

# Aligning Culture With Strategy

Robert E. Young, Psy.D.  
Co-Founder, Business Psychologist  
Ascend Talent Strategies, Inc.  
[ryoung@ascend-ts.com](mailto:ryoung@ascend-ts.com)  
[www.ascend-ts.com](http://www.ascend-ts.com)



**Tactical Skills  
for the Growing Business**

# Background

- Doctorate degree in Psychology - family systems
- USAF Captain (Andrews & Lackland AFB)
- 20+ years of consulting psychology work
- Emphasis on organizational effectiveness & culture
- Special interest in sm-med clients & family businesses



# Presentation Overview

- **Definitions: Strategy & Culture (Ideal, Actual, Default)**
- **What Is The ROI of Strategy & Culture Alignment?**
- **How to Assess Culture On 3 Levels**
- **How to Align Strategy & Culture (Case Studies)**
- **Practical Tips**
- **Q & A**

# The ROI of Examining Culture & Strategy Alignment

## Negative Consequences To Avoid:

- “Either you manage your culture, or it manages you, and you may not even be aware of the extent to which this is happening.” – **Edgar Schein**
- “Culture eats strategy for breakfast.” – **Peter Drucker**

## Positive Consequences To Embrace (Dan Denison):

- Creates an organization's sense of mission and direction
  - Builds a high level of adaptability and flexibility
  - Nurtures involvement and engagement
  - Provides consistency strongly rooted in a set of core values
- “Companies investing in communicating their vision, mission, and values recognized their profits climbing as much as 750%.” - James Hesket/John Kotter 2011 study of 200 Companies (HP, Xerox, Nissan, etc.)

# Definitions

## Strategy:

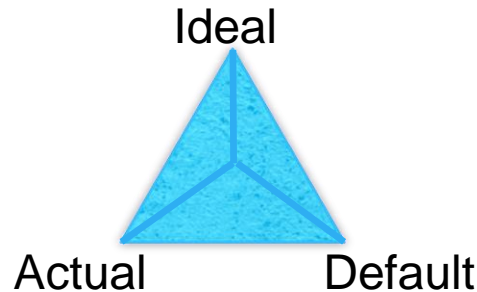
“A combination of ends (goals) for which the firm is striving and the means (policies) by which it is seeking to get there.” –**Michael Porter**

## Culture:

“A pattern of shared basic assumptions learned by a group as it solved its problems of external adaptation and internal integration (...) a product of joint learning.” –**Edgar Schein**

- **Ideal Culture:** Behavioral patterns, assumptions, and stories (true or untrue) that serve as a catalyst for execution of your strategy and ultimately create a competitive advantage for the organization.
- **Actual Culture:** How employees consistently behave, think, and communicate in ways that can either enable or disable your strategy.
- **Default Culture:** Why the actual culture is the way that it is currently, which ultimately stems from the values and drives of leadership.

# What Is Your Organization's Ideal vs. Actual vs. Default Culture?



## **Ideal:**

*Qualitative Method:* Structured Interviews & Focus Groups

## **Actual:**

*Quantitative Method:* Organizational Culture Surveys




## **Default:**

*Quantitative Method:* Leader Values/Driver & Drainer Surveys

# Ascend-TS Organizational Culture Model



# Ascend-TS Organizational Culture Survey (Sample Items)

1	2	3	4	5		Favorable
Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree		Neutral
						Unfavorable

## **Leadership:**

- *Our leaders encourage employees to take calculated risks in order to grow.*
- *The development of people is a top priority for leadership.*

## **Cultural Values:**

- *Our organization welcomes diversity in people, experience, and ideas.*
- *Our organization encourages individual initiative.*

## **Customer/Market Focus:**

- *Our organization is keenly focused on customer's needs.*
- *We flexibly adjust to meeting changing customer needs.*

## **Teamwork/Alignment:**

- *Our leaders are good role models of teamwork and collaboration.*
- *Our leaders keep all parts of the business working together.*



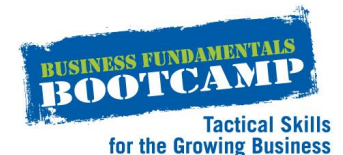
# Leader Values Survey (Drivers Word Cloud)



# Leader Values Survey (Drainers Word Cloud)



Persistence  
**Excellence**  
**Legacy**  
Personal Wealth  
**Compliance**  
**Status**  
Equality Authority  
Caution  
Competition  
Deliberation



# How to Align Strategy & Culture: 3 Approaches

- **Product Innovation Strategy with Default Culture Challenge**
- **Approach:** Leadership Changes/Additions & Training
- **Results:** Hired for: Accountability, Business Execution, Leadership with Teamwork/Alignment
  
- **M&A Growth Strategy with Actual Culture Challenge:**
- **Approach:** Team Coaching & Structural/Systems Changes
- **Results:** Organizational Learning, Business Execution, Communication
  
- **“One-Stop-Shop” Strategy with Ideal Culture Challenge:**
- **Approach:** Strategic Shift (Focus on Strengths)
- **Results:** *Informal* Business Execution (speed), *Local* Customer/Market Focus, Loose Accountability (flexibility)



# Your Business Case Examples

- What is one of your strategic business objectives in 2019?
- What would be an **ideal** cultural artifact that would support this strategy?
- What is one **default** or **actual** cultural artifact that could hinder or limit your strategy?
- What's one idea for how you could address this challenge?

# Summary:

## Practical Tips To Align Strategy With Culture

- Hire for culture fit
- Use onboarding to educate people on culture
- Recognize/Reward/Promote on culture & results
- Publish/verbalize examples of culture in action
- Teach to (ideal) competencies
- Consider culture in succession planning
- Eliminate structural and system barriers
- Find (and listen to) a “truth teller”
- Use a “Culture Habits Tracker”



# Cultural Habits Tracker

Good	<b>Preserve &amp; Strengthen</b> (Don't throw baby out)	<b>Invent &amp; Perfect</b> (New Routines)
Bad	<b>Unlearn &amp; Leave Behind</b> (Way We've Always Done It)	<b>Rethink &amp; Try Again</b> (Trial & Error Learning)
	Old	New

# ANY FINAL QUESTIONS?

Robert E. Young, Psy.D.  
Co-Founder/Business Psychologist  
Ascend Talent Strategies, Inc.  
ryoung@ascend-ts.com  
www.ascend-ts.com



**Remember to Complete the Speaker Survey:**

[Supportingstrategies.com/bootcamp](http://Supportingstrategies.com/bootcamp) > 'click' event name > scroll to  
agenda > select your speaker

