



SOLVING ORGANIZATIONAL CRISIS: THE POWER OF SHARED CULTURE

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Abstract

Organizations are often at risk of failing due to a lack of having a shared culture. By focusing on developing trust, commitment, humility, attitude (positive) and growth values, a shared culture can be created that can successfully face many organizational crises or challenges. If followed, creating a shared culture will provide an organization's leaders with the power to weather many organizational challenges and to seek guidance on how to continue to develop weaker parts of their culture. Organizational crisis and challenges permeate all types of organizations. The power of shared culture amongst an organization is needed to face these challenges especially hubris that is bringing down so many organizations today.

Keywords: Trust, Commitment, Humility, Attitude, Values, Culture, Hubris

Introduction

Organizational crisis is far too common in organizations especially as they age. Jim Collins (2009) in his book, *How the Mighty Fall*, details a life cycle of an organization as it rises to the

top and then falls due primarily to both individual and organizational hubris. This negative value was allowed to enter into the culture of these failed organizations. Organizations are never launched with the idea that they will rise with success and then die either a quick or protracted death. New organizations are hungry and know how to fight for relevancy. They scream for attention from the marketplace. They have individuals who breathe energy daily into its success. They are also aggressive and willing to take risks as they strive first to survive and then to thrive. So, what happens to them as they age? Why do so many begin to waiver and then eventually fail when they were once successful?

Failing to solve organizational crisis makes them vulnerable and erodes the organization and the individuals from within. Their culture is no longer their secret to success, it becomes their problem. They cannot focus on growth and innovation since they are spending more and more time trying to rebuild an organizational culture that has failed them.

Organizational crisis occurs when the collective strength of an organization's culture cannot overcome a situation effectively and erosion of values sets in. This organizational death spiral can be stopped, but it requires leaders to commit and invest in developing the organization at the individual, team, and corporate levels. It requires a commitment to developing a shared culture. The following defines a shared culture, why leaders should seek a shared culture and how to achieve a shared culture for the purposes of weathering and even thriving when facing challenges.

Defining Shared Culture

When people work at an organization and say that is a great place to work, they are often referring to the culture. A culture makes a place what it is. Walk into any Chick-Fil-A and one understands immediately that workplace culture is important to this organization and sets it apart from other quick serve restaurant chains. The culture is addictive (even more than their chicken) and is the real reason they are successful. They live their shared culture.

Edgar Schein (2004) details three ways to study an organization's culture: observing "artifacts", "values" and "assumptions." First, Chick-Fil-A has a noticeably clean and welcoming environment. It starts its customer experience with physical artifacts such as branding, store layout and attention to detail that apply to customers and employees alike. Its physical environment is as much for its customer as it is for its employees. Second, its primary organizational value is being a servant to others. S. Truett Cathy, its famous founder stated "We should be about more than just selling chicken. We should be a part of our customers' lives and the communities in which we serve" (Cathy, 2014). Their employees in striving to fulfill this cultural value seek to employ service and servant leadership into everything they do. Third, its culture has a primary assumption that it will do the right thing for its customers. If they get an order wrong, they will fix it and offer an additional item for free, if they see a customer struggling with their children then they will offer immediate assistance, and if they see a customer appearing down or depressed, they will do their best to encourage them with a smiling and appreciative demeanor.

Their culture is remarkably consistent from store to store and state to state. How do they do it? Simply put, it is a shared culture that makes them successful and it starts with the top and permeates everything they do – they live their culture.

A thriving shared culture is made up of common values and beliefs that define what an organization is and how it will react when faced with a challenge or crisis. Individuals believe in it and share the values espoused by leadership. They allow the shared culture to define who they are and what they will be together. Individuals that operate within the framework of a shared culture empower an organization to be successful. These organizations are filled with individuals at all levels who are all in and committed. They know their individual success can only occur if their organization is first successful.

Why Seek a Shared Culture?

When an organization has a shared culture, it is noticed. "It is difficult to name even a single highly successful company, one that is a recognized leader in its industry, that does not have a

distinctive, readily identifiable organizational culture” (Cameron and Quinn, 2011, p. 5). Two types of organizations make the news: one’s that are wildly successful and one’s that majorly fail. The mediocre are forgotten. Profits make a financial headline for a day, but an organization’s successful culture distinguishes it and defines its long-term success (Cameron and Quinn, p. 5).

A successful shared culture (i.e. Chick-Fil-A) builds an identity and brand that make it unique and desirable. When this happens, customers are attracted to that organization. However, what really makes it successful is that a shared culture attracts top tier talent. People want to fit in and be a part of a winning team. A shared healthy culture recruits itself. With top talent seeking to be a part of the team, leaders are able to continue to develop and improve the shared culture. This puts an organization into a constant state of healthy upgrade with top talent coming in and assimilating into the organization. This brings in new ideas, innovation and growth. A shared culture becomes increasingly more dynamic and flexible – able to meet challenges and crisis head on.

How to Achieve a Shared Culture

Developing a shared culture requires leaders and followers within an organization to both desire and actively invest. The investment needs to be deliberate, visible, and consistent. The following are five proposed keys to achieving a shared culture: building trust, commitment, humility, attitude and a focus on growth values.

Building Trust

Trust is fundamental between any two people and people with an organization. Trust is earned over time and requires at least two individuals to be committed to it for it to develop. “Trust lies at the heart of a functioning, cohesive team. Without it, teamwork is all but impossible” (Lencioni, 2002, p.195). Trust involves knowing that another individual can be relied on and has their best intentions for them. Being open and vulnerable with another requires trust. Doing what is right and what is right for another may not be efficient, expedient, or without cost.

Trust is hard work for individuals to achieve with another and even more difficult when it involves an organization. People fail and so do organizations. When that occurs, trust can be broken. When a company hires a person, a certain amount of trust exists. The company is trusting that the employee will do certain things in return for a certain wage. Similarly, an individual trusts that the company will pay them and treat them fairly for doing what they agreed to do. This is a start, but it is not the level of trust that needs to be developed for a truly shared culture to be established.

Trust in a shared culture requires vulnerability and an understanding that if trust is violated then individuals and the organization as a whole would suffer. The foundational element for a culture to become a truly shared culture is trust – a deep, all in, we are in this together, we need each other type of trust.

Commitment

Today the divorce rate for marriage is sky high. Commitment and loyalty to one individual over a lifetime is proving too difficult for many to achieve. This is a reflection of our macro culture as a whole and is disappointing and very damaging to the family organizational model. In a similar way, when individuals leave an organization, or the organization chooses to separate itself from the individual, then damages often occur.

Commitment of individuals to an organization may be built off of trust, but it is also a reflection of an alignment of mission and values. Commitment requires agreement to go in a certain direction together. To be committed, means to share the stated and implied responsibilities that come with it.

Individuals and the organization share the commitment responsibilities together. The commitments made are towards values, mission and overall culture. Agreement on the primary defining values of an organization are critical. There may be tactical differences in approach, but the overall mission strategy is defined and shared by all.

Organizational crisis occurs when a commitment needs to be broken or cannot be achieved and the intentions of either party are not fully known or communicated. If the individual or an organization fails on its commitment with the best of intentions not to, then through hard work the organizational crisis can be averted. In these situations, effort to seek to fulfill commitments should be observable and felt by individuals involved. Expectations can then be adjusted and reset if needed so that the individuals and the organization have a future together and are aligned. This alignment will accommodate disappointment to some level and allow an organization to push through a crisis not necessarily unscathed, but with no fatal organizational wounds. Commitment by individuals to an organization and an organization to individuals is critical to achieve a shared culture.

Humility

As discussed, hubris is the cause of many organizational crisis that turn into complete cultural failures and organizational collapses. Hubris with competition, clients, employees, and suppliers leads to a false sense of security that everything is fine. This can lead to a state of organizational development laziness and arrogance. “We are the best, everyone wants to be like us, no one can compete with us, we are all good.” When statements like these are made, then focus and resources can shift away from continually trying to improve and develop a culture to meet more visibly pressing needs.

Humility and never being satisfied with the current state of the culture of an organization is key to not falling into the hubris trap. However, having and practicing humility is extremely challenging especially in highly competitive macro cultures that exist in many capitalistic societies. Too often, we are faced with daily competition that makes it difficult to allow humility to set the tone for how individuals operate within an organization. To stop fighting and to start collaborating takes work.

Humility, when practiced by individuals, throughout an organization strengthens both trust and commitment. When senior individuals practice it, junior members are more prone to ask

questions, seek advice, and desire to be connected. All of these things strengthen the culture and allows for it to develop into a truly shared culture.

Attitude

When it comes to solving organizational crisis, attitude plays a prominent role. A positive attitude by individuals at each level of an organization highlights a healthy culture with the strength to deal with a crisis. A negative attitude, even by a few, can be a cancer that spreads throughout an organization.

Leaders need to attack attitude problems head on and swiftly. Organizations that lack the maturity and health to deal with isolated attitude issues, run the risk of damaging trust and decreasing commitment within individuals. Organizationally this can cause parts to decay, change the culture for the worse, and decrease its effectiveness in the marketplace.

An organization filled with positive and high energy individuals that trust each other, are committed, and have humility are primed for success. During a job interview, usually within the first few minutes, attitude of an individual can often be determined. Competence related to job skills can be taught, but a bad attitude is hard to change. Therefore, leaders should seek first positive attitude candidates and once they are part of an organization do everything possible to keep the attitude up. The positive attitude and resulting high energy will have a meaningful impact on the overall organizations culture.

Focus on Growth Values

There are three primary value types that individuals and overall organizations can have: “defensive”, “stabilizing”, and “growth” (Hultman and Gellermann, 2002, p. 44). Defensive values are focused on threats and one’s ability to counter act them (Hultman and Gellermann, p. 44). They can involve security, control, or marketplace competition. If an organization’s culture is made of people that have defensive values, then silos and organizational negative politics are usually rampant. Trust does not exist, and everyone is just trying to protect themselves. Stabilizing values “focus on maintaining the status quo” (Hultman and Gellermann, p. 44).

Policies and rules dictate the work day as the organization operates to fulfill its many protective measures. Some stabilizing values are needed in any organization, but too many can drown an organization and create a very unhealthy culture. Growth values “focus on progress or forward movement” (Hultman and Gellermann, p. 45). An organization focused on these values has hit its sweet spot and is actively developing a shared culture.

When growth values are present in an organization, ideas and development are everywhere. The workplace is exciting. Many technology companies that start-up are racing to be at the forefront of espousing growth values within their teams. The flexibility to express an idea and experiment creates an environment that will accept failure as a means to develop further learning. Competitive energies are externally focused allowing individuals and teams to advance together to a shared mission.

Focusing on growth builds more trust and commitment. The mission is clear, and the future is bright. However, growth values are hard to sustain over time. Many companies, especially ones dominated by meeting near term shareholder demands, see an organization that focuses on growth values as expensive and wasteful of resources. Leaders need to find the right balance between growth and stabilizing values. Once this mix is determined, then an organization will have the best opportunity to grow at a healthy and sustainable pace. It will also be in step with developing a healthy and vibrant shared culture.

Summary

Solving organizational problems starts with looking at its culture and underlying values. Creating a shared culture built off of trust, commitment, humility, a positive attitude and growth values positions an organization for success. Sustaining this shared culture over time will increase its likelihood to face successfully and prevail from an organizational crisis. The power of a shared culture will keep an organization growing and thriving when so many others would fail.

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