership team) is to create and maintain the right culture in their organisation. This can happen at any level in the organisation and in any larger organisation there will be variations in different departments or divisions. While this is often necessary to meet the demands of the business, it is important for any successful company to have an overriding culture that permeates and functions in all parts of the organisation.

A leader's first step is to create the right climate. "Climate" can be defined as the environment created by the leadership and in a commercial business often as "*The environment created in a company to develop a performance enhancing culture*". This is often described by the leader as the intent of how the company and people in it should behave. The leadership style of the top leader often has an influence on this. It is about setting the scene and the style and communicating how the leaders wish things to be done. However, this is only the first step towards developing a Culture. Leaders need to be authentic and live what they say to stand any chance that the climate will develop into the desired culture.

Employees must be involved in developing and sustaining the culture for it to be successful. Changing the Culture occurs when people start behaving differently as a result of the change in climate.

There are three purposes for developing or changing the culture of an organisation

- To enjoy (Neuro-science now proves what we already knew. People work at their most effective when they are happy)
- To do things effectively
- To continuously improve the way things are done



© LeaderShape Ltd 2005

1: The

Fig
Relationship

between Leadership and Performance

Climate can be established fairly quickly but Culture takes much longer to change:

- It requires people to change for the way they are used to behave. We are all programmed to behave in the way we do and it requires developing new habits to change those ways
- It requires people to go outside the box, to take a risk, and to show initiative
- It requires people to change

The LeaderShape approach to this is based on the research of Harrison (1972), together with Ogbonna and Harris (2000) which when integrated provides a powerful relationship between leadership styles, types of culture and performance (See Fig 1).

This research demonstrates that Leaders usually do not have a direct effect on performance of an organisation (except when perhaps they are negotiating directly themselves with an external party) but the climate they set enables a performance enhancing culture to be developed that support all the people in the company to perform more effectively.

The 4 Dimensions of Culture

Based on the research studies referenced above together with the experience of LeaderShape the culture of an organisation is best defined along the four dimensions of Power, Structure, Achievement and Support.

Table 1, below, explains the key positive and negative aspects of these different cultural dimensions.

Orientation	Positive	Negative
Power	<ul style="list-style-type: none"> • Based on strength, justice, benevolence • Depends on acceptance of hierarchy and inequality between people as legitimate 	<ul style="list-style-type: none"> • Rule by fear with abuse for personal advantage • Can degenerate into intrigue, politics and back-stabbing
Structure	<ul style="list-style-type: none"> • Provides stability, justice and efficiency • Followers protected from arbitrary exercise of authority • People know what is expected and are trained to perform 	<ul style="list-style-type: none"> • Impersonal • Assumes people are not trusted • Controls stifle innovation • Takes time to make changes
Achievement	<ul style="list-style-type: none"> • People aligned to the vision / purpose of company • Self-supervision • High morale, teamwork, energy • Values larger than profit or growth • Failure seen as learning opportunity 	<ul style="list-style-type: none"> • Can lead to burn-out • Different visions creates confusion • Too little focus on planning • Can lead to arrogance, elitism, lack of cooperation
Support	<ul style="list-style-type: none"> • Foster warmth and caring • Lots of communication, help and understanding • Social time outside work • People are not judgemental about each other • Values harmony and avoids confrontation • People make the extra effort 	<ul style="list-style-type: none"> • Conflict avoidance means no solutions • Consensus leads to paralysis • Differences in capability swamped by “equal treatment” • Tough decisions avoided due to too much kindness • May support anti-management behaviours

Table 1: The positive and negative characteristics of the 4 dimensions of culture

Achievement and Power cultural traits (competitive and innovative) are *directly* linked with performance (either negative or positive) , whereas Supportive and Structural traits and *indirectly* linked.

Achieving Successful Culture Change

Numerous surveys show there is only a 20% chance of sustaining a real long-term culture change. The main requirements for success are:

- Remembering change happens at the EMOTIONAL rather than RATIONAL level
- Individuals must commit to change emotionally
- Managers must understand and facilitate the change involved

This requires the “ABO” COMMITMENT process.

Awareness: I am aware of the changes taking place.

Buy-In: I understand the personal implications of this change and believe it will benefit the organisation and me.

Ownership: I take personal responsibility for helping the company implement the change

The business experience of the LeaderShape faculty combined with research and client feedback suggests the following key responsibilities of Leaders and Individuals to successfully develop and sustain a Performance Enhancing Culture:

Leaders' Responsibilities

- Delegation
- Empowerment
- Support
- Provide the opportunity for everyone to maximise their potential
- Management sharing as much information as possible.
- Do-what-you-say-you-will-do-when-you-say-you-will-do-it.
- Involve everyone in a decision who will be involved in implementing the decision.
- Avoid a blame culture
- Communicate expectations of individual responsibilities

Individual's Responsibilities

- Taking personal responsibility
- Accepting accountability
- Being self-disciplined
- Pro-activity (initiative)

However, the Leaders must themselves be pro-active in demonstrating their commitment to responsibility if they expect individuals to commit to theirs.

The following are a few suggestions to ease the process:

- Acknowledge most people are resistant to change and identify those who are most willing to change.
- When successful, replace Procedures with Guidelines to increase empowerment and reduce bureaucracy.
- Continuous communication is vital to “oil the wheels” of culture change.
- The greatest single reason for failure is the leadership of the company thinking it is only for everyone else.

“The culture of an organisation is a reflection of the consciousness of its leaders.”

Richard Barrett – Building a Values Driven Organisation.

END:

APPENDIX 2

Details of the Culture Survey

A key part of the process of developing the desired culture is to first identify the current ACTUAL culture as opined by the various areas of the company and also to ascertain views across the organisation as to the IDEAL culture.

This data is then collated and produced in a report for the client.

LeaderShape offers a powerful proprietary Culture Survey on-line tool which provides a comparison between Actual and Ideal cultures as assessed by different parts of the organisation along the four dimensions of Power, Structure, Achievement and Support as explained in APPENDIX 1.

The On-line Survey

An on-line survey of a sample of employees (Raters) taken diagonally throughout a company provides the data to characterise the current culture of an organisation and what the employees believe would be the ideal culture. Selected pages from the On-line Survey including example questions follow.

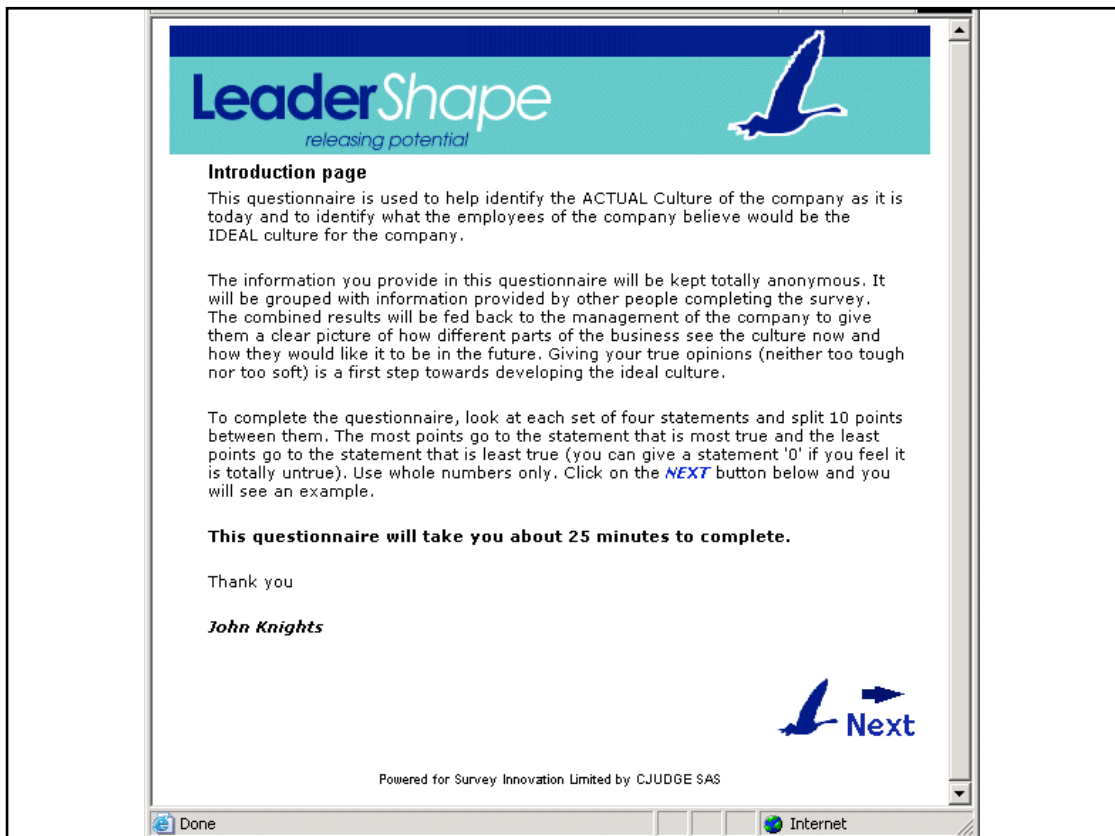


Fig 1: Introduction Page explaining the purpose, how the data is handled, how the data will be used and how to complete the questionnaire..

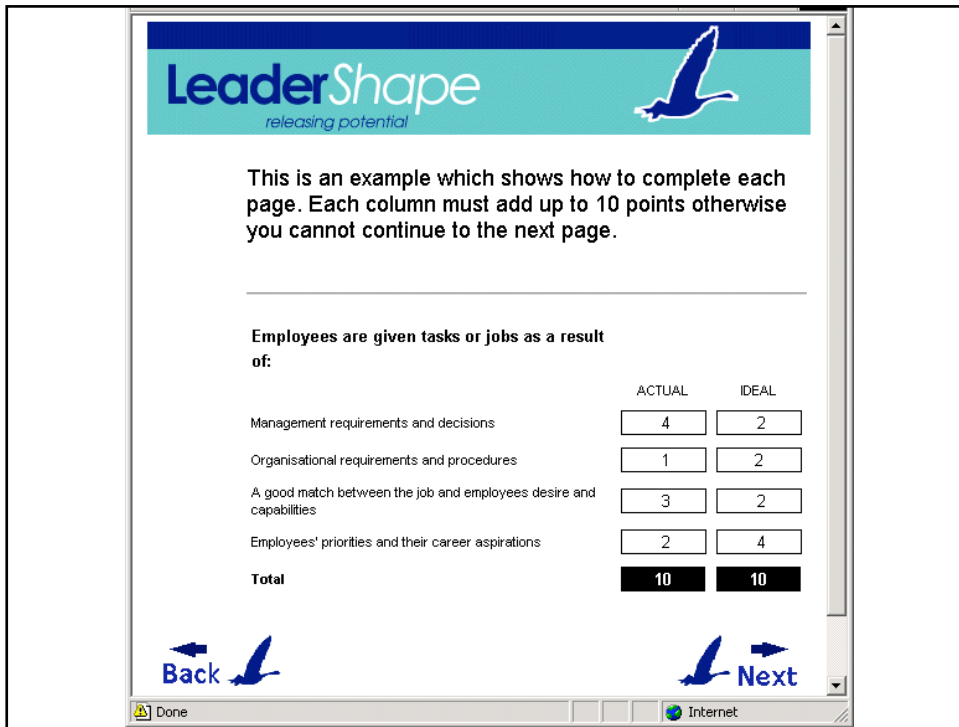


Fig 2: First, a sample question which explains how to complete all the questions

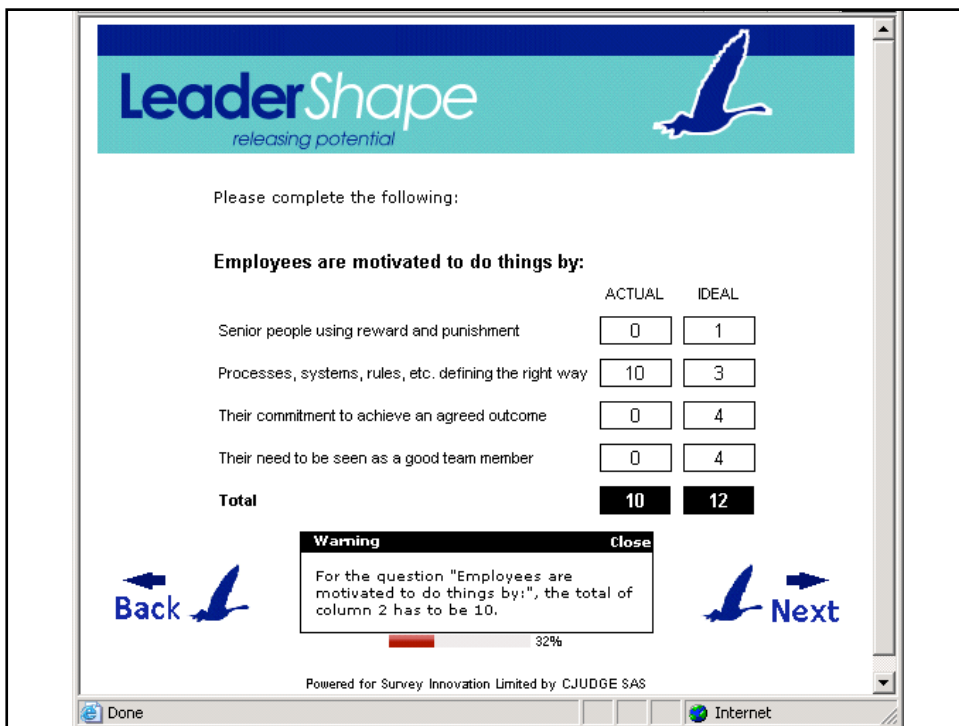


Fig 3: If the question is not completed correctly, a warning box explains what the Rater needs to do to complete the question and continue. There are a total of 15 groups of 4 questions. Each group of questions is shown on a separate page.



Fig 4: At the end of the survey, the Rater is offered the chance to review the answers given.

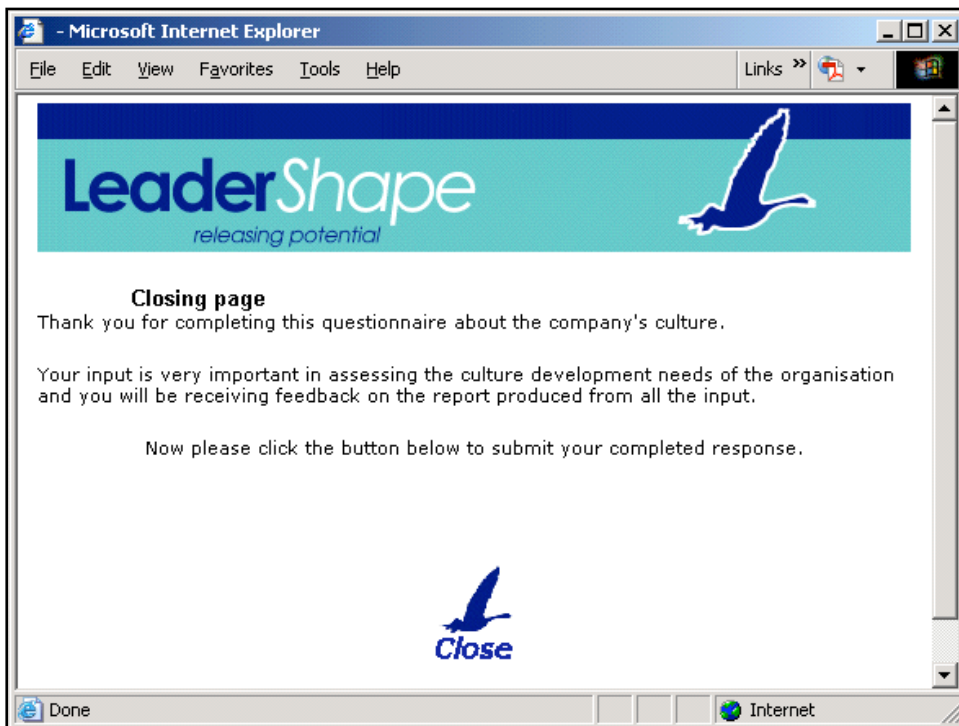


Fig 5: This last page is to confirm completion and closure of the survey

Defining the Output (using a sample example)

Anonymised data below from an audit conducted with a LeaderShape client demonstrates what we typically find, that is actual cultures usually differ by level and function within a company but ideally, all would wish to be in general alignment.

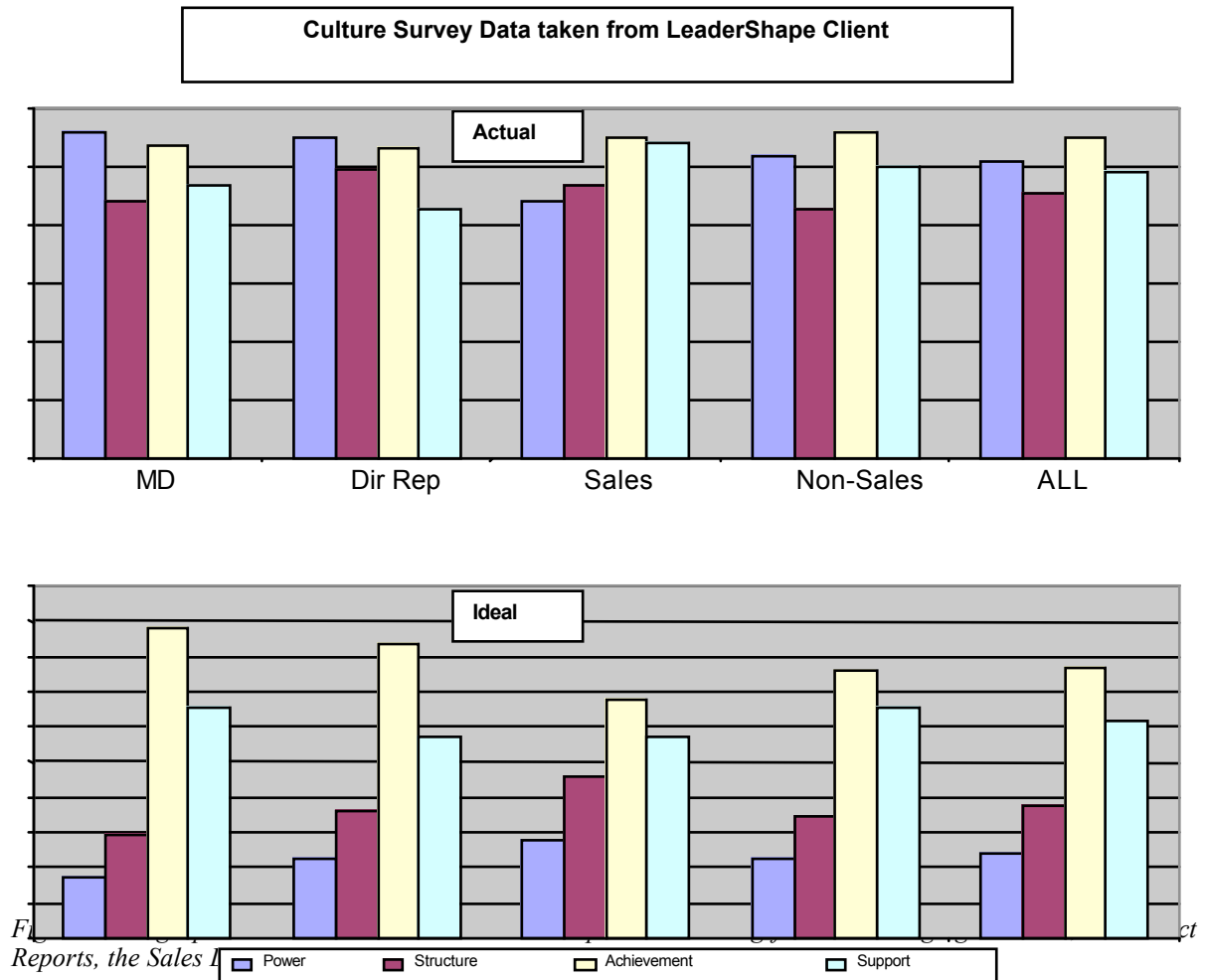


Fig 6: shows a difference in priority of the various dimensions of culture between the different groups when measuring the Actual culture although all dimensions of culture are fairly equally dominant in this organisation. When we look at the Ideal culture we can see a high level of commonality between groups.

Fig 7: shows the difference between Actual and Ideal for the various dimensions. There is a desire to increase the Achievement and Support dimensions and reduce the Power and Structure dimensions. This provided common ground for all sections of the company to work towards.

TOTAL: ACTUAL vs. IDEAL

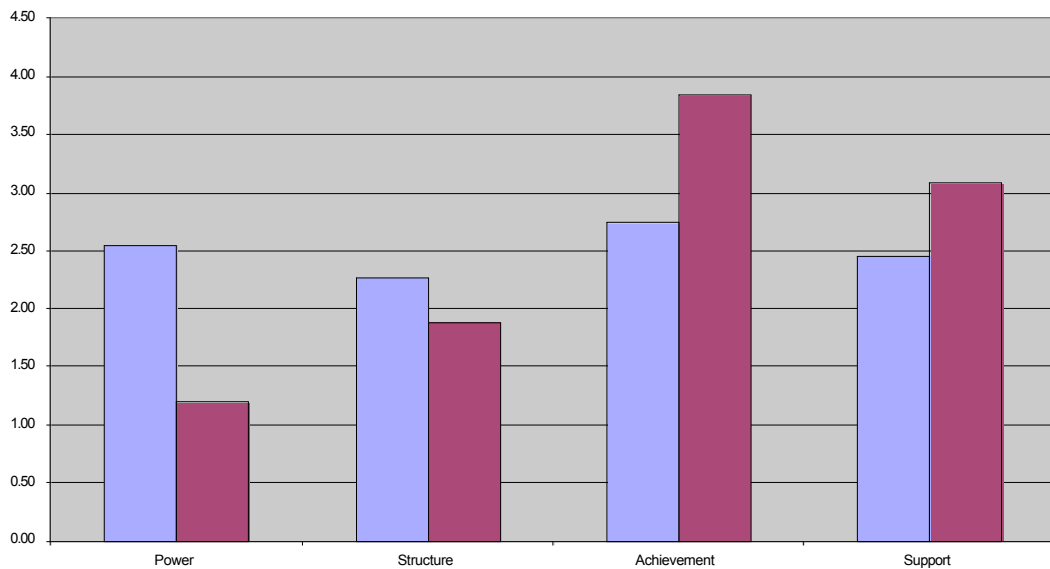


Fig 7: This graph shows the overall difference between Actual and Ideal.

In general data can be further broken down to look at cultural subsets within an organisation by function or geographical area for example. It can also identify whether the perception of culture at senior levels is mirrored throughout other the organisation.

Looking at the granular responses to the questions, the following was identified for the company as a whole although it differed from group to group:

Major Behaviours to Increase (in order of priority):

1. Different work groups co-operate for common goals & cross boundaries to achieve results
2. Conflicts are usually solved by an approach that protects individuals and relationships
3. One person has legitimate authority over another when using greater competence & knowledge to support the other
4. The mark of a good employee is to be self motivated, competent, willing to challenge to get a good result
5. Solutions come about through the people involved making a decision
6. Different work groups are friendly and respond to requests for help
7. Conflicts are usually solved by discussions aimed at win/win solutions

Major Behaviours to Decrease (in order of priority):

1. Different work groups work on their own unless led to work together by convenience or decree. (-2.00)
2. Conflicts are usually solved by interventions by higher authorities. (-2.35)
3. People are mainly motivated by “carrot and stick” or personal loyalty to manager (-1.98)
4. Successful people in my organisation are those who have good relations with their superiors and are politically astute
5. Faced with procedures or rules that get in the way, employees break them if they think they can get away with it
6. Different work groups compete, only helping each other when it is to their advantage
7. Employees are give tasks or jobs as a result of management requirements and decisions

This provided a rich source of information to design a programme that would lead to a change in these behaviours.

The Way Forward

LeaderShape takes the output data, looking at the responses to the granular questions and identifies corresponding behaviours that need to be reinforced, developed or changed. This can then form the framework for a programme that will enable the development of those habits that will be reflected in the desired culture.

The data and conclusions are collated in an Output Report which is set to designated senior management. This is followed by one or more workshops to the senior management which follow these steps:

- Presentation on Shaping Culture **
- Presenting the Headlines of the Output Report
- Making sure the Implications are understood
- Confirming a profile of the Desired Culture
- Developing a strategy and course of action to create the agreed sustainable change to the culture of the organisation

**** *Shaping Culture – Creating a Performance Enhancing Culture***

Leadership creates the working environment in a company (Climate is the common term used) which enables the development of a performance enhancing culture. The right Culture (How we do and improve things around here!) is required to produce significantly improved performance. We explain the relationship between leadership, climate and culture and the characteristics of a performance enhancing culture. Participants consider the role of the leader and the individual in developing a performance enhancing culture.

END: