

Excerpt from--

Riding the Tiger: Leading through Learning in Turbulent Times

Guiding the Evolution of Your Organization's Culture

Organizational cultures are created by leaders, and one of the most decisive functions of leadership may well be the creation, the management, and—if and when that may become necessary—the destruction of culture.

—Edgar Schein

Throughout an organization's life, additional norms, behaviors, and practices creep in. This reality is even more pronounced during turbulent times. Positive behaviors may include greater pride, fierce loyalty to the organization, a stronger work ethic, broader collaboration, and boosted collegiality. Negative behaviors may include fear, distrust, and anger that results in hoarding of information and unhealthy internal competition. Together, both positive and negative behaviors change the organizational culture.

Charles Hill and Gareth Jones (2001, 396) define organizational culture as the “beliefs and ideas about what kinds of goals members of an organization should pursue and ideas about the appropriate kinds or standards of behavior organizational members should use to achieve these goals. From organizational values develop organizational norms, guidelines, or expectations that prescribe appropriate kinds of behavior by employees in particular situations and control the behavior of organizational members towards one another.” Unfortunately, countless leaders do not recognize the influence that organizational culture has on the past, present, and future accomplishments of their enterprise. Even more important is their lack of understanding about how they influence the culture.

Culture: Conscious or Accidental?

Every organization develops both a conscious and an accidental culture. Its conscious culture unfolds from the written and spoken goals, values, behaviors, and practices that are taught, measured, and reinforced in the organization. However, think about where you work: Are particular behaviors and norms that are not in writing passed on from one generation to the next, from one employee to the next? This is called the accidental culture. It emerges from the unwritten and unspoken values, behaviors, and practices to which everyone knows they should adhere. When asked about this culture, no one can articulate where it is written; they just recognize it, as if by symbiosis. This accidental culture is revealed with seeming randomness over the course of the organization's history. Collectively, a conscious culture and an accidental culture permeate every nook of every organization. And in both forms, the organizational culture has the power to positively and negatively influence the actions of leaders and the performance of employees, along with the retention and attraction of employees and customers. A conscious culture has many benefits:

- Leaders more rapidly assimilate to the culture.
- Employees more quickly understand the range of acceptable behaviors.
- Recruitment is made easier.
- When there is a lack of fit, it is easier to identify and take action.
- The likelihood of successful integration in the case of a merger or acquisition increases.
- And most important, systemic change is easier because there is no battle between the conscious and accidental cultures.

Four Steps for Shifting the Culture during Turbulence

Turbulence of any kind can affect an organization's culture. To prepare for these changes, the necessary steps to protect and adjust the organizational culture must be planned, and this planning needs to be done before, during, and following turbulent times. This is an area where learning and development professionals play a primary role. Because they have regular access to more people than those in any other part of the organization, they are uniquely prepared to play a powerful role in its revitalization. They can gather information, facilitate learning solutions, communicate changes, assist in determining necessary cultural changes, and provide coaching for leaders to introduce and reinforce desired outcomes.

Moreover, learning and development professionals, given their scope of responsibility, are well positioned to observe the organizational culture as it grows over time. And thus they also tend to be well aware that because people tend to be comfortable with the current organizational culture, for them to consider cultural change, a significant event must usually occur. An event that rocks their world—such as the firm's flirting with bankruptcy, suffering a significant loss of sales and customers, or losing \$1 million—might get their attention (Heathfield 2008). This event can be the catalyst for shifting the organizational culture. Even so, attempting to change this culture could well be the most difficult project you will ever take on. To meet this challenge, we recommend that you follow these four steps, which have been tried and tested many times, as you seek to shift your organization's culture:

1. Identify the existing culture of your organization.
2. Proactively influence your organization's culture by facilitating what to keep, what to eliminate, and what to add.
3. Revisit your organization's core purpose and values, and reorganize them if necessary.
4. Communicate and reinforce the core purpose and values.

As stated above, organizational culture includes both conscious and accidental dimensions. A significant change, stemming from either positive or negative forces, presents a unique opportunity to evolve toward a more carefully planned culture. Let's consider how following these four steps can help you guide this evolution.

Step 1: Identifying the Existing Culture

When identifying the existing culture, due consideration should be given to the negative influences that result from fear, anger, and other emotions that might emerge. These should be replaced with positive behaviors and systems that motivate people and enhance performance. The importance of identifying both the written and spoken and also the unwritten and unspoken aspects of the culture cannot be overestimated.

(If your organization merges, is acquired by, or acquires another organization, proper cultural blending is the only way to ensure success. To blend cultures and avoid cultural tensions, you can follow the same four steps being considered here. Make sure the organization's culture aligns with its goals and primary purpose. Tension arises when there is a lack of alignment or when separate cultures are not appropriately blended.)

Actions we take for this step:

1. Review of company information including employee handbook to discover written components
2. Interviews with leaders and employees to glean culture (spoken whether written or not)
3. Exploration with leaders of behaviors positive and negative
4. Compile and analyze findings

Step 2: Facilitating What to Keep, What to Eliminate, and What to Add

Once the organization's existing culture has been documented, bring leaders together and decide what to keep, what to eliminate, and what to add to the organizational culture. In making these decisions, the organization's core purpose and values—whose detailed considerations we logically defer to the next step—are critically important as the key filter through which each aspect of the culture must pass. Revisit and document the core purpose, including core values, vision, and retrospect. Look back at exactly what went right and what went wrong, comparing circumstances with the initial vision and values. Identify which actions diverted from them, and build, reinforce, and reestablish values.

A revisited, revised core purpose requires further consideration before it can be implemented. All leaders must choose whether or not to be on board. Those who opt out should negotiate an exit strategy. The upshot from changes in the core purpose that result in a turnover of leaders will be reorganization. There are good reasons for this to happen:

- It ensures that the leaders who are aligned with newly defined boundaries are the ones who end up leading. This reduces the chances of people feeling that there are favorites who are allowed to remain even if they are not aligned.
- If the crisis was caused from within, the organization should sanitize itself, removing everyone who was even remotely involved.
- Unfortunately, this may result in a few innocents being asked to leave; however, the risk/reward trade-off ought to be considered.
- The organization can add or remove layers of leadership to remove needless complexity and empower leaders.
- The organization can seek to solidify its resilience.
- If the organization is involved in a merger, acquisition, or takeover, it can look for ways to integrate leaders from both companies into one unified leadership.

Actions we take for this step:

1. Conscious Culture Workshop with leaders (1-2 days)
2. Review of findings
3. What to keep, What to change, What to add
4. Map out conscious culture and socialize with leaders
5. Finalize and determine steps to implement and affect change

Step 3: Revisiting Your Core Purpose and Values

Regardless of the cause, your organization's core values should be revisited, adjusted, communicated, and reinforced. In his book *Leadership Without Borders*, Ed Cohen (2007) conducted a global survey of 250 senior executives who had lived and worked in more than 60 different countries. The results identified 14 specific core values that are vital for all leaders:

- *Conviction*: Conveys sincerity and confidence in beliefs and decisions; willingness to make and stand by difficult decisions.
- *Diversity*: Values different perspectives; builds multifaceted, diverse teams; seeks to understand what drives and motivates individuals.
- *Entrepreneurship*: Recognizes opportunities and organizes resources to maximize them.
- *Excellence*: Strives for excellence, which is not the same as perfection; recognizes that "excellence" may vary from country to country, depending on the local context.
- *Fairness*: Makes decisions that are fair, consistent, and equitable.

- *Humility*: Acts in the knowledge that he or she is not better or more important than others.
- *Integrity*: Demonstrates honesty and makes ethical decisions.
- *Passion*: Leads by example; demonstrates a high level of energy and enthusiasm.
- *Perseverance*: Shows resolve in moving toward the path that has been laid, with a strong will and the drive to accomplish.
- *A positive attitude*: Maintains a positive attitude; represents decisions and policies in a positive manner.
- *Respect*: Demonstrates a high regard for others, regardless of their station in life; treats everyone with dignity.
- *Service oriented*: Provides extraordinary, “extra-mile” assistance to everyone, whether an employee or a customer.
- *Teamwork*: Easily adapts to being a team player; encourages teamwork throughout the organization.
- *Work/life balance*: Balances time spent at work with other dimensions of one’s family, community, and social life.

Current organizational environments are filled with people who fear stepping forward to expose issues, concerns, and even potentially risky behaviors. This necessitates the need for an additional core value—courage.

- *Courage*: This final core value is especially crucial for the times in which we live. It entails being willing to stand up and speak for what you believe is right, even when it is the minority view; being willing to take calculated risks; being willing to learn from mistakes; and being willing to speak the truth, even to those above in the hierarchy. According to Ira Chaleff (1998), “Lack of courage by those serving senior leaders has contributed to the downfall of many once-powerful leaders. But even in the absence of dramatic topplings, the price organizations or groups pay for lacking the courage and skill to address dysfunctional behavior by leaders is high. You can’t have a truly participatory workplace environment if the tough issues get swept under the rug and are only discussed cynically behind the backs of the group’s leaders.” This underscores the essence of courage as a key core value; everyone, not just leaders, is responsible for their organization’s behaviors and outcomes.

Core values represent the essence of who you are and how you behave. Standing by core values in difficult times is the best way for leaders to demonstrate their true character and that of their organization. How profound are the words of Alexander Solzhenitsyn (1978) in *The Gulag Archipelago*: “In keeping silent about evil, in burying it so deep within us that no sign of it appears on the surface, we are implanting it, and it will rise up a thousandfold in the future. When we neither punish nor reproach evildoers...we are ripping the foundations of justice from beneath new generations.” Be willing to have difficult conversations, be willing to make difficult decisions, and do not tolerate, under any circumstances, a lack of alignment with core values. Quickly ask people (especially leaders) who make such compromises to leave.

Actions we take for this step:

1. Survey and interview leaders to determine individual core values
2. Core Values Workshop with leaders (1-2 days)
3. Align values to Conscious Culture
4. Map out value and socialize with leaders
5. Finalize and determine steps to implement and affect change

Step 4: Communicating and Reinforcing the Core Purpose and Values

With the revisited core purpose in hand, leaders on board or filtered out, and renewed energy, now is the time to properly implement change. At this point, there are a few words of caution to heed, because most change initiatives fail to stick. The reasons:

- The organization gives up in midstream.
- There are inconsistent messages.
- There is a lack of follow-through.
- There are attempts to measure the results too soon.

There are four stages that, when followed in exact sequence, drastically boost your odds of implementing and sustaining a successful change initiative:

1. Create awareness.
2. Move quickly to adoption.
3. Penetrate deeply.
4. Implement measurement.

Actions we take for this step:

1. This being the most critical step, we work with you to develop for each of the four stages.
2. Assist with early adoption by one or more groups and measure results
3. Develop comprehensive communication plan
4. Coaching on the implementation of stages (to be successful the organization's leaders must actively engage and be role models during all four stages)
5. Measure effectiveness of each stage
6. Infuse the conscious culture into recruitment materials, employee handbooks, and company materials

Summing Up the Four Steps for Shifting Culture

A crisis or other significant change stemming from either positive or negative forces presents a unique opportunity for guiding the evolution of an organization's culture toward one that is conscious. But having everything well documented is not enough. An implementation plan that includes the four stages (awareness, adoption, penetration, measurement) discussed increases the odds of a successful cultural shift. To recap, these four steps are (1) identify the existing culture of your organization; (2) proactively influence your organization's culture by facilitating what to keep, what to eliminate, and what to add; (3) revisit your organization's core purpose and values, and reorganize them if necessary; and (4) communicate and reinforce the core purpose and values. Once these steps have been completed, success is achieved when the organizational culture has evolved to primarily embody written and spoken norms, behaviors, and practices, and less desirable unspoken and unwritten behaviors have been left behind.

Coming May 2010 from ASTD Press

Riding the Tiger: Leading through Learning in Turbulent Times

By Priscilla Nelson and Ed Cohen

AVAILABLE FOR PRE-ORDER AT - <http://store.astd.org/Default.aspx?tabid=167&ProductId=21054>

Though most leadership books are written from the viewpoint of lessons on the path to great success, *Riding the Tiger* provides a rare opportunity to learn from a catastrophic event that shook the foundation of a thriving global organization. In 2009, the authors, Priscilla Nelson and Ed Cohen, were flourishing as senior leaders at Satyam Computer Services, a 53,000 person company with presence in 60 countries. It all came to a startling halt when the CEO confessed to “cooking the books” and the company became known as “India’s Enron.” Based on their first-hand experiences, *Riding the Tiger* provides practical leadership techniques that guide the way to organizational renewal.

Riding the Tiger is about the changing role of leaders in the ever evolving world of business. This book gives you a specific, step-by-step approach to take that tiger by the tail and actually benefit from the challenges of leading and thriving during chaotic times. You’ll discover many innovative leadership techniques as you read the fascinating, powerful stories about people who’ve implemented these tools. These experiences and techniques are universally applicable wherever people in an organization are facing turbulence—whether caused by the global recession, rapid growth, mergers and acquisitions, internal corruption, or any other changes.

