REBOOT YOUR BROKEN CULTURE

AND UNIFY YOUR ORGANIZATION

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Broken organizational culture is a huge challenge that my business partner and Co-Founder of OKR Cohort, Nizar Khoja, and I see organizations facing more and more frequently. In fact, we've both lived through stints in our individual careers where we've been in organizations with broken cultures. A broken culture within your organization stems from people lacking clarity and cohesiveness. It's a lack of direction on how to unify within the culture.

Culture is the relationship an organization has with its people. Everybody wants to have a healthy culture within their organization because a healthy culture represents their values and is foundational for delivering results, attracting, and retaining the right people. The thing is, like any relationship, it takes time and effort to create and maintain a healthy culture.

The problem I'm addressing here is when you know your company culture is broken and you want to have a healthy culture. I'm going to cover ways in which OKRs can help you reboot your company culture and unify your organization no matter the size or what kind of products or services your company provides.

A HEALTHY CULTURE IS RELIANT ON PEOPLE

A broken culture literally means that your organization's purpose and values are not clear to employees, leaders, and the organization as a whole. None of these aspects are aligned, so the relationship between the components is broken. That's what it means to us to have a broken culture. It's a challenge for employees because they have no sense of purpose. They don't understand because they don't have clear goals and don't understand the intentions of the organization. They feel disconnected from the organization, from their work, and have a lack of motivation and engagement.

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When employees don't have clear direction, they end up working on the wrong projects or tasks and end up with wasted resources and missed opportunities. Many times, what Nizar and I notice is that employees in broken cultures become more individualistic. Instead of being part of the team, employees tend to focus inwardly on their own individual tasks and neglect the importance of collaboration and teamwork. This undermines the organization's success. A company is not about specific individuals -- it's about the teams, the organization itself.

This has a huge impact on a company's culture. This is how you end up with employees working in silos, lacking a sense of shared purpose, and ending up with a really a negative culture. It creates a self-perpetuating, non-virtuous cycle of negativity that results in resistance to change by employees.

THE SHINY OBJECT SYNDROME

In a broken culture, leaders tend to cultivate what I call the "shiny object syndrome." Leaders become very easily distracted by new things that aren't aligned to the company strategy, which causes more confusion for employees. This puts leaders in the unenviable position of being both, part of the solution and part of the problem. When leaders don't have clarity on the organization's purpose and vision, that impacts how they are creating the narrative for the organization. Leaders are not aligned with the overall strategy. They have inconsistency in communication and execution. They are focused more on their personal leadership, so they're more about rallying employees behind them as an individual leader instead of behind the organization and the organization's purpose. In this kind of environment, you don't get a unified culture. You get a leader's culture.

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Leaders create whiplash among employees by moving from what was the priority last week to the new priority this week. Many times, leaders change priority month over month, or even quarter over quarter, which ends up with duplication and inefficiency.

THE EFFECTS OF A BROKEN CULTURE

When you consider an organization as a total system, a broken culture can cause disruption across the entire network. With multiple individual personalities and varying perspectives within every organization, misalignment and miscommunication can easily arise making it very difficult for teams to function effectively and thus causing the overall system to deteriorate.

When a company becomes known for having a toxic culture, the consequences can be far-reaching and can include difficulties in attracting top talent as well as losing valuable business partnerships. With employees struggling and not being able to work effectively and cohesively companies with a toxic culture will see a decline in productivity which in turn impacts the quality of work and overall success of the organization. The lack of collaboration and trust among leaders and employees can further hinder innovation and growth. This ultimately leads to increased costs as seen through higher employee turnover, wasted resources and inefficiency. This kind of environment can strain an organization's budget and hamper its ability to compete in the market.

HOW OKRS HELP ORGANIZATIONS REBOOT AND UNIFY BROKEN CULTURES

Leaders hire Nizar and I to create and implement OKRs. Let me define OKRs. OKR stands for Objective Key Results. It's a lightweight framework that helps organizations articulate their goals, create alignment, and establish the foundation for creating a healthy culture aligned to the organization's defined strategy. In other words, we help them embed purpose in the work of their people and align that work across the organization thus proving focus. This breaks the cycle of the "shiny object syndrome."

As I mentioned before, culture is essentially the relationship between a company and its people. When the culture or the relationship is healthy, amazing things happen. Employees feel like they are part of something great. They feel like they are part of a supportive family which enhances job satisfaction and loyalty. When you're in a healthy relationship, you grow.

We believe that the development of a healthy and inclusive culture is all about creating a way of working that is healthy for all people regardless of their background, regardless of what they bring to the table. We intentionally create a culture that empowers everyone in the organization. When we do that, it unlocks the full potential of employees and leaders alike, creating a positive work environment that drives success, growth, and overall well-being. Foundational to that is transparency and alignment. Those qualities are core to a healthy culture and that's where we believe leveraging the OKR framework really sets the stage.

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OKRs foster a culture of transparency, collaboration, and achievement which helps to unify employees toward a shared vision and goal.

Here are various steps on how OKRs help build purposeful and outcome focused teams that foster a collaborative and healthy organizational culture.

- **Align Teams with Purpose and Outcomes**
  We work with every team in the organization. Our first step is to ensure that each team is built around clear purpose and specific outcomes that align with the organization's overall goals. This helps to foster a sense of shared mission and unity across teams.

- **Embrace Continuous Improvement**
  Secondly, we encourage teams to focus on constantly improving their processes and performance while working towards achieving their desired goals. This fosters a culture of growth and adaptability.

- **Establish Routines and Cadences**
  Next, we implement regular routines and cadences for collaboration and communication among teams. This helps to ensure alignment and promotes effective teamwork.

- **Balance OKRS and Work Processes**
  While OKRs are crucial for setting and tracking objectives, it is equally important to pay attention to how the teams work together. We ensure work processes are efficient, inclusive and promote collaboration.

- **Facilitate Cross-Team Collaboration**
  OKRs encourage teams to work together across the organization to leverage collective knowledge, skills, and resources. This helps to break down silos and fosters a more unified culture.

- **Create "Team-of-Teams" Outcomes**

  It's also important to identify purpose and outcomes for a "team of teams." Instead of looking at outcomes only at a team level, we go bigger and broader and see it as a "team of teams" approach that complements the overall organization's goals ensuring that each team contributes to the common objective.

- **Hire for Attitude and Focus**

  When you hire individuals after establishing OKRs, you will then look for those who possess a problem-solving attitude and are committed to achieving broader goals, not their own individual goals. That helps create a workforce that is dedicated in delivering positive outcomes.

- **Invest In Education and Training**

  Providing ongoing education and training for employees ensures they have the necessary knowledge and skills to contribute effectively to the organization's objectives and outcomes. This not only empowers your workforce, but also creates a culture of continuous learning and development.

ENABLE OUTCOME-FOCUSED CULTURE THROUGH THE OKR FRAMEWORK

All in all, organizations can build a strong foundation for a healthy and inclusive culture that is centered around achieving positive outcomes and leveraging the power of OKRs. We've helped so many organizations build connections, a sense of belonging, trust, and momentum to drive successful outcomes.

The OKR framework is a powerful tool that fosters clarity and cohesiveness that cascades down throughout the organization.

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Each team within the organization goes through the same process which entails the following:

1. CREATE CLARITY THROUGH TOP-DOWN OKRS

Then you want to cascade this process down through the organization ensuring that every team and individual can align their goals with the overall vision. I use the word cascade but that doesn't mean everybody has the same thing at each level. You literally have the upper level, and that information, and you align to that and use your own language your own words to create the next level. So the process becomes really personal. That's why you co-create it with the set of leaders at each level. You share each level's stated goals and accountability across teams and departments to encourage collaboration and get everyone on the same page. This aligns efforts and minimizes conflicting priorities.

2. CREATE COHESIVENESS THROUGH SHARED OKRS

It's not just about understanding what you need to do. It's having a snapshot of what other teams are doing so you get the bigger vision into how it's all going to come together. This really helps the organization as a whole and it provides alignment horizontally across the organization to decrease duplication and frustration.

3. GOAL-SETTING FOR FOCUSED EFFORTS

We do encourage teams to set specific measurable goals through the OKR framework and that process promotes focused effort and enables teams to prioritize the tasks that contribute directly to the desired outcomes.

4. CLEAR ACCOUNTABILITY FOR LEADERS

OKR is a framework, an effective method for creating an outcome-focused culture that is transparent. It provides clarity, promotes cohesiveness, and establishes accountability. So that organizations can align their efforts, improve collaboration, and drive success. OKRs are the key element to creating transparency within your culture and empowering people.

One of the top financial institutions in Canada, with more than 20,000 employees hired us to help solve the problem of a broken culture. We found that every group was disconnected and not fully aligned with the top-level strategy and principles. In other words, we call it, "the right hand is not aware of what the left hand is doing." The employees were disengaged, or they were working in silos. They did not understand how their work was contributing to the greater good of the organization.

We first introduced the OKR and agility framework together which included transparency, collaboration, alignment, continuous improvement, and cohesiveness. We focused on the principles rather than how the process works. In the end, the organization found that having a clear understanding of organizational goals and principles brought synergy and connectedness among groups and helped them focus on what matters the most to the overall organization. When we looked at their key results, or metrics of improvement, productivity went up five or 10%. Also, employee engagement scores moved from 75 to 90 within a year and that's where you find that people are connected and there is no broken culture.

Another company we worked with was much smaller. We were hired by Leading Hotels of The World, a company with under 500 employees. They wanted to create a high-performance culture. The CEO mentioned, "in an effort to develop a high-performance culture, we look to OKRs to connect every employee to our company's strategy." They wanted to achieve that goal in eight weeks! It took one year to shift the culture in the financial organization. So, we really had our work cut out for us.

Nizar and I helped LHW create OKRs at the leadership, team and individual levels. This was intriguing to us because not many companies take OKRs all the way down to the individual level. But the leadership at LHW understood the importance of doing that to really embed purpose in their people's work. We worked with them and were able to successfully deliver to the fast turnaround.

We began by co-creating OKRs with the leaders and the leadership team. This gave them a better level of clarity on contribution and expectations for each team. It also connected each leader to the strategy and showed them what success would look like. They were then able to do this within their organization and link employees' OKRs to the management team's OKRs, and to the company level OKRS. They really embedded the process all the way throughout the organization. This gave employees an understanding of how their work fit into the company strategy. But more importantly they had a clear set of expectations. That sense of clarity gives employees the confidence to go forth and conquer. And that's exactly what happened within LHW. They also had the ability to measure and track performance. Throughout the year employees knew what they were expected to do.

They were checking in regularly, and were intentional about having a quarterly conversation with their leaders specific to their OKRs. This made the Performance Management cycle more effective. What they noticed is their average employee Net Promoter Score (NPS) significantly surpassed the key results they had set for it. On top of that, LHW exceeded their revenue goals for the year. This example speaks to how an organization's culture impacts overall results.

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We met with LHW management at the end of the year. We asked them what behavior change they had seen and what OKR adoption was like after their first year. They told us that leaders were more transparent through the adoption of and sharing of OKRs. They felt that OKRs had especially changed the behavior of Human Resources. It solved a common problem for them, which is how long it takes to fill open roles. They were facing the same problem, like many organizations are, and they were able to decrease that time significantly. Talking about OKRs every month changed the focus of their organization and provided clarity on where the whole organization was going and brought them together.

They felt that OKRs had the impact on their culture that they were looking for. They continue to improve upon what is already a high-performance culture now.

HOW TO IMPLEMENT OKRS IN YOUR ORGANIZATION

Establishing, implementing, and embedding OKRs into your organization is not easy. That's because it is not just about a relationship between two people but between however many people you have in your organization. You could start just by being more transparent and leveraging the OKR framework. But it's so much more effective to start a dialogue with us to help us understand a little bit about your culture and the problems you're seeing. We can offer the right plan for you to implement OKRs and create a thriving culture. It's easy to have that conversation by reaching out to us at okrcohort.com/connect or by connecting withus on LinkedIn.

Our team covered this very topic on a recent episode of our video and podcast series! If you'd like to learn more and enjoy an in-depth conversation surrounding this informative topic, head over to our YouTube channel or visit OKR Cohort on your favorite podcasting platform!

ABOUT THE AUTHOR

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Denise is a Business Agility Leadership Coach and OKRs Expert recognized for being an action-biased trail blazer to support leaders and teams through transformational change. She has expertise in training, organizational development, operations, and sales leadership which allow her to quickly understand and align her work to the company's strategy & roadmap for change. Denise thrives on coaching senior and executive leadership, bringing a 'meet you where you are' approach while using data and OKRs to drive meaningful results and lasting adoption.