The Ultimate Culture Change Learning Session
River Cities I-O (RCIO) Psychology Conference
- Understanding Climate and Culture at Work
CAUTION

CULTURE ISSUES AHEAD
PROCEED WITH
EXTREME CAUTION
Culture is a HOT topic

Inside Uber’s Aggressive, Unrestrained Workplace Culture

Wells Fargo Scandal May Be Sign of a Poisonous Culture

Opinion: Toxic culture at United begins with CEO

Jeff Bezos and Amazon Employees Join Debate Over Its Culture

As Regulators Focus on Culture, Wall Street Struggles to Define It

What you can learn from Southwest Airlines’ culture

"The GM Nod" And Other Cultural Flaws Exposed By The Ignition Defect Report

Culture change starts with CEO

How To Improve Bank Culture? Fire More Bankers (And Other Suggestions)

Tony Hsieh, Zappos, and the Art of Great Company Culture

Culture: Why It's The Hottest Topic In Business Today
Culture Reality

Organizations that truly understand their culture: 12%

Organizations believe they have the ‘right’ culture: 19%

The Culture Fog

✔️ Awareness
❌ No common language
❌ No measurement
❌ No understanding of culture change
❌ No alignment between culture, team and leadership development
❌ No clear connection to strategic plan
❓ Inconsistent employee satisfaction and motivation
❓ Inconsistent or volatile performance
Collaboration of Culture Experts

ConstructiveCulture.com

Ultimate The Annual Culture Conference

CULTUREUNIVERSITY.com
Awareness • Education • Impact

CULTURE DNA

Ultimate Culture Community

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Edgar Schein
Culture is built through shared learning and mutual experience.

~ Edgar Schein
Two Culture Fundamentals

Culture is built through shared learning & mutual experience.

Culture is transmitted through climate factors and behavioral norms.

Source: Organizational Culture and Leadership Institute (Edgar Schein) & Human Synergistics (Robert Cooke)
7 Culture CHANGE Fundamentals
1. Focus on a Problem, Challenge or Goal
Customer Experience
Quality
Growth
Safety
Innovation
Productivity
Big Change - new tech, M&A, etc.
## Purpose = Top Performance Priority

<table>
<thead>
<tr>
<th>Organization</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Retailer</td>
<td>Implement new retail store model to drive growth after an acquisition</td>
</tr>
<tr>
<td>Military</td>
<td>Improve on-time schedule achievement/project management</td>
</tr>
<tr>
<td>Faith Based Org.</td>
<td>Overcoming toxic behavior and launching a new</td>
</tr>
<tr>
<td>Architectural Firm</td>
<td>Designing for quality</td>
</tr>
<tr>
<td>Non-profit</td>
<td>Improving quality of services provided to children and families</td>
</tr>
<tr>
<td>Large Retailer</td>
<td>Improving customer experience</td>
</tr>
<tr>
<td>Technology</td>
<td>Integrate sub-cultures in new structure and continue rapid growth</td>
</tr>
<tr>
<td>Education</td>
<td>Improving learning outcomes for students</td>
</tr>
<tr>
<td>Government</td>
<td>Growing revenue to reinvest in sustainability and local community</td>
</tr>
<tr>
<td>Household Products</td>
<td>Improving manufacturing reliability and flexibility</td>
</tr>
<tr>
<td>Large Bank</td>
<td>Improving customer experience</td>
</tr>
</tbody>
</table>
2. Understand Culture and Climate
Schein’s Lilly Pond

This pond uses only the finest organic fertilizers!

Espoused Values

Cultural Artifacts

Tacit Cultural Assumptions

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Climate AND Culture

<table>
<thead>
<tr>
<th>Climate (Perceptions &amp; Attitudes)</th>
<th>Culture (Norms / Expectations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarity of Mission</td>
<td>Take on Challenging Tasks</td>
</tr>
<tr>
<td>Management Actions</td>
<td>Never Make a Mistake</td>
</tr>
<tr>
<td>Teamwork</td>
<td>Know the Business</td>
</tr>
<tr>
<td>Perks/Benefits</td>
<td>Proactively Share Ideas</td>
</tr>
<tr>
<td></td>
<td>Plan Ahead</td>
</tr>
<tr>
<td>Strategy/Goals</td>
<td>Never Make a Mistake</td>
</tr>
<tr>
<td>Involvement</td>
<td>Don’t Rock the Boat</td>
</tr>
<tr>
<td>Engagement</td>
<td>Point Out Flaws</td>
</tr>
<tr>
<td>Satisfaction/Motivation</td>
<td>Push Decisions Upwards</td>
</tr>
</tbody>
</table>

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What is Culture?

The shared assumptions, beliefs, norms and expectations that govern the way people approach their work and interact with each other.

*How the organisational system motivates people to do things.*
## Ideal Culture vs. Current Culture Gap

<table>
<thead>
<tr>
<th>Ideally, members <em>should</em> be expected or implicitly required to...</th>
<th>Currently, members <em>are</em> expected to...</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Help others to grow and develop</td>
<td>• Switch priorities to please others</td>
</tr>
<tr>
<td>• Involve others in decisions affecting them</td>
<td>• “Go along” with others</td>
</tr>
<tr>
<td>• Show concern for people</td>
<td>• Take few chances</td>
</tr>
<tr>
<td>• Pursue a standard of excellence</td>
<td>• Push decisions upward</td>
</tr>
<tr>
<td>• Think ahead and plan</td>
<td>• Oppose things indirectly</td>
</tr>
<tr>
<td>• Know the business</td>
<td>• Demand loyalty</td>
</tr>
<tr>
<td>• Enjoy their work</td>
<td>• Follow orders...even when they are wrong</td>
</tr>
<tr>
<td></td>
<td>• Ask everybody what they think before acting</td>
</tr>
<tr>
<td></td>
<td>• Work long, hard hours</td>
</tr>
</tbody>
</table>
How Culture Works Model (simplified)

Ideal Culture (OCI® Values) → Causal Factors (Levers for Change) → Operating Culture (OCI® Norms) → Outcomes (Effectiveness)

Ideal Culture

Mission and Philosophy

Current Culture

Structures

Systems

Technology (Job Design)

Skills/Qualities

Outcomes

Individual

Group

Organizational
How Culture Works Model (simplified)

Ideal Culture (OCI® Values)  
Causal Factors (Levers for Change)  
Operating Culture (OCI® Norms)  
Outcomes (Effectiveness)

Mission and Philosophy

Structures  
Systems  
Technology (Job Design)  
Skills/Qualities

Individual  
Group  
Organizational

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3. Assess with a Qualitative → Quantitative → Qualitative Flow
• “Culture analysis and change are very much ‘in’ these days. It is vital that organizations understand deeply what culture is, what it does, and how to analyze it as part of a change program.

• To do this effectively requires both a qualitative and a quantitative approach to managing the culture change process.

• I am excited to be collaborating on just such an integrative approach with Rob Cooke and Human Synergistics.”

E. Schein – January 6, 2016
4. Define a FROM-TO Shift in 1-3 Behaviors
## FROM-TO Shift (example)

<table>
<thead>
<tr>
<th>Define From-To Culture Shift</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>From</strong></td>
<td><strong>To</strong></td>
</tr>
<tr>
<td>Defensive Style</td>
<td>Constructive Style</td>
</tr>
<tr>
<td>Common language description:</td>
<td>Common language description:</td>
</tr>
<tr>
<td>Get it done culture with silos and collaboration issues</td>
<td>Collaborative, cross-functional culture focused on our clients and business results</td>
</tr>
</tbody>
</table>

### Specific Behaviors:

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. We take action without team involvement in decisions, commitment and buy-in</td>
<td>1. We are comfortable involving, giving feedback &amp; resolving disconnects</td>
</tr>
<tr>
<td>2. No open debate without fearing consequences</td>
<td>2. We listen and think through things with open debate</td>
</tr>
<tr>
<td>3. Not comfortable with sharing ideas and problems</td>
<td>3. Proactively sharing ideas and problems with respect</td>
</tr>
</tbody>
</table>
5. Manage a Phased Improvement Roadmap
Shifting a Behavioral Norm

Defensive

- Identify Priority Outcomes & Related Problems or Challenges
- Identify Change in Behavior and Norms Needed
- Identify Key Levers for Change and Related Improvement Plans
- Clarity overall improvement vision, goals, action plans and measures.
- Decision to Continue on These Priority Outcomes and/or Others

Constructive

- Implement Plans and Exhibit New Behavior
- Recognize Constructive Behavior and Share Stories About Results Achieved
- Determine Impact of the Change in Norms & Behaviors on Priority Outcomes
- Clarity What is Working and What Still Needs to Improve
- Determine Impact of the Change in Norms & Behaviors on Priority Outcomes
- Clarity What is Working and What Still Needs to Improve
- Assess and Confirm Stronger Constructive Norms and Behaviors are Emerging Across Team Members
- Utilize qualitative and quantitative assessments to confirm the change.
- Improve Outcomes/Results

- Consistently share progress on leading or lagging measures.
- Engage team in implementing changes
- Implement action plans with focus on increasing constructive behaviors and/or reducing defensive behaviors.

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Proven Framework for Connecting Culture and Performance

Culture Roadmap
A Roadmap for Supporting Your Mission and Maximizing Impact

Phase 1: Clarify Purpose & Complete Culture Assessment
Phase 2: Facilitate Leadership Team Improvement Planning
Phase 3: Engage All Team Members in Finalizing Improvement Plans
Phase 4: Manage the Change & Connect to Development Efforts

Evaluate Current Performance

1. Identify Top Mission Priorities
2.

Commonly growth, client satisfaction, quality, etc.
The organization’s purpose or mission must be articulated and visibly evident.

Identify How Culture Plays a Role
Strength

1. Weakness/Areas of Improvement
2.

Be very specific about behaviors that should be expected. Use feedback & prioritization. Document & communicate.

Define Values and Expected Behaviors

Identify Strategic Priorities

Clarity Strategic Priorities

Clarity Improvement Vision

Engage Team to Define SMART Goals

Clarity & Track Key Measures

Maintain a Management System for Priorities / Goals

Weekly/monthly meeting, standard agenda, track status & remove barriers. Focus on mission priority results & expected behaviors. Recognize progress, coach & facilitate continuous improvements.

Build Motivation Throughout

Regular formal & continuous informal reward & recognition. Celebrate progress on performance priorities. Provide positive feedback on demonstrating expected behaviors and coach when behaviors are not shown.

Manage Communication Habits


Current Status

Effective
Not Effective

Human Synergistics
Changing the World — One Organization at a Time®

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6. Manufacture an “aha” with Leadership
Don’t Sell, Create the Gap (Peter Fuda)
7. Guide the Journey with Speed, Tenacity, and Reflection
Share the Load
7 Culture Change Fundamentals

Problem, Challenge or Goal

Speed, Tenacity & Reflection

Culture & Climate

Qualitative
Qualitative

FROM-TO Culture Shift

Shared Learning and Mutual Experience

Phased Journey

Manufacture an “Aha”

Qualitative
Quantitative

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The Culture Journey

Sustainable Results

Growth, Profitability, Motivation,…

Top Engagement Awards
The Culture Journey

Sustainable Results

2017

2018

Growth, Profitability, Motivation,…

Ideal

Top Engagement Awards

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### Present

- **✓** Awareness
- **✗** No common language
- **✗** No measurement
- **✗** No understanding of cultural change
- **✗** No alignment between culture, team building and leadership development
- **✗** No clear connection of strategic plan to culture change
- **?** Inconsistent employee satisfaction, motivation and collaboration
- **?** Inconsistent or volatile performance

### Future

- **✓** Awareness
- **✓** Common language
- **✓** Clear measurement
- **✓** Solid understanding of culture change
- **✓** Culture, team building and leadership development aligned
- **✓** Clear connection of strategic plan to culture change
- **✓** Strong and consistent employee satisfaction, motivation and collaboration
- **✓** Consistent high performance
Where can I learn more?

**Blogs**

www.ConstructiveCulture.com

**Book**

**Build The Culture Advantage**

Deliver SUSTAINABLE PERFORMANCE with Clarity and Speed

TIM KUPPLER  TED GARNETT  TOM MOREHEAD

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www.CultureUniversity.com
Questions and Feedback
7 Culture Change Fundamentals

Focus on a problem, challenge or goal
Understand culture and climate
Assess with a qualitative \rightarrow quantitative \rightarrow qualitative flow
Define a FROM-TO shift in 1-3 specific behaviors
Manage a phased improvement roadmap
Manufacture an “aha” with leadership
Guide the journey with speed, tenacity and reflection