# CULTURE TRANSFORMATION THE GUIDE TO GETTING STARTED



#### INTRODUCTION

## ORGANIZATIONAL CULTURE CAN BE DEFINED AS THE SUMMATION OF ALL THE ATTITUDES AND BEHAVIORS OF INDIVIDUALS WORKING WITHIN THE ORGANIZATION.

The culture reflects how employees solve problems, how they interact with each other, and how they get things done. Organizations of all sizes across every industry work to establish positive cultures because of the impact culture has on employee engagement, productivity, and business growth. In fact, according to a survey of 1,800 executive business leaders, over 50 percent of respondents said that corporate culture influences productivity, creativity, profitability, growth rates, and the value of a firm.<sup>1</sup>

There is no singular ideal company culture because each company's culture can be as unique as the characteristics of the individuals within it. Organizational culture is (or should be) a reflection of what is important to the organization and what is required to achieve success. What makes a company's culture truly great is how well it is translated into the experience of every customer, employee, and stakeholder. Company culture determines how the company mission is achieved and how individuals live out company values on a daily basis.

At any point in time—perhaps after a reorganization, merger, or period of accelerated growth—it may become clear that your organizational culture is not what it should be and that there are aspects of it that require a change. In order to move from your current culture to the desired future state, you need a strategic plan. When you follow a proven roadmap for success, culture transformation is within your reach.

### FIVE STEPS TO TRANSFORM YOUR ORGANIZATIONAL CULTURE

Achieving a lasting culture transformation can be a challenge for any company. In fact, research conducted by PWC found that only 54 percent of company leaders believe that culture change initiatives in their company were adopted and sustained.<sup>2</sup> However, culture change is indeed possible when you understand your current culture, prioritize what needs to change, and ensure leaders have the knowledge and tools to guide employees through the change process. By following this five-step process, you can come out successful on the other side of your culture change initiative.



#### GAIN ORGANIZATIONAL PERSPECTIVES

Rapid changes in the marketplace, shifts in customer needs, or the introduction of new internal processes can put any organization in the position of needing to transform quickly. Tight deadlines and other pressures can make it tempting to embark blindly on a mission of change and simply hope for opportunities to leverage new information as it comes. However, failing to dedicate time for discovery and information gathering at the outset of a change initiative can lead to derailment or have detrimental effects on your existing culture. Any successful culture transformation requires having essential information that will help you understand the realities of the business as well as the behaviors, tools, and processes required to achieve lasting culture change.

One of the most important initial steps in a transformation is to understand your current culture, which is not always as straightforward as it may seem. Some company cultures are harder to define than others, and the definitions often vary depending on who you ask. In one survey of HR professionals, managers, and full-time employees, all three groups expressed a variety of ideas about the most important aspects of their current company culture.<sup>3</sup>

To overcome this challenge, a thorough discovery process can help to define your existing culture, how individuals within the organization perceive it, and the different ideas they have about how it can be improved. With the benefit of multiple perspectives, you will be better informed about the future decisions and actions that will have the most positive impact on your culture change initiative. Understanding your existing culture and identifying the enablers of and barriers to culture change will give you the organizational perspective and data you need to change employee behavior and build your desired culture. A detailed discovery process can help you identify performance and training gaps that exist between the current reality and the desired future state. It can also highlight the required actions company leaders will need to take to ensure a successful culture transformation. Armed with the results of a thorough discovery process, the organization will be better prepared to execute a specific plan for change.

#### DIAGNOSE OPPORTUNITIES

Culture transformation is not always about fixing a problem. It is much more often about seeing an opportunity or need, and then moving the organization toward meeting that need. It also doesn't mean changing everything; there are aspects of every culture that are great and should remain. Also, the issues you have identified do not need to be tackled all at once. Instead, focusing on a few top priorities will have the most positive impact. For example, if the discovery process uncovers an issue with the current sales culture, then building a high performance culture among the sales team may be a top priority. Identifying and prioritizing the most important areas of concern will help to ensure you don't attempt too much at one time and risk overwhelming employees.

When trying to determine which areas to address first, there can be so many options that it becomes difficult to select the most important issues. In this case, diagnosing opportunities for improvement can sometimes be as simple as asking the question, "What will happen if we don't do anything in this area?" When you ask what will happen if you don't make a change in a certain area, the answer will help you determine if it's a true priority in achieving your desired culture change.



#### PINPOINT WHERE TRAINING IS NEEDED

The desired transformation may not need to encompass the entire organization; it may only need to be focused on a single area. Once you've diagnosed key problem areas, you'll need to determine which aspects of the organization's people, processes, and tools require change. Because people are at the heart of any company process and are the users of company tools and systems, lasting culture change will necessitate making adjustments to individuals' mindsets and skill sets. Achieving the right mix of changes in people, processes, and tools will help to bring about a more seamless, comprehensive change effort, and will also help to avoid negatively impacting processes that already work well.

Whether the needed change relates to people, processes, tools, or all of the above, employees will require training to change their behavior. Training that is done well engages individuals' hearts and minds and emphasizes practice and a focus on results. This training must be done with care because training can change the entire direction of an organization and radically influence outcomes as well as the value that is provided to shareholders.

#### MEASURE OUTCOMES

In many ways, company culture can be like the wind—invisible yet powerful. As a result, many organizations struggle to adequately measure company culture. In one study, 73 percent of C-suite respondents said they had no formal process in place for measuring corporate culture.<sup>4</sup> Although measuring culture has its challenges, there are strategies and tools designed to measure the outcomes of culture change, making it possible to see the impact of a change initiative over time.

As you work to identify and address specific areas that will help you achieve your desired culture, you'll need to measure the outcomes of your actions to see their effectiveness. No one enjoys metrics for metrics' sake, but looking at the right indicators will help to determine if the target areas you identified during the discovery process are the areas that are actually improving. In addition, measuring the outcomes of culture change can align the organization, educate individuals on the progress that has been made, and keep people motivated to see the initiative through to completion.

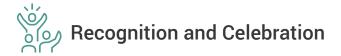


Measuring the success of a culture change initiative requires involving everyone within the organization. When everyone can see what the metrics are, why they're important, and how the organization is tracking them, they're in a better position to understand the organizational commitment to change and how much work is left to be accomplished. Whether you choose to measure shifts in turnover, employee productivity, customer satisfaction, revenue, or profitability, there are useful tools to help you fully understand what is changing and at what pace. Some examples of culture measurement tools include:<sup>5</sup>

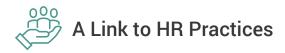
- Pulse checks and surveys Measure employee perceptions and changes in culture over time
- Key milestones Clearly explain progress on key metrics such as customer retention and revenue
- Knowledge testing and assessments Measure how well employees understand and can use new skills acquired in training
- **Culture Impact Scorecard** View a comprehensive dashboard displaying all phases of a culture change initiative, from discovery to complete transformation



As with any complex initiative, the path to culture transformation is filled with hurdles, challenges, and unforeseen drawbacks. But the journey also includes successes, high points, and the satisfaction of reaching significant milestones. Culture transformation is a long-term commitment with its share of highs and lows, so you'll need to take specific actions to ensure that the impact of culture change is sustained over time. A well-crafted sustainability plan reinforces the commitment, effort, and results that have been achieved over time and positions the organization to move ahead and build on its success. The key elements of a culture sustainability plan include:



When the organization is in the midst of organizational transformation, it's possible to get caught up in daily challenges and lose sight of the progress that has been made. One way to keep individuals motivated and focused is to recognize and celebrate key milestones. When everyone is reminded of how far the organization has come, they're more likely to stay on the path and build on past successes. In addition, by tying recognition of accomplishments to previously identified metrics and markers of success, you reinforce desired behaviors and encourage individuals to stay the course.



HR has a unique role to play in ensuring new hires and current employees are aligned with company culture. During a culture transformation, HR needs to update talent management practices and programs to support the new organizational culture. Recruiting activities, performance review systems, and training programs are all areas that should be adjusted to ensure the organization is hiring, developing, and retaining individuals who embody the values and behaviors of the desired organizational culture.



Organizational leaders must act as culture champions and model the behaviors that are desired in all employees. When leaders continue to reinforce the attitudes and behaviors that are desired within the organization, they help to curb the tendency in others to fall back into old ways of doing things. Leaders can support the momentum of culture change by acting as coaches for their teams, leading by example, and encouraging employees as they learn new ways to approach situations at work.



Frequent communication helps foster openness to new ideas and behaviors. In fact, one study found that regular communication around change management initiatives can help to reduce employee resistance to change.<sup>6</sup> Communication around change should occur early, often, and with clarity that motivates and inspires. Frequent, repeated messages about the importance of culture change deepen employee understanding. When there is two-way communication, employees have a safe space to share their experiences, ask questions, and offer feedback on how to make improvements.

A culture transformation initiative has a significant impact on people, internal processes, and overall business outcomes, and the decision to undergo such a change cannot be taken lightly. With careful planning, the support of strong leaders, and longterm reinforcement, culture transformation is an achievable goal.

### GET STARTED ON YOUR CULTURE TRANSFORMATION WITH EAGLE'S FLIGHT

Every organization has a unique culture, and there is no "one-size-fits-all" approach when it comes to changing or transforming it. One company will benefit from instituting a culture of safety for its manufacturing operations; another will transform the entire customer experience by introducing a customer centric culture. To create a culture that will set your organization on a path to long-term success, you need a great plan and an experienced, knowledgeable partner on your team.

As a proven partner in culture transformations of all shapes and sizes, Eagle's Flight can help you develop and implement a plan for culture change that includes a thorough culture discovery process, identification of key priorities, employee training and development, and the measurement tools and retention programs to support long-term culture change. Using our expertise and proven methods for achieving lasting results, you can successfully transform your organizational culture and find or maintain your competitive advantage in today's ever-changing marketplace.

At Eagle's Flight, we understand how to change employee behavior in support of lasting culture change. Contact us to learn more about how we can put our 30-year track record of success to work for you.



Since our founding in 1988, Eagle's Flight has developed and refined a framework for creating predictable, sustainable behavior change — ultimately leading to more successful culture transformations. We specialize in experiential learning and provide organizations with a better outcome by truly engaging the learner. Successful culture initiatives require ongoing work, but this can easily get lost in the shuffle of daily tasks that feel more urgent. Partnering with a provider, like Eagle's Flight, who has a strong track record of helping organizations achieve long-term measurable change will help ensure that your goals are met.

If you would like to learn more about how Eagle's Flight can support your corporate culture goals, contact us today.

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