

Implementing Cultural Transformation: Building a Vision-Guided, Values-Driven Organization

By Richard Barrett

Commitment to Personal Change/Transformation

The first step in building a vision-guided, values-driven organization is leadership commitment. Cultural transformation can only begin when those in senior positions demonstrate their willingness to personally commit to the process of change. If the leadership team is not able to embrace new values and new behaviors, then no one else in the organization will. In this sense, change or cultural transformation begins with the personal transformation of the leadership team. Organizations don't transform. People do.

Not every leader or leadership team is willing to make this commitment. It takes courage and determination to step into a process of self-examination at a personal and corporate level. The leader and the leadership team have to be committed. There is no other way to bring about positive cultural transformation.

The next step is to begin the process of self-examination at a corporate level. It is essential to measure and map the values of the existing culture and the degree of alignment between employees' personal values and organizational values.

Some leaders start by carrying out an assessment of the leadership team's values. Others immediately embark on a company-wide survey. Whichever way is

chosen to begin the process of self-examination, leadership team or company-wide, it is important that the leaders are comfortable with the process. It is also important for the leadership team to recognize that their perception of the organization is unlikely to be the same as that of the managers and staff. Usually the leadership team has a more positive perception of the organization than the managers and staff.

Corporate/Team Culture Assessment

The Corporate Transformation Tools[®] provide a comprehensive, affordable method of measuring and mapping the personal values, current organizational values and desired organizational values of a team or company. The results provide the following information and measurements:

- ❑ A map of the existing cultural values of the organization plotted against the Seven Levels of Organizational Consciousness
- ❑ A map of the desired cultural values of the organization plotted against the Seven Levels of Organizational Consciousness
- ❑ A map of personal values of employees plotted against the Seven Levels of Personal Consciousness.
- ❑ The degree of alignment between personal, current culture and desired culture values
- ❑ The degree of alignment between the current culture values and the organization's espoused values
- ❑ The degree of alignment between employees' perceptions of desired culture values and the organization's espoused values
- ❑ The top ten personal, current culture

- and desired culture values
- The degree of balance between individual, relationship, organizational and societal values in the top ten values
- The number of potentially limiting values in the top ten lists of values

Armed with this information, the leadership team can quickly identify the critical cultural issues in the organization and the values most important to each group of employees (horizontal grouping, departmental grouping, gender, age, ethnicity etc.) This process takes the guesswork out of developing a set of values for the organization. The leadership team can be assured that if they take full account of the results, they will be able to pick out the values that will inspire and motivate employees the most.

Once the key values have been identified, it will be necessary to describe the values in behavioral terms for the new culture to take hold. People need to understand the values with concrete examples of the behaviors that support each value. The values and behaviors need to be integrated into employee performance measurement. The espoused values must become pervasive if the new culture is to take effect.

Vision and Mission

The next step is either to develop a vision and mission for the organization or revisit the existing mission and vision. This can usually be achieved in half a day with the aid of the information from the culture assessment and the following two exercises.

Core Business Exercise: It is vitally

important to identify the organization's core business and incorporate it into the vision/mission statements. A clear definition of what the organization is attempting to do is absolutely essential. Members of the leadership team will have different perspectives on this question. They need to unite their energies around a single definition of the core business if the organization is to stay focused.

Core Motivations Exercise: Just as important as identifying the organization's core business is identifying the personal motivations of each member of the leadership team. This exercise uncovers deeper motivations. The results are significant and lifeenhancing. We think we know why we go to work each day, but in reality most of us rarely get beyond surface reasoning. Probing deeper yields motivations that are fundamentally linked to our life purpose or the way we find meaning in our lives. When these motivations are made known and shared, they have the power to unleash an astonishing degree of enthusiasm and commitment to the common good.

With the core business and core motivations defined, and the results of the culture assessment known, it is relatively easy to develop a vision and mission for the organization. The leadership team needs to create statements that inspire all stakeholders - employees, customers, society and shareholders.

The method we have developed is called the Four Whys Process. This method leads to the definition of an internal mission and vision, and an external mission and vision.

- ❑ The **internal mission** is designed to inspire employees. It defines how the organization will grow and develop.
- ❑ The **internal vision** is designed to inspire employees and investors. It defines how the organization will find internal fulfillment.
- ❑ The **external mission** defines how the organization will relate to its customers or clients.
- ❑ The **external vision** defines how the organization will relate to the local community and society at large.

Balanced Needs Scorecard

The next step is to develop a balanced scorecard that reflects the vision, mission and values. We have expanded the Kaplan and Norton four-part scorecard to specifically include cultural and societal goals. The six-part Balanced Needs Scorecard has the following categories (see Annex 2 for details)::

- ❑ Corporate Survival -focus on finances
- ❑ Customer Relations -focus on customers
- ❑ Corporate Fitness -focus on best practice and systems and processes
- ❑ Corporate Evolution -focus on continuous renewal, new products and services
- ❑ Corporate Culture -focus on internal cohesion and employee fulfillment
- ❑ Society and Community Contribution

-focus on making a difference and social responsibility.

The leadership team's task is to define goals for each of the aforementioned categories that align with the vision and mission statements, and then identify measurable objectives for each goal. A final check is made to identify the values that support each goal.

Finally, the draft vision, mission and values need to be discussed with employees and managers in order to get their views and feedback. It is good practice to review the vision, mission and values each year in a process that involves employee feedback.

Building Team Cohesion

Once the vision, mission and values have been defined and concomitant behaviors identified and integrated into the employee appraisal system, the next step is to tackle personal change and team cohesion. The process involves individual work and teamwork. The fundamental purpose is to improve self-knowledge and interpersonal awareness.

Our prime assessment instruments are:

- ❑ The Leadership Values Assessment Instrument (Corporate Transformation Tools ®)
- ❑ The Myers Briggs Type Indicator

Other assessment instruments can also be used. Each person receives personal feedback and coaching on how he or she operates and the team as a whole understands the personality preferences of each other.

The Leadership Values Assessment is a 360-degree instrument that identifies each team member's operating values. This is done through self-assessment and feedback from other team members and employees who work closely with the individual team member.

The Leadership Values Assessment identifies:

- ❑ The individual's perception of his or her operating values based on the Seven Levels of Leadership Consciousness
- ❑ Close colleagues' perceptions of the individual's operating values based on the Seven Levels of Leadership Consciousness
- ❑ The degree of alignment between the individual's and the colleagues' assessments The areas of personal and professional strengths
- ❑ The areas for personal and professional growth

Based on the results of the Leadership Values Assessment, a personal action plan is created for every member of the leadership team. The action plan is discussed and reviewed in a two-hour, one-on-one feedback session with a personal business coach.

We use the Myers Briggs Type Indicator instrument to:

- ❑ Provide an objective framework to improve team communication and conflict resolution
- ❑ Identify areas of strength and weakness of the team, to clarify and improve team behavior,
- ❑ Teach team members to understand how to value and work with the preferences of other team members.

Building Individual and Team Emotional Intelligence

Recent research by Dr. Dan Goleman, one of the leading proponents of emotional intelligence, has shown that emotional intelligence is twice as important for outstanding performance as technical skills or intelligence. This correlates strongly with the research cited earlier showing that 69% of the variability in employee fulfillment is attributable to the relationship an employee has with his or her immediate superior. Over 80% of the reasons employees give for leaving an organization are related to their supervisor.

Our approach is to take the leadership team through exercises specifically designed to build individual team members' emotional intelligence skills. We customize the training to the address the key issues arising from the self-knowledge and interpersonal awareness workshop.

Emotional intelligence skills can be learned. It requires motivation, training and feedback. Some of the more important emotional intelligence skills are:

- ❑ Effective interpersonal communication
- ❑ Giving and receiving feedback
- ❑ Handling conflicts and conflict resolution
- ❑ Facilitating responsibility and empowering others

Progress Review

Nothing changes in terms of values unless we constantly supervise our

behaviors and invite others to give us feedback on how well we are doing. The final step in the process of cultural change is to reevaluate the team as a whole and individual member's performance by repeating the team/culture assessments and leadership values assessments approximately 9-12 months after the first assessments. The results of these assessments precisely measure the progress made by individuals and the team. Nine to twelve months is enough time to begin to make a difference. We have witnessed significant change in much shorter periods.

Overview

The process described above is first applied to the leadership team. Shortly after the leadership team has been taken through the process, each member of the team goes through the same process with his or her own team. In this way, the process of cultural transformation cascades down through the organization. It is vitally important that this process begins at the top. The leaders must be able to model the new behaviors if the rest of the organization is going to follow suit.

Change occurs one person at a time. It needs an individual and shared commitment from every one in the team to make it happen. Often there are those who find this type of change difficult to implement in their lives. These people may need special coaching. If they are unable to change then it may be necessary for them to seek employment elsewhere. Once a commitment to cultural transformation has been made

there can be no exceptions. Everyone needs to participate.

The crucial element in the program outlined above is to have the team engage in new conversations with each other. These authentic conversations drive the transformation process. There are six new conversations that need to take place in the team:

- ❑ A frank and detailed discussion on the critical cultural issues based on the results of the cultural assessment
- ❑ The sharing of everyone's perception of the core business and achieving a common agreement
- ❑ The sharing of everyone's core motivations and recognition of the common interests
- ❑ The sharing of everyone's detailed leadership values action plan and support from other team members
- ❑ The sharing of everyone's individual and the team's preferred operating styles
- ❑ The process of emotional intelligence skills training

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