Culture for High Performance

The items below have been identified as areas where a culture change might bring about improved organizational effectiveness. The purpose here is to present a framework that can be used to raise awareness and encourage dialogue across the organization on this important subject. Any shift to a high performance culture can incorporate a planned and/or emergent approach to organizational change that, in either case, would include these critical action steps for moving forward:

1. Identify the one or two cultural attributes that are most essential for long-term success and focus attention on them. As progress is made in that area, attention can be turned to other cultural attributes. This is not to minimize the necessity of being successful in all areas, but a recognition that employees cannot cope with the stress and confusion of too many changes at one time.
2. Communicate the vision of the desired culture in all available communication mediums including the informal channels.
3. Establish structural enablers of behavior consistent with the desired culture. At the same time identify and remove barriers that are preventing such behavior from occurring.
4. Establish structural barriers for behaviors that are associated with the undesirable culture.
5. Assess progress toward the desired culture and refine the above actions.

Recognition of culture as an organizational opportunity
The following observations are being offered as a dialogue starter.

Attitude toward change and **risk** is often seen as the major barrier for change to be initiated or successfully implemented. Comfort with the status quo too often extends toward passive-aggressive attitudes to any idea lacking a full analysis that documents a high ROI that can be attained with limited risk. Rewards too often go to those who identify risks associated with new ideas and not to those initiating the ideas. This is not to say that all change is prevented since many changes are essential for competitive positioning and are integrated into the capital budgeting process. The change that is often overlooked is that associated with a true desire for high achievement that drives the search for continuous improvement and identification of best practices employed elsewhere. Without encouragement of such change initiation, the current culture allows numerous ideas to die for lack of support and warnings not to rock the boat. Or the new ideas are burdened down with additional study as those identifying potential risks are rewarded. In addition to suppressing bottom-up ideas, the organization culture often encourages a passive-aggressive attitude toward top-down initiatives since there is little confidence that the change effort will be sustained. Progress toward changing attitudes can be tracked with various cultural assessment tools.

Global vs. local orientation. Further integration will require an employee base that thinks of themselves as "Company X employees" and understand their role within the larger entity. While a communication and training program might assist some employees in making this transition, it is expected that this is a longer term initiative that will require careful recruitment (brochure & video) and selection (interview guide) of new hires that fit the desired mold. Examples of how this culture might be nurtured include:

- Set clear expectations for new hires that their ultimate career goal is likely to include one or more job relocations.
- Cross-organization workforce planning for high potentials where employee development might include a rotational assignment at a foreign location. These lateral assignments would then set up a promotional assignment when rotated back.
- Cross-organization recruiting where different locations assist in recruiting college graduates for other locations. This requires relocation at a time when lifestyle changes are likely to favor such a move, while at the same time setting the expectation that future relocations are also likely for career development.

Questions and statements of agreement to track progress in this area include:

- "I am willing to accept a rotational assignment to _____ or another country as part of my career path."
- "I can communicate effectively in _____ language."
- "I am aware of the underlying drivers of cultural differences and how I need to alter my communication style and approach to organizational decision-making."

Closely associated with a global orientation are **cultural differences**. Many of these differences are centered on consensus building versus expeditious achievement from individual effort, which is tied to the decision-making issue addressed below. Other aspects of consensus building are related to dealing with conflict. Someone seeking to avoid direct conflict is likely to favor indirect communication mediums, which is seen as rude by a culture that favors airing differences face-to-face. A further cultural difference lies in time perception, not only in its importance to the culture, but the degree to which scenario planning is top-of-mind in how work is approached. These differences are neither right nor wrong since different situations may benefit from different cultural approaches. However, problems do occur when such differences are in play, but not recognized by either party. This creates a potential for misunderstandings that are not often articulated, but left to simmer as hurt feelings and erosion of trust. While beneficial, a short workshop is insufficient to fully recognize and internalize these differences. Such understanding only arises through dialogue and reflection, which can be encouraged through consciously cultivating narrative, such as story telling. Without the use of specific examples, it is difficult to break through established paradigms that appear to support the situation when examined on the surface. Progress can be tracked with various cultural assessment tools.

Attitude toward **employee empowerment**. Managers must believe the best in people and that people can change if encouraged to do so and given the necessary support. This is fundamental to employee development. Aspects of **two-way trust** are also involved.

This is moving toward more employee and supervisor control over business processes without tight controls from management or corporate services. As such, cultural attributes of **micro-managing** and **bureaucracy** come into play when **control** is a dominant feature in the culture. Questions and statements of agreement to track progress in this area include:

- "Sufficient effort is made to get the opinions and thinking of people who work here."
- "I am given a real opportunity to improve my skills."
- "How satisfied are you with your involvement in decisions that affect your work?"
- "I have the authority to make decisions that improve the quality of my work."
- "My manager encourages me to take appropriate action without waiting for approval or review."

Increased **openness (transparency)** of organizational processes requires greater cross-organization discussion of the information and constraints that are driving decisions. This includes organizational integrity to openly explain the rationale for actions taken or not taken. Inconsistencies would be exceptions that are understood by everyone involved. To a large extent this cultural attribute needs to build on a foundation of employee empowerment and trust. Questions and statements of agreement to track progress in this area include:

- "How satisfied are you with the information you receive from management on what's going on in the company?"
- "I receive ongoing feedback that helps me improve my performance."
- "My department has a climate in which diverse perspectives are valued."
- "Company policies are applied consistently across the organization."
- "I feel I understand the reasoning behind the decisions made."

Diversity needs to go beyond racial and gender issues and be understood as diversity of mental models. While not to diminish the importance of regulatory compliance, diversity needs to be seen as a human development issue that is the result of prior cultural experiences. Developing within different ethnic and gender backgrounds greatly influences not only past experiences, but attitudes toward others. But developmental pressures come from many more areas than those covered by government regulations. Virtually every experience somehow shapes each person as an individual thereby creating a unique reservoir of knowledge and opinions that might be applied to common business issues. The need for different ways of thinking is also related to the innovation required for meeting business challenges. In ecosystems, the species that are unable to adapt to changing conditions are doomed to extinction. Those species that are adaptable have the ability to call upon latent differences that were not important earlier, but are extremely important in the new environment. Organization strategists therefore see the need to nurture diverse ways of thinking about business issues and how they are to be approached so that a wide range of ideas are consistently being generated. Without specific action toward gaining a diversity of mental models, the organization is doomed to inbred thinking that is commonly associated with "yes men." The key problem with moving

toward a culture based on diverse mental models is that there are already two conflicting cultures in this space. One culture makes choices based upon an economically rational model of past achievement extrapolated into the future. This approach to decision-making leans toward similar mental models that both agree with the determination of economic value and how that value is to be derived in implementation. On the other hand, others are more prone to place a value on existing relationships and consensus among those involved. However, such relationships are likely to be influenced by social compatibility, which runs counter to promoting diversity. In both cases, special effort is necessary to purposefully seek others with different mental outlooks and try to understand the value in different points of view. Questions and statements of agreement to track progress in this area can be found in diversity and organizational learning surveys as well as general organizational culture assessments.

Adoption of more rigorous **technical analysis** to support decision-making. One management style values industry knowledge and the quick application of that knowledge in decision-making, which was reflected in a more intuitive approach to business problems. Another approaches decision-making more methodically with an analytical foundation being used to obtain consensus prior to taking action. This change will require not only an appreciation for alternate decision making processes, but the addition of new skills in analytical techniques.

Customer focus that extends beyond the external customer to also include the wide range of internal customers that exist in cross-organization business relationships. While a strong customer focus exists toward external customers, this attitude has often remained outward directed and not fully incorporated into the numerous ways internal business processes might be improved.

Action plan for moving forward –
the 1st step to a high performance culture
A path forward includes initiating organization dialogue on how culture might assist in being successful in adapting to a changing business environment as well as holding the company back in other areas. The dialogue might be facilitated with a cross-organization team that consolidates ideas and serves as the flywheel for dialogues within the local organization of each team member. The outcome from this dialogue would be the shared vision of what the culture might be and how different aspects of culture are interconnected. A cultural assessment might also be conducted to validate the observations expressed above and serve as dialogue material. However, such an assessment would be less important than what might be possible from the awareness that comes from talking about the issue so that a common understanding of culture and its impact is understood across the organization.