THE CULTURE TRANSFORMATION TOOLKIT

EAGLE'S FLIGHT™

PRE-TRANSFORMATION: QUESTIONS TO CONSIDER

The following questions are meant to act as a personal workshop. Reflecting on, and then answering these key questions will move you along the path to leading a culture change. In order for your company culture to change, having a clear understanding of where your culture currently stands is a must. There has to be a reason for the organization to want to change the culture in some way, and the more clearly this reason can be articulated, the easier it will be to change it. Once complete, you'll have clarity on where your company culture stands today, as well as what needs to happen next and in order to build a plan to make the change happen.

CURRENT CULTURE

Understanding an organization's current culture comes from the information that is gathered before the transformation begins. When this information is specific and rich with examples and illustrations, it is easier to pinpoint why the culture is the way it is and what behaviors need to be changed in order to achieve the desired culture. The information collected is not intended to find fault, or point fingers, but rather to identify the new and improved behaviors your organization seeks to adopt.

Questions To Ask Yourself

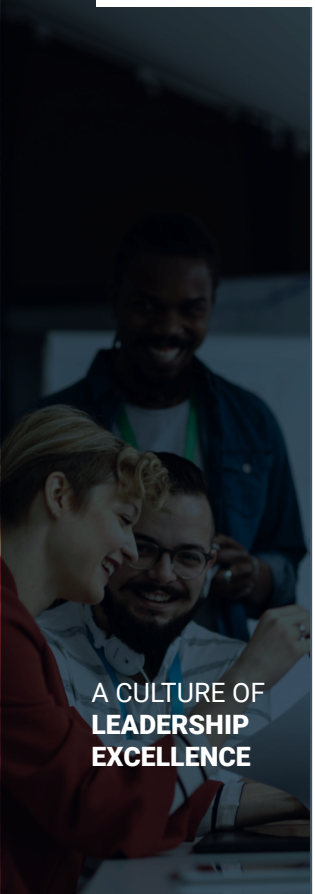
1. What are the top three reasons you feel a culture transformation is necessary? Give examples and refer to the department/area if applicable.
2. What defines your current culture, with respect to the desired transformation?
3. What words would your people use to describe your culture, in those areas that will be affected by the transformation?
4. What behaviors are currently in evidence?
5. Which tools have you used to assess the current culture?

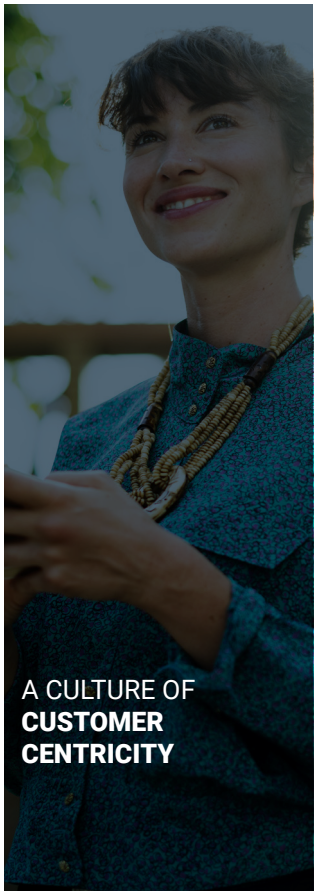
DEFINING THE DESIRED CULTURE

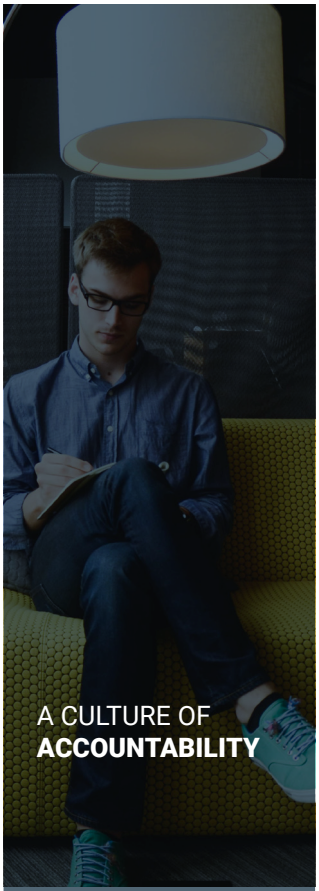
Defining and clarifying your desired culture will help the organization understand and foresee the benefits of the transformation. This section will help you create a line of sight to the end result, thereby increasing people's support of the efforts required to achieve that outcome.

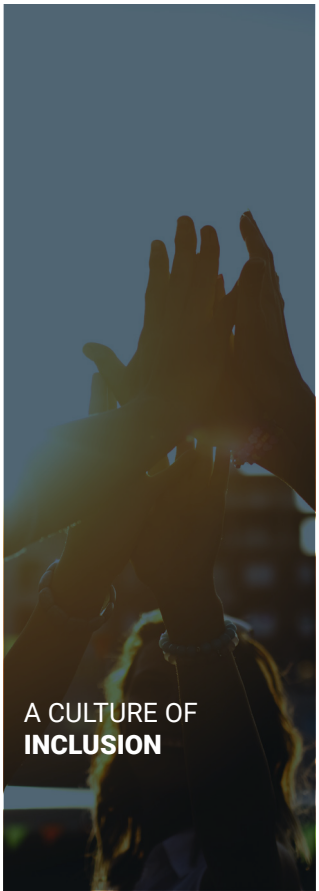
Questions to Ask Yourself

1. How will the outcome of the culture transformation fit in with overall company goals and strategy?
2. What words would you like to be used to describe your culture after the transformation?
3. What will improve, or be different as a result of the transformation?
4. As a result of the transformation, which behaviors should be stopped, started, and continued?
5. How will employees' feedback play a role in defining the objectives of the culture transformation?
6. What tools are in place to indicate when goals are met?









KEY LEADERS/DEPARTMENTS AND THE LOGISTICS

The lead drivers of any culture transformation must be senior management, however, the Human Resources team will also play a large role in training, communication, and recognition. After defining the “from” and “to” in the previous sections, you can start planning some of the specifics and logistics of the transformation. This section poses questions that will help clarify roles to avoid ambiguity and also create conviction across departments.

Questions to Ask Yourself

1. Which departments will be affected? For a company-wide transformation, is there any reason not to include everyone? For a particular area of the organization, which support areas should be included?
2. Is an external consulting firm or partner required? If so, who?
3. Which leaders would be willing to “team teach” some of the content?
4. Who will be responsible for communicating expectations to employees?
5. How will leaders demonstrate their support of the transformation?

THE HR FUNCTION

Human Resources plays a vital role in any transformation, but they should not be seen as the primary driver. Rather, they should take a supporting role, making sure that all leaders have what they need to ensure their teams and individual contributors succeed.

Questions to Ask Yourself

1. How can leaders provide performance management that is tied to the culture transformation, and what support can HR provide them?
2. How will HR support the culture transformation with their recruiting practices?
3. How will HR tie the culture transformation into career and succession planning?
4. How will HR tie the culture transformation into promotions?
5. Which employees in HR will be responsible for arranging training for leaders?
6. Which employees in HR will be responsible for arranging training for employees?

TIMING

A small-scale transformation for a single department can take several months, whereas a company-wide culture transformation can take up to four years. Deciding when to begin and how much time your organization will need for the entire transformation is a crucial part of the pre-planning process. Defining this timeframe will help ensure leadership's commitment and accountability. This section will also help you determine checkpoints along the way so that you are prepared to make adjustments if necessary, and have success measures in place and ready to share with employees.

Questions to Ask Yourself

1. Do all leaders have the willingness to demonstrate their full commitment?
2. When will the culture transformation begin?
3. At what points should we pause, reassess, and course correct if necessary?
4. How frequently should line managers run reinforcement workshops with their direct reports?
5. What is our deadline for completing the transformation?`

COST

The purpose for identifying the costs associated with your culture transformation is to not only allocate an appropriate budget, but also to help determine the benefit of the transformation from a financial perspective.

Questions to Ask Yourself

1. Which metrics can be used to quantify the financial benefit of the culture transformation?
2. How will we measure the non-financial benefits of the culture transformation?
3. What are the external consulting firm's fees?
4. How much will employee and leader training and post training retention, reinforcement and application cost?
5. What will related communication initiatives cost?
6. What will related recognition activities cost?
7. What will be the cost of ongoing leadership coaching?
8. Who holds the budget for this initiative?

THE ROLE OF COMMUNICATION IN A CULTURE TRANSFORMATION

Implementing change is much simpler if you have a sound communication strategy. Leaders often underestimate the role of communication in change management, forgetting how important information is to employees in times of uncertainty. The more information that people have, the better they understand the reason for the change, the more comfortable they feel about it, and the likelier they will be to support it. Communication is central to successfully getting a change initiative off the ground.

Here are three principles for devising and implementing a communication strategy that will galvanize employees in support of the change.

Describe Where You Are and Where You're Going

The first step is creating a straightforward, objective description of your organization's current state. Use terms that employees identify with, or that they are accustomed to using. The language should set you up to describe—in simple terms—the desired outcome of the change. For example, a company might say, "We're a market leader with 41 percent share," in order to describe its current state, and in order to describe its end goal, it might say, "We will have 50 percent of the market share." Using clear, measurable terms in order to describe the change focuses employees' energy in the same direction and has the added benefit of allowing you to track progress using metrics with which everyone is already familiar.

It is also important to describe how achieving the goals of the change will feel to employees. They should be dissatisfied with the current state and excited to move in the new direction. For example, the statement "When we get there, we will be able to celebrate our position as market leader, with enough revenue to begin to invest in the future and not only create new products, but also provide a greater measure of job security" explains why employees should be personally invested in change.

Communicate Early and Often

No matter how well it is managed, organizational change disrupts people. But that disruption can be minimized by communicating as much about the change as possible, as early as possible—preferably well before it actually happens. This way, employees will feel less threatened by the change, and can begin to adopt a change-ready mindset and make relevant changes in order to prepare for the future. If comprehensive communication is occurring on a regular basis, then the transition from the old to the new will feel relatively seamless to employees. Early and frequent communication about change gives employees:

- Time to understand the rationale
- Time to prepare
- Opportunities to ask questions
- Time to adjust
- Time to become emotionally supportive of the change

Empower Employee Decision-Making Where Appropriate

Another benefit of keeping employees well informed (and well in advance of the change) is that it gives you opportunities to ask for their input and feedback. While this may not be feasible in all situations, actively involving employees in decision-making where possible will assuage their fears about the change and build their personal commitment to it. This, in turn, will harness their energy, making the process go more smoothly.

Individuals who have not been consulted in the course of organizational change tend to disengage. They sit back and think, “Well, they made the decision; let’s see if they can make it work.” This does not mean that employees will sabotage the change; it just means that their commitment — their personal conviction that the change is needed — is lost. To lose the engagement of even one employee is to lose greatly in realizing the full benefit of the change.

A COMMUNICATION CHECKLIST

When devising the initial communication about the culture transformation, be sure to include these basic details. Give as much information as possible on each point.

- [ ] **GIVE A DETAILED OVERVIEW OF THE CHANGE**
  Tell your employees what exactly is changing by explaining where the organization currently is and where you are going.

- [ ] **GIVE THE RATIONALE FOR THE CHANGE**
  Tell your employees why the culture transformation is happening. Most likely, your employees are rational, logical people with the organization's best interests at heart. If they understand the reason for the change, they are more likely to buy-in and support it.

- [ ] **PROVIDE DETAILS ON TIMING**
  When will the change occur? If you can break down the change into phases, do so. This will help make it seem less overwhelming for everyone.

- [ ] **EXPLAIN THE IMPACT**
  Who will be affected and how? Employees will want to know how their current responsibilities and tasks will change, as well as any long-term effects.

- [ ] **OUTLINE NEW PERFORMANCE EXPECTATIONS**
  Make sure employees know how their behaviors and actions should change and if their performance will be assessed differently as a result of the change.

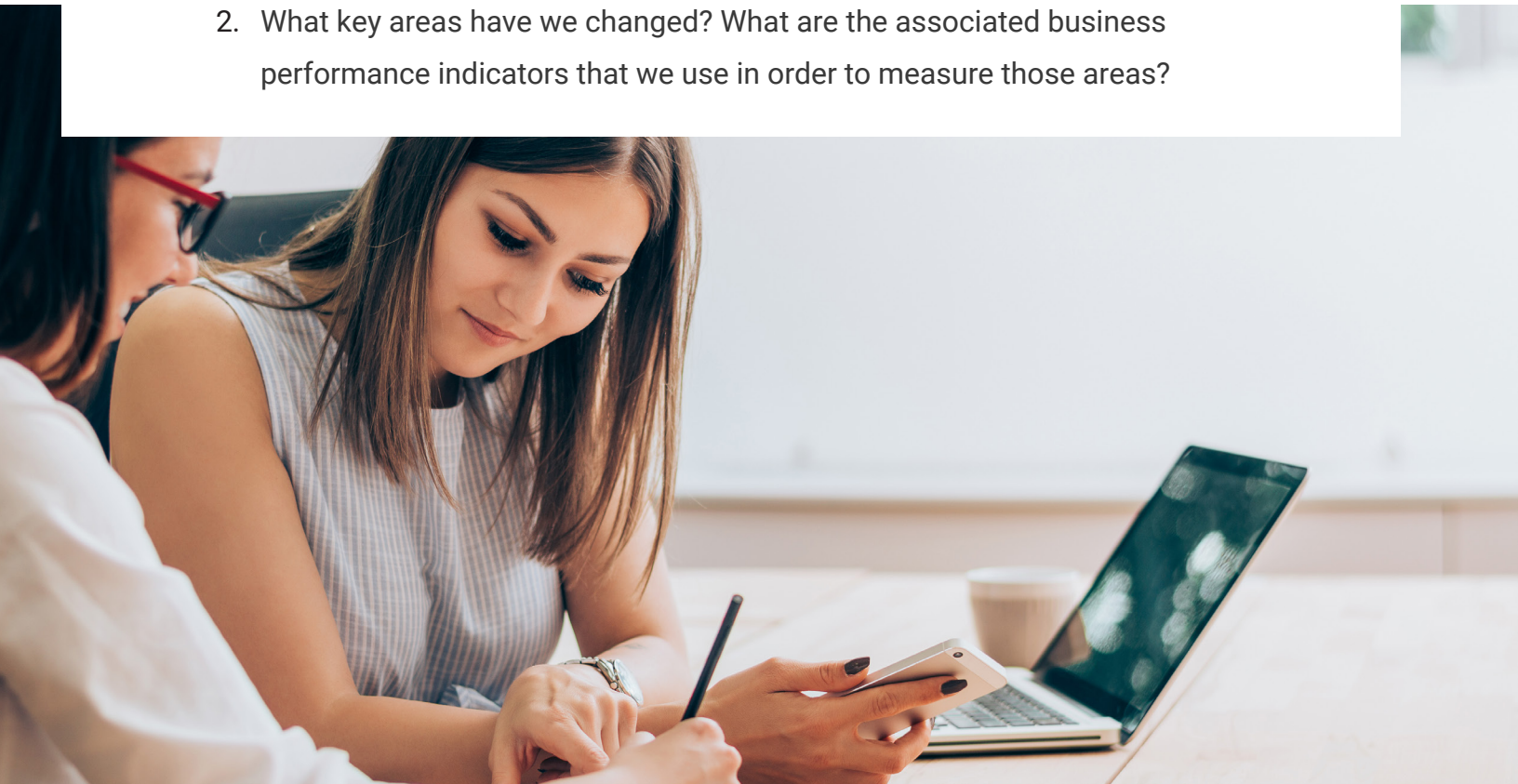
- [ ] **PROVIDE ACCESS TO RESOURCES**
  Employees will inevitably have questions as the transformation progresses, so be sure they know where to go for information so that they always feel supported and in the loop.

MEASURING THE OUTCOME OF A CULTURE TRANSFORMATION

Because a true transformation is a very expensive initiative to undertake, both in terms of hard and soft costs, any change should have the people responsible for implementing the transformation working side by side with the office of the CFO. The CFO is charged with the financial health of the organization and, as such, looks at any initiative in terms of its impact, either positive or negative.

The CFO can provide the performance metrics that are applied to other areas of the organization, such as improved sales skills, additional marketing, new locations, additional software, or an acquisition. These metrics should apply equally to organizational change, if not more so: A culture transformation could have far more significant and wider-reaching implications than most other initiatives within the company, so it should have even closer financial scrutiny and support from the beginning. Key questions to ask include:

1. What were the initial hard- and soft-dollar budgets for this transformation? Did we stay within these limits?
2. What key areas have we changed? What are the associated business performance indicators that we use in order to measure those areas?



Empowerment and Engagement

When you have successfully transformed your organization's culture, you should see increased employee engagement and empowerment. If your change management hasn't been up to par, your employees are likely less engaged than they were at the beginning of the process. Keeping your desired outcome in mind, develop a list of questions or characteristics that will measure the engagement of your workforce.

Key questions to ask and areas to consider when assessing engagement and empowerment include:

- Do employees willingly participate in projects or events, or is management seeing only minimal participation in the context of "required" meetings?
- Is work completed at a high level, meeting deadlines, and exceeding expectations?
- Do employees speak up when they have new ideas or a better way to complete a project or task, or do they only follow protocol, even when it is inefficient?
- Are employees willing to take ownership of projects? Do they welcome challenges or shy away from new opportunities?

Innovation

A common goal for a culture transformation is to increase innovation across the organization. The first step of innovation is "ideation," coming up with new ideas or thoughts. Innovation occurs when ideation is followed by a rigorous process to bring those ideas to fruition. In order to measure innovation, ask:

- How many innovative ideas, thoughts, processes, or activities have been initiated and executed?
- What kind of value have these ideas added to our organization?

Sales

If you have initiated changes within your sales team, either to equip it to deliver a new product or service, to approach a new market, to approach existing markets in new ways, or to adopt new tools or behaviors, measuring success is typically easy. The intention behind this type of transformation is to grow sales and customer loyalty. Some questions to ask include:

- How do our sales since the change compare to the previous period?
- Are we retaining our customers for longer than we did previously? Are we able to upsell or cross-sell products more easily now?
- Are our sales reps able to follow programs and protocols?

Customer Focus

Measuring the achievement of customer centricity through culture change should be twofold. First, you should ask customers if they feel the company is, in fact, becoming more customer-focused and better at meeting their needs. Second, look at statistics for loyalty, repeat business, invoice or check size, and increased referrals. Key questions to ask include:

- How do our customers feel about our performance since we initiated this change?
- How likely are our current customers to recommend us to a friend or colleague?
- Has our repeat business increased since starting this change?
- How much has our average sale size increased?

Leadership Excellence

When leadership competence is a component of organizational change, as it often is when culture transformation is occurring, measuring success can be difficult. We know that the quality of any organization's output is directly tied to the quality of its leadership. The measure of great leadership is the overall performance of the organization. The best place to look for indicators of the transformation are the measures already in place that evaluate the overall success of the organization, such as productivity, turnover, speed to market, working capital, sales-per-employee ratios, process improvements, or waste elimination.

Each of these is the direct result of leaders leading people. If the leadership is great, then the performance of the people will also be great, and as leadership competence improves, so will overall performance.

MANAGING A CHANGED CORPORATE CULTURE

Culture transformation is a long journey, but it does come to an end. Once the objectives of the transformation have been achieved, your organization has reached its destination.

The next objective is to sustain those results. As circumstances both within and outside the organization change continuously, it is leadership's job to ensure that the culture remains consistent going forward. Without active, visible support from leadership, an organization's culture will begin to fragment and become less impactful, as employees lose their sense of direction and clarity around the organization's mission and values, or new employees join, bringing their own perspectives from previous employers.
Here is a five-pronged approach for sustaining culture transformation long after the process of change is over.

1 Stay Accountable to the Desired Outcome

After the change has been implemented, don't lay aside the metrics you used to assess whether it was successful. Continue reporting on them so that everyone in the organization knows how well the results of the change are being sustained. You will also want to think about how you want your organization to be described by employees and customers. These words—which should also appear in your mission statement and values so that all employees are aware of them—should continue to define your culture years after the change is complete.

It may help at this stage to create visual reminders of the importance of the change. This could involve regular messages from the CEO or another senior leader, dashboards posted on the company's intranet (in order to show progress toward measurable goals), or eyecatching posters on the walls.

2 Celebrate Success

Use the same metrics that determined the success of the change in order to identify related achievements that occur after the change has been implemented. For example, if one of the desired outcomes was for the customer service team to reduce resolution times for customer-reported issues by 35 percent, and by the next quarter it has improved by 45 percent, you'll know you have a cause for celebration.

3 Use the HR Cycle to Sustain the Culture

This means recruiting employees who demonstrate qualities and personal attributes that are aligned with the organization's culture and mission. If possible, repurpose training content used during the change initiative for the onboarding process. This ensures consistency so that new employees understand the overarching mission and how they fit into it.

It is important to reinforce the desired behaviors in the performance management process, aligning individual goals with organizational goals and basing criteria for promotions on them.

4 Perform Regular Pulse Checks

In order to ensure you are sustaining the results from the culture change, you can also gather qualitative feedback from employees and customers on a regular basis. This could involve:

- Surveys
- 360-degree performance reviews for the leadership team
- Customer and employee focus groups

5 Build and Maintain Conviction

In order to actively sustain change, employees' "hearts, hands, and minds" must be engaged. This can be done by:

Inspiring employees' pride in their work and the organization overall by recognizing behaviors that exemplify the outcome and linking it to the organization's overall success, as well as reporting the organization's positive impacts on customers, the local community, or society.

Helping employees continue to build desirable behaviors and skills by providing follow-up training after the change process is complete.

Ensuring leadership's behaviors, words, and actions remain consistent with the goals of the change.

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.

CONNECT TODAY

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