

LEADING CULTURE CHANGE...FACT OR FANTASY?

What is this thing called culture? How hard is it to turn around? Can you re-engineer a culture like a piece of machinery? Why is culture so hard to grasp and why should leaders bother with changing it?

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1. Why bother with Culture?



So often in strategic planning or team-building workshops I facilitate, group-talk turns to vision and direction – where we’re going, what we’re doing – and what’s holding us back. Soon after, someone comes up with the much-repeated management mantra: “*We need to change the culture*”. But as many who have tried will tell you, culture is notoriously difficult to change. Culture wins out time and again over attempts to change it.

In frustration, some toss in the towel, dismissing culture as one of those soft-issues that’s too fluffy and ephemeral to manage. Other times, it gets discounted as a trivial side-show or distraction not deserving of serious attention. *Both of these views are wrong*. Most leaders are acutely aware how constructive cultures help people perform and equally aware how dislocated ones breed under-performance. Here are some benefits of bothering to pay attention to culture:



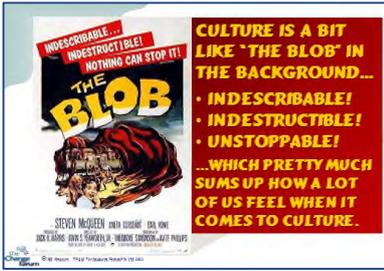
- Culture is also often the hidden factor in change success. For instance, change strategies that work in one organisation can fall flat in another – and the variable is often culture.
- Culture determines what’s possible or not in an organisation. It can limit staff initiative or liberate them to do great things.
- Exceptional cultures spark higher levels of commitment, innovation, ideas and performance.
- Great cultures are both talent-attractors and retainers. Everyone wants to come and work there – and they want to stay.
- Exceptional cultures engage people and create energy. While most of us want to feel engaged at work, disengagement is epidemic, with huge indirect losses in productivity.
- Exceptional cultures engender cohesion. They bring people together, help them get along well, collaborate with each other, and stick together.
- But the biggest reason why we need to bother with culture is that culture drives behaviour... *and all leaders are centrally concerned with that.*

It’s for these types of reasons that organisational culture matters.

2. Culture – the “Blob” in the background!

It’s often said leaders create the culture – whether that’s true or not, leaders certainly have a job monitoring, managing and trying to re-shape it from time to time. But before you can do that, you need to understand what culture is.

So before we go any further, let’s get a handle on *what makes up culture...*



Culture seems so intangible, elusive and hard to grasp that in our *Leading Change* clinics, I sometimes satirise it as being a bit like “*The Blob*” – that so-bad-it’s-good, pop-corn spilling 1958 horror movie. Here’s the original movie poster. It reads “*The Blob – Indescribable; Indestructible; Nothing can stop it!*”, which pretty much sums up how a lot of us feel about some of the horrifying, all-devouring work cultures we encounter!

Of course, when it comes to culture there are bad blobs and good blobs. The point of this movie metaphor is that culture, like *The Blob*, tends to take on a life of its own. No one person embodies all of it, but the culture embodies all of us. It takes us over and absorbs us into it. Once the blob absorbs us (it’s called ‘acculturation’ – but who wants to get technical) we start acting unconsciously under its malign and insidious influence. It’s ingrained, automatic, intangible and hard to see – and again, like *The Blob*, it will do anything to protect itself and survive – even if it means killing off its own host! We’ll resist changing those familiar, well-worn and comfortable habits, even if they’re not all that good for us, or for the ultimate survival of the organisation.

3. What makes up Culture?



Culture is often commonly described as “*the way we do things around here*”. But it’s much more than that. Here’s one I like: “*Culture is the sum total of everything that has been going on and continues to be ongoing in an organisation.*” At least this gets at the all-encompassing nature of culture.

There’s also the anthropological, tribal angle – ‘*a group’s culture comprises the things an individual has to know, do, think and say in order to be accepted as part of that group*’. And that’s true – you’re most often either in, or out, of a culture. Schein says culture is “*the pattern of tacit assumptions developed and shared by a group. It’s the cryptic encoding that determines how people co-exist, how they respond in various circumstances and how they make sense of what happens and what is done.*” Dan Brown fans will be excited at this point – it’s starting to sound sinisterly like something from the *Da Vinci* code...

Of course none of these general definitions really get at the components that make up a culture. As Schein says: “*It is dangerous to oversimplify this concept because of the illusion that one is managing culture when one is, in fact, managing only a manifestation of it*”. We mistake its outward signs like espoused values, climate, rites and rituals for the culture itself, that exists at much more complex, subterranean levels.

In this sense, changing culture is a bit like shadow-boxing in a mirror maze.

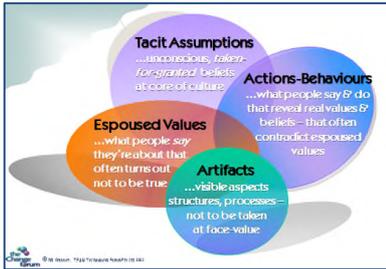
4. What Patterns Count?



The nature of culture can become a bit of a philosophical phantom – so let’s see if we can distil some simple sense from all this...

- Culture is made up of patterns – of thinking, feeling, responding etc
- These patterns shape our perspectives – the meaning we put on things
- These in turn drive our behaviour and responses...and...
- A lot of this happens below the level of our conscious awareness

So *what are the patterns that count?* I often describe culture as a ‘cloth’ composed of many threads – myriad interplays between numerous, often unnoticeable strands, including patterns of...



1. Thinking: Prevailing values, beliefs, assumptions and mental models a team or an entire workplace hold collectively that often operate unconsciously and define in a basic 'taken for granted' way, how we see the organisation, how we see ourselves and how we see each other. Ed Schein emphasises these thinking or cognitive patterns as being most seminal. He digs down to unearth how culture exists at several 'levels', the most important being:

- Artefacts:** visible aspects you shouldn't necessarily take at face-value...
- Espoused Values:** what people say they're about (often not the case)
- Actions & Behaviours:** what people say & do that reveal real values
- Shared Tacit Assumptions:** unconscious, taken-for-granted beliefs that are the source of real cultural values and actions.

Signs of Toxic Workplaces

- People drag themselves to work – more despondency
- More defensive, irritable, cutting, reactive or cynical
- Flare-ups, caustic remarks, out-of-control behaviour
- Leaders more directive and demanding
- Aggression used to get results – less patience
- People more stressed and frustrated
- Relationships more strained, distrusting
- Look out for yourself mentality common
- Blaming, back-biting, sniping and snitching
- Competition, withdrawal and guardtrenches

2. Feelings: Underlying emotions people most commonly experience that flow through a culture, affecting how we treat each other, how we behave, how we think, how we cope with change, challenges and stress and how satisfied, productive and happy we are at work. Emotions are often left out of the cultural equation... But toxic work cultures seem to be on the rise world-wide. Over time, they dispirit, distract, disrupt and can lead to real physical and mental deterioration.

How do you know if your workplace culture is turning toxic? Here's a few warning signals... A rule of thumb? If you notice more than 3 of these signals consistently and widely appearing within the same time-span, you probably have toxic leaks in your culture.

What words describe your culture?

Positive/Negative	Fun/Too serious	Accepting/Excluding	Energised/Lethargic
Fair/Unfair	Listened/Ignored	Collaborative/Selfish	Harmless/Unfair
Happy/Crazy	Involved/Removed	Clear Vision/Directionless	Constructive/Confronted
Focused/Frustrating	Exciting/Routine	Valued/Under-valued	Caring/Unconcerned
Trusting/Distrusting	Understand/Will Not	Productive/Unproductive	Supportive/Unsupportive
Innovative/Conventional	Creative/Uncreative	Approachable/Intimidating	Collaborative/Selfish
Committed/Detached	Connective/Isolated	Inclusive/Exclusive	Satisfying/Dissatisfying
Open/Closed	Direct/Indirect	Forgiving/Blaming	Inspiring/Boring
Manipulative/Candid	Polite/Rude	Motivated/Apathetic	Encouraged/Suppressed
Confidence/Insecurity	Welcoming/Rejecting	Exhilarating/Dependent	Energised/Stressed
Capable/Under-abled	Resourceful/Helpless	Healthy/Toxic	Change-ready/Resistant
Safe/Unsafe	Welcoming/Rejecting	Warm/Cold	Social/Isocial

In culture scans we run, we always try to include a few questions that get at the emotional undercurrents in a culture. One of these is simply to ask people to circle from a list of emotions words, words that most resonate with them as feelings they experience frequently in this culture – good and not-so-good. It's always a revealing exercise that helps people characterise their emotional culture – and then try to identify what aspects of the current culture seem to contribute to these feelings patterns.

New leaders coming into existing cultures face excruciating choices...

Do you:

1. **Dismantle** the existing culture?
2. **Superimpose** your own beliefs on it?
3. **Give in to it** and just improve inside it?
4. **Evolve it** – adapt enough to work out what's going on then gradually re-shape?

3. Leadership: The style and approach of leaders to how they lead others in a team or workplace, what behaviours they model and reinforce, how this resonates or not with the people they lead, and how their words and actions are perceived by others. It's often said that leaders create the culture – and that's true as far as it goes – especially if you're a founding leader moving in on the bottom floor of a culture. If your style and management processes seemed to help the organisation work, they're likely to be enshrined as part of the cultural identity.

On the other hand, if you're moving into an already well-established culture, your performance and impact will be influenced by what kind of leadership style has been accepted or rejected in the past...When new leaders come into an existing culture, they're faced with excruciating choices:

- Destroy** the existing culture by getting rid of the key culture carriers
- Fight it** by attempting to impose their own beliefs, values and assumptions
- Give in** to the existing culture by abandoning their own beliefs and values
- Evolve it** – adapt enough to figure what's going on, then gradually re-shape

4. Tradition: the web of stories, histories, myths, legends, slogans, creeds, customs, rituals, rites, ceremonies, celebrations, heroes, villains and remembered actions that continually reinforce the prevailing culture and deflect efforts to change it. Leaders are often not aware of treading on cultural toes and often surprised by the strong reaction when they do...

One reason is they've convinced themselves of the rational reasons for this change and can't imagine that people will find them anything but sensible and progressive.

Patterns of responsiveness...

Most strategy is deeply coloured by culture...

- Assumptions about mission, identity & strategy
- About what to do & the best way to do it
- About what works best and what wins
- About how best to respond to challenges and changes in our environment
- About what changes we accept or reject
- And what's worthwhile or seen as 'real work'

5. Responsiveness: The way people engage with and respond to change in their external environment; how reactive or pro-active and how rigid or adaptive the organisation is, in navigating political, environment, social and 'futures' contexts. Leaders should be concerned with culture because it determines our strategy, goals and modes of operating.

Culture can be a constraint on strategy – if an organisation clings rigidly to an outmoded set of cultural beliefs that prevent new responses to new environments emerging. Ironically, the things that made a culture successful can also contain the seeds of it's demise if it's not careful.

6. Conversation: These probably belong to what we call artefacts of culture – but conversations give us a handle on culture – they're the medium through which we create it and connect with it. In many ways, while we think *we own* what we say, most of us are just talking from the dominant perspectives of our culture. Often, it's the culture that owns what we say and we act as mere mouthpieces...

Conversations includes patterns like: the nature, quality, frequency and direction of conversations people in a team or organisation have; who speaks to whom; how open we are in conversations; how we handle disagreements; what topics can be discussed and which are 'undiscussable'.

Patterns of behavior...

Fair-minded Treat others the way you want to be treated Politeness
 Connecting with others Putting Customers First
 Look out for each other Empathy Asking
 Courtesy Respect Consideration
 Volunteering to Help
 Caring

Above the line Behaviours We want to encourage more of this

Follow the line We won't stand for this anymore

Back-stabbing
 Backstabbing
 Smiling Gossip Sneering
 Aggressive tone Abruptness Rude
 Not offering to help Looking after yourself
 Intimidating Bullying Threatening Yelling Dismissiveness
 Criticising others Disapproving Spreading ugly stories Ignoring

7. Behaving: prevailing behavioural 'rules' resident in a workplace that govern the way people interact with each other. These rules aren't usually explicitly stated but they're implicitly, unconsciously followed anyway.

One process for changing culture is to try and identify *above-and-below-the line behaviours* – behaviours we will and won't stand for. These often result in developing a behaviour charter or code. Developing a team behaviour charter is easy – and it won't change anything by itself. Organisations are stacked with codes people blithely ignore... and slowly everything reverts back to the way it was. There's lots of reasons codes and charters fail to have the effect we hope for, but some of the main ones are:

What's a Team Behaviour Charter?

- Constructive behaviours
- Destructive behaviours
- Replacement behaviours

- Not just do's & don't's
- Explicit not vague
- Habits hard to break
- Self-awareness ceiling
- Learning new patterns
- Participative process
- Commitment from all

- Many are full of injunctions – random lists of Do's and Don'ts (eg. don't blame or gossip; respect others) that have little impact on behaviour because they're just too vague.
- We assume people know how to behave (eg. act respectfully) and don't give specific enough examples of behaviour to follow.
- We assume people can simply stop doing long-ingrained habits of behaviour. But these are hard to change.
- While we tell people DO or DON'T, what's really needed is for them to learn new, replacement patterns of behaving that can become the new habit. And these have to be practised a lot.
- Self-awareness is a perennial problem. People just can't see they behave badly – it's invisible to them.

All this may seem like I'm saying don't bother with charters or codes. Not so. Agreeing on ways we want to be treated and how we'll treat others, can act as a 'first line of defence' against dysfunctionality. What I am saying is behaviour charters need to be carefully thought through, framed in positive ways, be specific and clear not vague and general, and be supported by giving people the self-awareness skills to learn new ways of behaving and get at the underlying thinking and emotional patterns.

So what's the bottom-line on change and culture?

As long as you get most of the same outcomes, on balance it's easier to change your change to suit the culture if you can, rather than change the culture to suit your change. Often though, culture itself is the major block to change success or survival so you have to tackle it. So *let's look at some traps to avoid...*

5. The Challenges of Culture Change



The first difficulty in changing culture is finding it. No-one objectively observes culture because we see it through the distorted prism of our own cultural preconceptions and prejudices. Culture is deep – it is more likely to control you than you control the culture. You have as much chance generally of seeing your culture as fish do seeing water. It's a tough area to get clarity on, since we're all deeply immersed in it, and it's hard to look at something from the outside, when you're working on the inside.

A cultural component can be an asset in one cultural context, but a liability in others – and the ones we think are key may not be at all. As Ed Schein says, lots of time can be spent mapping culture, yet you *“still have no way of knowing which dimensions are the important ones.”* Which brings us to a very popular approach to culture change, that may be of dubious value – surveys.

Surveys are an obvious place to start to find out about your current culture. There's a plethora of enthusiastic providers out there ready to take your money to survey just about anything you want them to – from emotional intelligence to office leg-room – and, of course, lots of companies will measure your culture for you. They offer an array of matrices and multi-dimensional cultural typologies, not to mention lots of impressively sexy, scientific-looking cultural reporting mechanisms to choose from – but will it really tell you much about the state of your culture? Here's a few drawbacks of surveys:



- ❑ **Imposed Reality:** Most surveys tend to impose an external set of cultural measurements on your culture which may or may not fit that well. You may be edified to know how your culture measures on mercenariness, adhocracy or even change-acrobatics, but why? What has it really got to do with getting at the real undercurrents in your culture? Whose construct of reality is it anyway? Certainly not yours – it's externally imposed. And that's the main problems with many surveys.
- ❑ **One-size-fits-all:** The dimensions they measure against may simply not be a relevant mirror to hold up to your culture.
- ❑ **Benchmark** your culture against lots of others? Sure. But what does this tell you? You're not concerned with changing those other cultures. You're concerned with changing yours.
- ❑ **Survey construction** is always a factor. As the old adage goes, you only find what you look for. Many surveys employ standard-rater mechanisms people interpret widely differently.
- ❑ **Right Questioning:** As Ed Schein says in *The Corporate Culture Survival Guide* *“You don't know what to ask, what questions to put in the survey, because you don't know at the outset what issues or dimensions are the important ones.”* You could ask 300 questions and still miss out really essential ones.
- ❑ **Question Overload:** Some surveys ask a never-ending number of them – on average between 100 to 150 is not uncommon. People are likely to die of survey-sickness before they finish. Still... impacts of survey-fatigue – now that would make another good survey!
- ❑ **Sausage-Machine Reports:** Finally, there's the inevitable report that follows. Like star-signs and astrology charts we seldom seem to stop and

think how the bulk of these are not tailored to your unique circumstances. They're largely computer generated phrase-formulas cleverly re-combined (or not in some cases) that could describe your firm, or a thousand others around the place too. And you thought you were special?

It's enough to talk you out of doing a culture survey. But that is not the point. The point is be discerning. Shop around. Test whether the company you have in mind will willingly integrate questions or dimensions you want (rather than what they tell you you need). A culture survey can serve the purpose of getting people focussed on the culture, act as a spur to action or an initiator to the conversations that are needed – but not as the final word on diagnosing what's going on in your culture or what to do about it.



Here's a few more culture traps to avoid falling into:

- ❑ *A too mechanistic approach?* The levers on the 'culture-machine' we think we use to control or adjust it may have no effect at all – or have unpredictable flow-on effects on the culture you really don't want
- ❑ Another reason culture change attempts fail is they're often *shallow and short-term*, while culture is deeply embedded. Changes can be absorbed, neutralised or rejected by the dominant culture.
- ❑ *Top-down change isn't culture change.* It's cultural conquest or take-over. Real culture change means everyone being involved on an equal footing, not imposing your ideas of what a good culture looks like on the rest.
- ❑ *Going to ground:* A new executive arrives and turns the culture on its head, only to find it goes to ground and re-emerges once they move on.
- ❑ *Top management turns turtle:* They say they want culture change but turns out they weren't committed to it in the first place or back off if they see it inconveniences or threatens them.
- ❑ *'Yes-ing' it to death.* Everybody says yes, they support the change but do nothing to make it happen, clinging covertly to the old culture.
- ❑ Structure influences culture. We know that structures affect behaviour – and you have to shake up normative processes a bit to shift a culture. *Trying to change behaviours without changing systems* that systemically promote or allow these, won't work.
- ❑ The old culture-carriers will do almost anything to stop you succeeding – *sabotage, sedition, personal attack, innuendo, threats*, or one we call '*passive immobility*'. People simply stop working. The hope is tactics like these will wear you down – you'll see the error of your ways if things get punishing enough.
- ❑ Finally, there's *the quick-fix mentality*. Bottom-line managers who want tangible solutions and concrete action plans have little time or tolerance for such soft areas. It's easier to spend time and money on changes that are 'practical' like new systems or processes – things you can see and touch. It's much harder to justify spending time and funds on intangible changes. Yet, ironically, it is the failure to address culture that is at the bottom of many failed change initiatives.

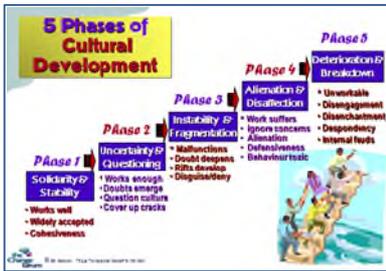
Changing culture just for the sake of it is a huge mistake – and you will never change all of it anyway. The only reason is when there's a performance need. Even then, you can't 'create' a new culture. You graft on behaviours that, if they take, become part of a new cultural off-shoot. So what can you do?

Let's lastly look at some ideas for taking on culture change....

6. Taking on Culture Change

What does it take? Well first, it helps if leaders understand what stage of evolution your culture is in because what you can or want to do may be influenced by cultural cycles of growth, decline, renewal and transformation.

You can use this 5-phase model of cultural growth, decline and renewal to reflect on where your culture is in terms of this cycle...



- ❑ **Phase 1: Solidarity and Stability.** In this phase, the culture generally functions well – there’s high levels of cohesion. Everyone can get behind common goals and challenges, comments on the culture are positive and any doubts people have are held at bay.
- ❑ **Phase 2: Uncertainty and Questioning.** People begin to express doubts and uncertainties about how they operate. The most typical response is: *"No. Everything's fine. It works well enough."* People in the culture split into two factions – those who see there’s a problem and those who deny and just want it to be business as usual.
- ❑ **Phase 3: Instability and Fragmentation.** Questioning now gets more strident as doubts deepen and rifts widen between people.
- ❑ **Phase 4: Alienation and Disaffection.** The culture continues to ignore concerns, doubt intensifies. Alienation is now widespread. People adopt increasingly defensive or oppressive postures, toxic emotions spread and commitment to the organisation vanishes. The group still functions, but it is increasingly ineffective and inefficient.
- ❑ **Phase 5: Deterioration and Breakdown.** Cynicism, despair and despondency are rife and the system is barely workable. More time is spent on internal squabbles as strategic/business opportunities are missed and the organisation is more vulnerable.

It may sound like Phases 4 and 5 are ‘past the point of no return’ (to borrow from *Phantom of the Opera*). Another, more hopeful way to see them is not as mortally dysfunctional, but as necessary transitions that generate renewal.

Here’s a few tips to give your culture change more grunt...



- ❑ **Keep up the pace.** Conventional wisdom says it takes years to change a culture. Don't let that lull you into believing that's the timeframe for action. If you do, the change effort will lag. Act fast, keep up the pace.
- ❑ **Make bold moves early.** Making meek little adjustments slows momentum and allows the current culture time to defuse the change. Do things that destabilise the current culture so it can't reconstitute itself, and like the Blob, re-absorb your change.
- ❑ **Don't let the current culture dictate the terms.** Your change will stall if you allow the current culture to say how it should be carried out. It's a bit like inviting your enemy to draw up your battle plans.
- ❑ **Be persistent and expect flack.** People will question your motives, accuse you of being ego-driven, selfish, uncaring, insensitive or even stupid. Stick to your purpose.
- ❑ **Keep focused on the outcome.** Give people clear targets. Empower those who are positively charged, sideline the negative.
- ❑ **Reward new behaviours.** Supporting the new culture needs rewarding. Sticking with the old needs to get painful.
- ❑ **Break up bureaucracy.** It's part of the old cultural system and it will hold you back. Resisters will keep trying to entangle you in it. Be careful you don't give them cause by overlooking rules that really count, but do away with the worse worn-out-rules and rituals that are leg-irons of old culture.

- ❑ **Communicate around.** Communicate in all sorts of ways and don't rely on standard communication channels.
- ❑ **All players – no passengers.** People will wait around for you to keep doing things. Not only will this tire you – you simply can't do it alone. Involve everyone in some way in taking actions that will help.
- ❑ **Accept there will be casualties.** It's tough – but it's tougher to see your good people go because they can't work with old cultural guard.
- ❑ **Be the change you want in others.** Consistent modelling of new behaviours potently signals things are changing.

And in Closing...

I always like to end presentations with a bang – and this one shows just how fundamentally important culture can be.



In her very enthralling account of physics history leading up to the unleashing of the Atom bomb on Hiroshima, Diana Preston traces how the Nazis, though they had a head start, luckily never managed to produce a nuclear weapon, and how the fear they would drove the US to pull out all stops to try. She recounts wire-tapped conversations of German physicists like Heisenberg, captured after Germany's capitulation and interned back in the US, who were astounded at the success of America's nuclear weapon program compared to their own failure.

What's the connection with 'culture'? Well, she makes the point that German scientists convinced themselves nuclear fission was not possible in the time-frame, while the American Team at Los Alamos entertained a 'can-be-done' attitude. One German physicist was overheard to praise the collaborative culture of the Los Alamos team, comparing it to the disharmony within their own program, where "each one said the other was unimportant," and tended to take an individualistic, ego-driven, competitive approach.

So it looks like a collaborative 'can-do' culture helped win WW2 – though the legacy of that achievement is definitely dubious...

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