



# Purposeful Culture – Your Organization’s DNA

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**One of the greatest impediments to successfully executing a strategic plan is the organization’s culture. If the two are not aligned, success is elusive at best. However, successful organizations have “cracked the code” and have become purposeful in aligning their unique culture to their strategy. They have taken culture out of the shadows, crystalized their beliefs, and created mindshare in how to think about getting things done...not just what needs to get done.**

### **What is Culture?**

Defining organizational culture is often elusive and like leadership there are numerous definitions offered. The most common is “how things get done in an organization.” Employee behavior is driven by a learned set of beliefs which are recognized as those that are expected and rewarded. Some might say culture is everything. It certainly includes the norms, language, symbols, habits, and many other deeply embedded truisms that are often hidden in the shadows of an organization. Successful companies define not only how employees work together but also how to do business.

### **A Purposeful Culture-- not the same old wine in a brand new bottle**

Culture, and the journey of transforming it, cannot be measured by engagement survey scores alone – it must be purposefully crafted and nurtured to align and support your unique organizational goals. When organizations do attempt to align culture they often focus their efforts on the espoused values, policies, or levels of engagement. While these efforts are necessary they are not enough to create differentiation nor alignment to the organization’s unique strategy. Organizations often focus on attributes such as employee engagement, leadership, trust, service, safety, innovation, continuous improvement, community involvement, ethics, character, and respect. These attributes are what make an organization healthy and drive how people interact with each other in getting things done. The attributes of a healthy organization are not typically different from other organizations and do not address how culture determines how business gets done. Organizational health is necessary but insufficient to execute the business strategy which in the end will create a sustainable organization. Organizational health engages employees. A Purposeful Culture engages the business strategy.

## Why is an aligned culture so important?



Peter Drucker famously said “culture eats strategy for breakfast.” Watson Wyatt illustrated culturally aligned organizations return 286% more value to stakeholders. James Heskett illustrated that as much as 50% of the competitive difference can be attributed to having a purposefully aligned culture. Having an aligned culture simply makes everything else easier: physical structure and tools are implemented faster, system and process changes have less resistance and people

interact with greater harmony. A well aligned strategy and culture can account for productivity gains by as much as two hours per day for every employee.

**An aligned culture can increase productivity by as much as 25%. What impact would this have on your organization?**

## Why culture is rarely aligned to strategy?

The creation of a strategic plan consists of a straightforward set of tasks than can be described, documented, and completed. When executing these goals, however, the relative simplicity of creating the plan quickly morphs into something significantly more complex, most notably because of culture. Goals rarely fail because defined structural obstacles were not overcome (although many plans fail to recognize these obstacles). Plans often fail because organizations haven’t adequately defined nor aligned their cultural business journey to executing their vision. Culture is hard to change because organizations have a highly fragmented set of underlying belief systems which determine how to interpret and accomplish these goals. The critical beliefs required to size up and execute the goals are rarely articulated, measured, or purposeful.

## Discover your “secret sauce”

Work Effects developed an effective yet simple solution which will help you discover your “secret sauce”, align your employee’s beliefs, and transform your culture. Our solution is based on the notion of a creating purposeful culture that is aligned to the strategic goals. A strategy-driven organization focuses on how individuals create value and how goals are accomplished. A purposeful culture is unique to your organization and is made of the distinct choices of beliefs on a continuum of good-to-good. A purposeful culture determines how an individual thinks about how to accomplish these strategic goals. Despite having similar products, the culture that is right for PepsiCo doesn’t work for Coca-Cola because their strategies differ. They both have similar “healthy organization” needs, however, need different cultural beliefs in order to accomplish their strategic goals.

## Purposeful Culture

Creating alignment between strategy and culture allows everyone to become interdependent and act with a more unified mindset. We have identified 10 dimensions of culture which provide a framework to define and align the appropriate continuum of beliefs needed to best execute your strategic goals and make it easier to get things done. Using the good-to-good continuum approach allows everyone to be right, thus, breaking down a critical resistance faced with most change efforts. For example, our purposeful culture dimension of “atmosphere” describes a continuum ranging from disciplined to social. Both are good, however everyone likely has a biased view of what a highly disciplined or a highly social organization would look like. It is within this “space” Work Effects is able to pull culture out of the shadows, clearly and contextually define it, transform the underlying beliefs, and purposefully align the culture with the organization’s strategic goals.

### 10 Dimensions of Purposeful Culture

Customers

Market Approach

Loyalty

Focus

Risk Tolerance

Operational Approach

Decision Making - Information

Decision Making - Location

Atmosphere

Results

## When the magic happens...

We are never surprised but always amazed when our clients fully connect strategy, purposeful culture, and the health of the organization. It is a magic moment, when individuals and organizations discover their secret sauce and how to use their existing problem solving approaches to create alignment with little to no extra effort. Culture transformation efforts often fall short because the molasses that clogs up strategy has not been crystalized and put into a substantive form that can be managed. The magic occurs at the intersection and clarity of strategic goals, purposeful culture, and organizational health.

1. Goals – When goals are cascaded and translated so each person understands how they provide value to the goal, a person has a clear understanding of what they are supposed to do.
2. Culture Alignment – When beliefs are in alignment and connected to the strategy individuals have an interdependent mindset, a person has a clear understanding of how to think about what they are supposed to do.
3. Healthy Organization – When the organization has the basic building blocks of leadership, trust, commitments, and values in action the adaptability to create alignment is significantly increase, a person is willing to put forth the effort needed to align their thought processes and perform the actions needed to get things done.

## Too much extra work... waste of time?

We have found less than 5% of organizations have “cracked the code” in purposefully aligning their culture with their strategy. While many go through the motions of doing an engagement survey, conducting values activities, or a host of other efforts, these efforts often don’t result in any significant change in the organization’s core cultural beliefs. These efforts often create a false sense of hope that it will unclog the molasses standing in their way which then helps to create more billable hours for the consultants they have hired for the event of the day/month/year/cycle. A culture transformation is not an event rather a journey. It isn’t about going to a workshop, attending a training class, or performing some expansive set of extra duties. It is about integrating the topic of culture and your “secret sauce” into everything you already do. It isn’t extra work; it *is* the work.

## Who needs a culture transformation anyway?

Which organizations could benefit from increased productivity, a unique competitive advantage, and an easier way to get things done? 95% of them. However, many organizations are simply not ready or haven’t yet fully faced the challenges of our time – globalization, high competition for talent, knowledge based workforce, aging populations, speed of information growing exponentially, uncertain economic futures, geopolitical changes, and many more. We find the organizations that are most urgent in their necessity and desire to transform their cultures have at least one, if not many, of the following scenarios:

- Change in leadership
- High growth
- Merger or acquisition
- Sudden downturn in performance
- Brain drain

## Simple as 1, 2, 3, 4

Our groundbreaking approach to aligning culture to strategy (or vice versa) uses a four phased approach. Some organizations are ready to tackle all four phases immediately while others only have the readiness to tackle a single phase in the journey. Some organizations have organizational health issues which need some mending and begin with phases three or four. Some organizations have plenty of capable resources internally and merely need a roadmap, others need boots on the ground, and most need assistance only with critical inflection points along the way. Work Effects is committed to walking side-by-side with you throughout your culture transformation journey, regardless of level of outside support you may or may not need.

## The Four Phases

### Phase I – Define the Culture – Strategy Culture Alignment Workshop

- Create a common and organization-specific definition of culture
- Identify the current and most critical cultural beliefs needed to accomplish the goals
- Create an interdependent team with one voice
- Establish a set of communication tools that address how to think about doing the work, not just what work needs to be completed

### Phase II – Discover the Culture – Health + Culture Organizational Assessment and Analysis

- Identify the gaps between current and needed culture for each workgroup in the organization
- Ascertain the workgroups which have the greatest impact
- Pinpoint examples of near perfect alignment
- Establish metrics to track progress and success of the transformation

### Phase III – Develop the Culture Change – Workgroup preparation, actions, and buy-in

- Prepare people leaders to become culture ambassadors
- Cascade and translate the strategic goals for each person...demonstrate how each person provides value
- Connect level of cultural alignment to strategic goals
- Address organizational health issues which may create road blocks
- Create short and long-term plans for action to create alignment

### Phase IV – Deploy an Aligned Culture – Change Agents, Accountability, Recognition, and Dashboards

- Identify and prepare change agents who can mentor workgroup leaders throughout the journey
- Establish accountability for people leaders for alignment targets
- Establish monthly tracking metrics for key rate of change, people, operational, customer, and financial metrics.
- Create recognition and rewards for workgroups

