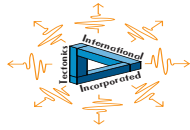# WHAT IS ORGANIZATIONAL CULTURE AND HOW WE CAN CHANGE IT?

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What is Culture?

A formal definition of culture is a "pattern of shared basic assumptions, learned by members of an organization or group in solving their external problems of survival in the environment and internal problems of integration. Culture is considered the glue of an organization. It is the collective attitudes, beliefs, symbols, and behaviors of the organization's members. Simply put, culture is "the way things are done here."

Cultures develop over time. They are expressed in the myths and stories that become important to retell, and are embodied in the language of the organization. Organization's cultures go through stages -- from formation to stability to maturity. Over time, beliefs and assumptions develop to act as filters, regulating the flow of information in the environment.

Why is Culture Important?

In today's organization, culture is taken for granted as a management issue. Managers, employees, and executives all want to understand where their organization is going and that their efforts contribute to its success. Organizations' individual identities are cultivated by internally identified heroes, shared common values, and recognized rituals and symbols. When organizations do this well, align their culture with their strategic direction and operate out of a set of shared values, they become unstoppable. They are much more able to achieve business results rapidly and effectively. In addition, when a strong culture exists, employees are often more productive - they do not need to wonder what their next step in any given situation. They also tend to feel better about their work, confident that their work on any given day is important to the success of their organization.

Changing Organizational Culture

First and foremost, changing the culture is about leadership. Every organization has a unique culture. When an organization goes through a significant change of any kind, all of the old myths, assumptions and beliefs are called into question. Will those things that were important in the old still be important? Will people still be treated the same way? Will we continue to do things as we have, as we relate to each other and work together? The goal during a major change in the organization is to have a planned examination and renegotiation of the culture.

> "If one wishes to distinguish leadership from management or administration, one can argue that leaders create and change cultures, while managers and administrators live within them."
>
> - Edgar Schein

Process. The process for changing or aligning culture is one that calls for:

- Understanding the cultural assumptions and beliefs of companies, merged companies, leaders or new leaders

- Sharing the myths of merged organizations or with new leaders

- Identifying the behaviors and actions that make up the culture

- Building a common language for all to begin to use as we build a vision of the new culture (one where everyone would like to work)

- Deploying the new language (as expressed in the vision, mission, values, and principles) across the entire organization in a very deliberate manner.

Interventions. Examples of the interventions needed for the culture change process are:

- New vision for the organization

- A set of new values that expresses how people wish to work together

- A set of guiding principles that operationalize those values.

- Clear roles and responsibilities. Mechanisms for coordination and integration within and across the organization

- A clear action plan for culture change tied to the vision, goals and objectives of the organization

Tools. The tools for changing culture include, but are not limited to:

- *Organization-wide audit and review*. The purpose of the audit and review is to understand the problem from the outside and solve it from the inside. You can use observation, question-naires, interviews, group self-studies with facilitation: these are most useful if the groups selected represent microcosms of the organization. This step is particularly important when merging two organizations. It is critical to understand the potential for, and nature of, a debilitating culture clash that would result in dramatic productivity loss.

- *Design workgroups*: Organization design workgroups help achieve widespread buy-in if the changes have full executive support but are not top-down. Such workgroups should be charged with the actual design, representing a microcosm of the whole organization (including people from all levels and functions within the organization), and have top leadership involvement. Out of such groups, new, charismatic leadership often emerges, along with new ways of doing things.

- *Confidence building measures*: Create a cadre of change agents (see workgroups notes above) and train employees and managers in communication, negotiation, and conflict management skills. In addition identify sites for collaborative interventions (pilot projects) and publicize successes.

Creating the new culture entails deploying the above processes across the entire organization. To do so in any other way acts too slowly. Old cultures die and new ones evolve without conscious effort. Deploying the new vision, mission, and values across the organization enables people to begin to articulate their own hopes and aspirations for the new organization. This enables the whole organization to actively operationalize it for themselves which creates ownership and individual understanding. It also allows for individual customization.