



Culture builders

Leaders play a seminal role in shaping and reinforcing organisational culture.

♦ GARY PEACOCK, GORDIAN BUSINESS

(and their skills), processes (typically meetings and reports), and rewards (financial and social), then your culture will stay the same. So leaders, these three elements shape or change your culture.

What is culture?

'It's the way we work around here'. You cannot explain [it] exactly to someone outside the organisation, 'but you just know'. The best practical understanding of culture can be had from a book by Ed Schein. Despite outstanding academic credentials, his book *Organisational Culture and Leadership* practically explains how you can discover culture in an organisation. It is an interesting but not an easy read.

How can you shape your culture?

In one word: slowly! If you want to understand how to change the culture, imagine you have a glass of water. Take an ink dropper and add drops of ink to it. The colour of the water slowly gets darker as you add each drop. It changes slowly. Changing the water colour is just like changing culture.

However, for large organisations or old organisations, when you think about changing the culture you do not have a glass of water. You have a swimming pool.

Many organisations still try to change the water colour in the pool using an ink dropper. It takes an eternity to change the colour of the pool. So, many leaders give up saying, we tried and failed. In practice, an ink dropper might be posters with new values, coffee cups with slogans, and a few new managers from a different culture.

Just take a moment to consider how you could change the water colour in the swimming pool much quicker. A couple of options:

- Drain some water from the pool
- Instead of ink droppers, use some fire hoses to feed in the ink

Draining water from the pool is like getting rid of some of the existing people. The swimming

The culture of a workplace—an organisation's values, norms and practices—has a huge impact on our happiness and success. - Adam Grant

According to Professor Jay Galbraith, leaders need five elements that support each other to build an effective organisation: strategy, structure, people, processes, and rewards.

Leaders commonly change strategy and structure but these make little difference to culture. If you do not make changes in people



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pool example shows that to make a difference to the colour of the pool or the culture, you need to get rid of many people.

Often there are limits to how many people you can take out of an organisation because you need their skills and experience or because of industrial relations. So, you need to consider other methods too.

Using fire hoses instead of ink droppers can mean injecting more different people or injecting more different ideas, much faster. The fire hose helps us see that one or two new people will be insufficient to change the colour of the pool or the culture. So, you need a larger number of new people to make a difference.

If you want to inject more new ideas or more new experiences to change the culture, then again you can see you need a lot more new ideas. So, running one workshop in a year to launch the new culture will be insufficient. Regular workshops or sessions for a good proportion of people for years will be necessary.

Most attempts to change culture fail. Why? Because it is tough, and is often an unequal fight between well-meaning management and the existing culture: a shotgun versus a tank.

Practical levers to start changing your culture

■ People's skills

While changing people—getting rid of some and getting in new people—to change the mix in the organisation, we need to ask one question: do the people need new skills or higher skills to support the new culture?

For example, if you want to build a culture that uses and values collaboration, can you assume your people have the [required] skills? Typically, they need better listening skills, better conflict resolution skills, better persuasion skills, and better negotiation skills. Telling them to listen better, resolve conflict better, persuade better, and negotiate better will not make a difference to the culture. If you are serious about changing the culture and if you understand how hard it is to change it, then you will understand Winston Churchill's quote, "give us the tools, and we will finish the job."

■ Weekly processes

Practically, in weekly routines, processes translate into meetings and reports. What meetings do you have and what reports do you use? Let us imagine you are trying to change from a product culture to a customer culture. Check what reports you use, and you will find they are mainly about the

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product. Ask whether you can run reports that show sales to customers? Usually, you get the same answer: to get what you want, you can run different reports and then export them into Excel, manipulate the data. How long will that take? Probably, two to four hours.

I usually say, if you are serious about getting a customer culture, you must be able to press a button and get these reports by [each] customer instantly. Then the manager tells me, “But you don’t understand. It takes at least three months to get a custom report written for SAP/Oracle.”

If you cannot print the reports now, then do not expect new behaviour for months. Leaders must make it easy to get reports that help reinforce the new behaviours, every week.


Similarly, when you are trying to change from a product culture to a customer culture, examine what meetings happen regularly. Typically, these will all be about product. There will be few meetings focused on customers. Unless you change the kind of meetings and their frequency, the existing meetings will reinforce the existing culture. So, ask which meetings support the existing culture and which support the new culture? Unless you change them, each week the meetings [will] reinforce the existing culture.

Also look at which meetings leaders attend. The time they spend at meetings sends a signal about how important the subject is to the culture. If you want to change from a product culture to a customer culture, then you must change the mix of meetings between the product and customers, and the time leaders attend product meetings versus customer meetings. What needs to change for your meetings?

■ Rewards

The ideal [way] is to make some portion of financial rewards depend on the behaviours needed in a new culture. However, many organisations cannot do this. So you must consider social rewards and social punishments. Social rewards can be highlighting an individual’s behaviour in meetings or newsletters.

What about social punishments? Well, this can be highlighting behaviours that do not support the new culture, in meetings. This is sometimes overlooked. But, if leaders have publicly committed to the new culture, then they must use the opportunities to highlight the behaviour of people and managers that does not support the new culture. Leaders’ behaviour sends strong signals to the rest of the organisation. If they ignore bad behaviour or accept bad behaviour, then the rest of the organisation says, we do not need to change. If they highlight bad behaviour, then the rest of the organisation says, maybe we do need to change.

Changing culture is tough. Each week, ensure that you reinforce the new culture you want: people (and their skills), processes (typically meetings and reports), and rewards (financial and social). 



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