

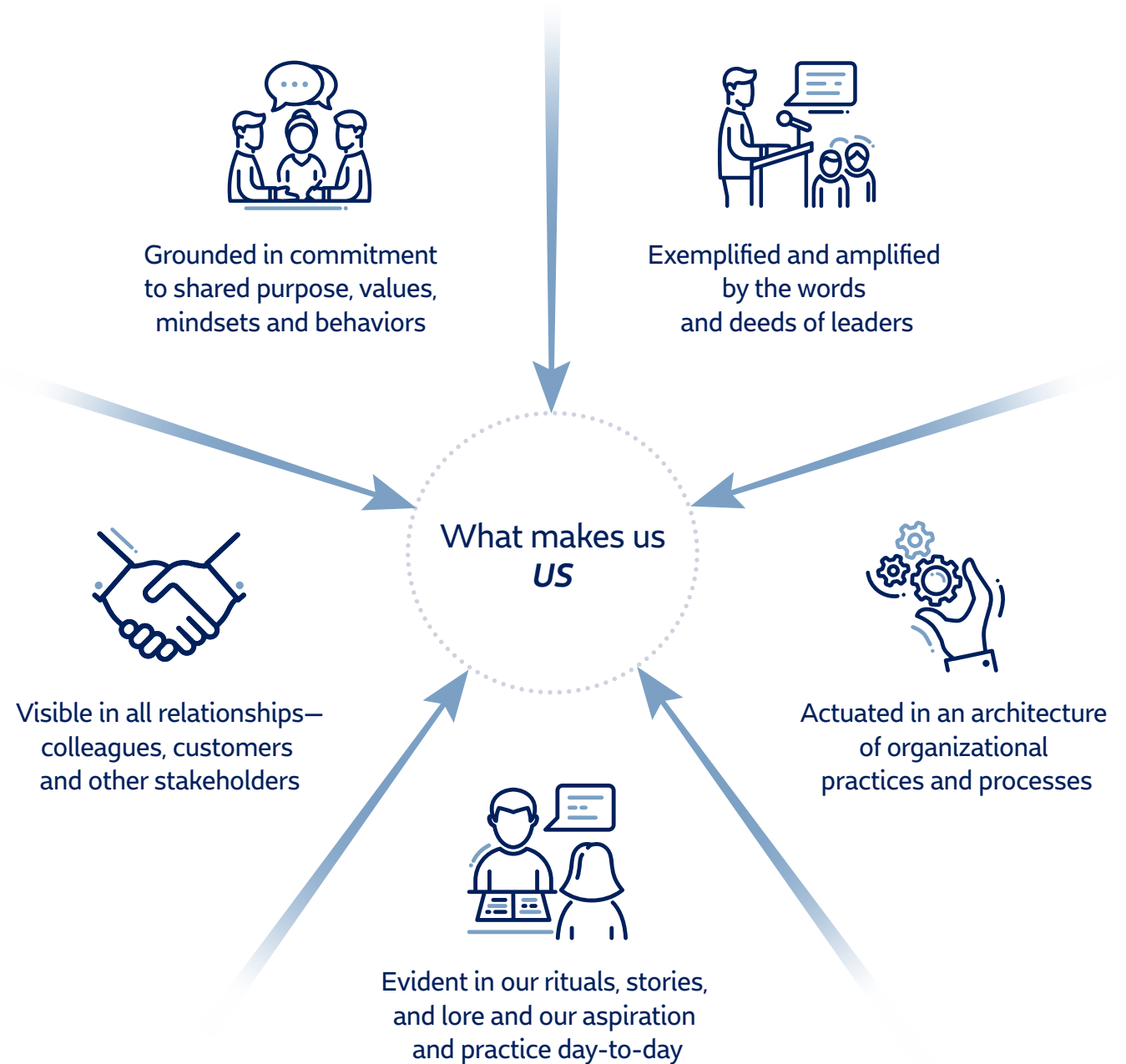
# Culture Change That Works

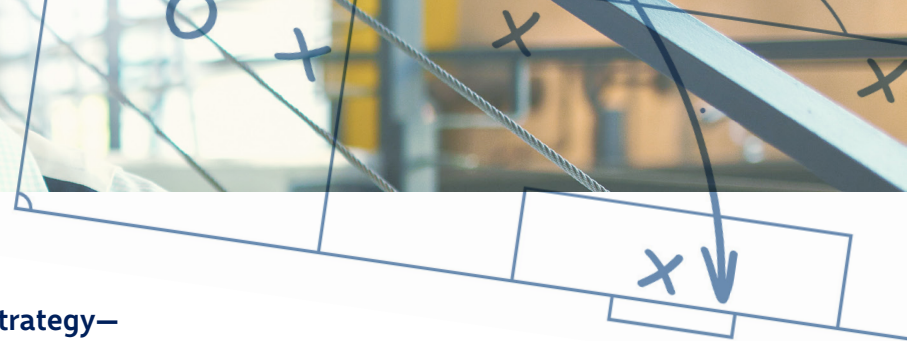
**Step-By-Step Playbook**



# Before We Get Started

LET'S DEFINE WHAT ORGANIZATIONAL CULTURE IS AND WHY IT'S IMPORTANT





**You understand how important it is for your culture to align with your business strategy—and you're ready to tackle culture change within your organization. Now, for the hard part: You need to figure out how to approach the work—and have lasting results.**

Our five-step best practice approach to culture change is a framework we created based on our learnings with many of the large, global organizations we work with every day. But this is just the launch pad. Each of these steps requires a much broader strategic approach and plan to contextualize the work given your unique market conditions, organization, and workforce. This is where the real magic happens.

Read through the five steps to our best practice approach to identify how you can get started, what may already be underway, and where you still need help:



#### 1. CLARIFY

Clarify how culture is linked to the future success of your business



#### 4. DEMONSTRATE

Demonstrate leadership commitment and appreciation of desired behaviors



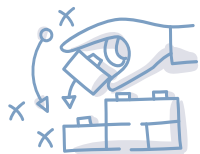
#### 2. ENGAGE

Engage the organization to create a compelling culture aspiration



#### 5. EXECUTE

Execute the plan, empowering the organization to aspire and achieve



#### 3. BUILD

Build the architecture and plan to stimulate and sustain desired culture

### BASELINE ASSUMPTIONS TO CULTURE CHANGE

- **It's rare to truly "change culture"**—a better mental model is "evolve culture." Changing mindsets and behaviors doesn't happen all at once. It happens step by step, and it takes time and commitment from all levels of the organization.
- **A sustaining, compelling business rationale is essential**—this is usually the first step—and requires a deep investment from leadership and meaningful conversations from across the organization to clearly articulate the "why".
- **Leadership is crucial but not sufficient**—"CEO-says" approaches rarely succeed. If culture is owned by everyone, you need to think about how everyone can be involved and contribute to the organization's success.
- **The method "is" the intervention**—the way you go about involving employees in evolving culture says a lot about the type of culture you want to create. A high-performing culture doesn't exist without highly engaged employees, so your engagement strategy should support your culture and business objectives.
- **Culture and brand alignment is essential**—culture is invigorated when who we are on the inside and who we are on the outside are aligned. A strong connection between your employees' experience of the culture and your external stakeholders' experience of your brand can help bridge this gap.

# Step 1: Clarify

## CLARIFY HOW CULTURE IS LINKED TO THE FUTURE SUCCESS OF YOUR BUSINESS



### Objectives:

- Establish a clear and compelling case for change
- Align on future state vision/mission/purpose
- Build understanding that culture change is essential to enable business success
- Ensure leader sponsorship and governance processes are in place

### Typical activities:

- **Review existing data, plans, and strategies**  
This will help you establish and support the business rationale for change, as well as better understand the current state culture.  
*Best practice tip: A common mistake is to look at only one area of the organization, like HR. Remember that culture touches everyone and everything.*
- **Conduct diagnostic interviews and meetings with key leaders and influential employees**  
These interviews and meetings are a great information-gathering resource to understand perspectives on the current state and how the culture needs to evolve to enable the future state. They are also an opportunity to create buy-in and increase support and understanding.  
*Best practice tip: Consider bringing in someone from outside of your organization to conduct these interviews. The candid and honest feedback from your leadership team and employees may be well worth the extra prep work and cost.*
- **Document case for change and leadership aspiration regarding culture/behaviors**  
Once you've conducted all of your interviews and meetings, it's time to distill the information and start piecing together a narrative of why the current culture needs to evolve and the aspiration of what it needs to evolve to.  
*Best practice tip: Remember to report back on the information you gather during this step with anyone who participated in interviews or meetings. This is a great way to bring them back into the work—and reassures them that their voice was heard.*
- **Establish a guiding coalition**  
Establishing a "culture evolution team" to ensure cross-organizational (up/down and across) alignment, ownership, and commitment is essential.

### A FEW SIMPLE REMINDERS:

- This is where the heavy lifting begins—make sure you know how—and how to articulate how—culture change will enable business success.
- Take your time—many organizations speed through this step, which causes painpoints and breakdowns later on.
- Don't be discouraged if you come across a few naysayers. Remember who they are and create a plan to follow up with them. You'll be surprised how many of them will come around, and some may even become your biggest champions.

### HOW ALIGNED ARE YOU?

A 2015 Korn Ferry executive survey revealed that nearly three quarters of the executives surveyed said culture was extremely important to company performance. And yet in the same survey, only 32% reported that their organization's culture is fully aligned to their business strategy.

**In other words, in nearly 70% of the companies surveyed, there was a disconnect between culture and strategy.**

# Step 2: Engage

## ENGAGE THE ORGANIZATION TO CREATE A COMPELLING CULTURE ASPIRATION

### Objectives:

- Invite employee input and engagement  
***Best practice tip:** A generative, “organization up” approach (versus top-down approach) engages multiple levels in the discovery process and begins to build the foundation for engagement in culture evolution efforts overall.*  
***Best practice tip:** Where necessary, leverage digital and social communication platforms to engage diverse, global employee populations.*
- Understand culture strengths, gaps, and aspiration
- Create a compelling story of who we need to be and why
- Ensure aspirational culture is described in behavioral terms

### Typical activities:

- Conduct employee meetings and focus groups to understand current state culture and desired culture  
***Best practice tip:** Consider using qualitative methods such as culture “walks” and critical incident interviews to help observe “culture in action,” understand strengths, identify gaps, and reveal aspiration.*  
***Best practice tip:** Keep your eyes and ears open for meetings and events that are already on the calendar. Even if it’s too late to add something to the agenda, you can always ask if you can sit in and observe.*
- A thoughtfully designed culture and engagement survey may be suggested to validate and augment qualitative findings
- Convene employee “opinion leaders” to further define and clarify the culture aspiration  
***Best practice tip:** Ensure key stakeholders learn about this effort and how to provide input.*
- Keep guiding coalition effectively engaged and visible  
***Best practice tip:** Schedule frequent meetings, set clear agendas, and don’t forget to give everyone a role so they are actively engaged and contributing to the work—instead of just giving their opinions.*
- Build upon and continue to refine the culture narrative that you began to articulate in Step 1  
***Best practice tip:** Continue to listen, synthesize, revise, and vet the culture story as you move through this process.*



### A FEW SIMPLE REMINDERS:

- Keep focus groups conversational—when you create an environment where people feel comfortable opening up, you’ll get more candid feedback and proof points to support your work.
- You don’t have to reinvent the wheel—be sure to incorporate and lean on what’s already working and resonating with employees and leaders. Seeing bits and pieces of the company they know in the evolving culture “story” helps the messaging stick and builds credibility.
- Create pre-reads to distribute prior to meetings and focus groups—this gives people time to think before they give their opinions and feedback.
- It’s not a one-size-fits-all approach—there are so many ways to engage and involve stakeholders. When you’re conducting your interviews during Step 1, you may want to ask leaders and key influencers for their perspectives on what will work best in your organization and how they’d like to continue to be involved.



# Step 3: Build

## CREATE THE ARCHITECTURE AND PLAN TO STIMULATE AND SUSTAIN DESIRED CULTURE

### Objectives:

- Create overall culture change strategy and plan—ensure alignment to company strategy implementation
- Determine how aspirational culture is going to be nurtured and supported in the “people processes” of the organization

**Best practice tip:** What we’ve seen work best is when the culture messaging and behaviors are embedded in all HR/People practices, processes, and tools (talent acquisition, onboarding, training and development, performance management, rewards and recognition, leader competencies, manager roles and accountabilities, communication and engagement activities, etc.).

- Ensure ongoing employee voice, buy-in, and feedback

**Best practice tip:** Establish “listening posts” throughout the organization that will enable you to sense what’s landing and taking hold, as well as adjustments that need to be made. We also recommend you keep your culture evolution team “guiding coalition” in-tact and engaged on an ongoing basis.

- Establish key measures and metrics to assess progress

### Typical activities:

- Partner with HR and Comms to identify/implement strategic culture change and sustain interventions:
  - HR/People practices, processes, tools
  - Communication/Employee engagement initiatives
  - Leadership competencies, behaviors, program initiatives
  - Manager role, accountabilities, and development

**Best practice tip:** Partner with your guiding coalition, HR, Employee Communications, and other groups that have a direct hand in shaping culture and the employee experience to determine the best opportunities to integrate the desired culture into the organization.

- Develop a holistic, multifaceted culture change/evolution strategy and plan

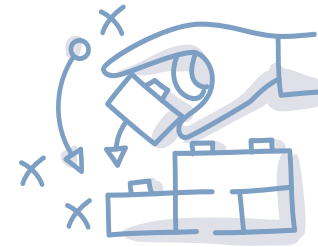
**Best practice tip:** Think through both near-term initiatives that will support early momentum, as well as longer-term efforts that will seed the evolved culture more deeply into the organization.

- Support ongoing employee engagement

**Best practice tip:** Solicit ongoing employee perspectives and feedback through pulse surveys, focus groups, or a culture ambassador network.

- Ensure external brand alignment/synergy

**Best practice tip:** What you say on the outside needs to align with who you are and what you say on the inside.



### A FEW SIMPLE REMINDERS:

- Culture belongs to everyone. Yes HR, Communications, and leaders play an important role in setting the tone, but real culture change happens when everyone across the organization—at all levels, functions, and geographies—works together.
- What you say on the outside needs to align with what you say (and do) on the inside—don’t forget to think about this as you’re refining your “story” and creating your strategic approach.

# Step 4: Demonstrate

## DEMONSTRATE LEADERSHIP COMMITMENT AND APPRECIATION OF DESIRED BEHAVIORS

### Objectives:

Engage and involve leadership throughout the process to:

- Thoughtfully spotlight “moments of truth” that demonstrate the desired values, mindsets, and behaviors
- Prepare, coach, and advise leaders to lead the way
- Engage and equip people managers at every level to lead in alignment with desired culture
- Leverage governance to ensure alignment
- Activate communication to reinforce “the story of us” and how we are changing and why

### Typical activities:

- Identify “lore creating” opportunities/quick wins

**Best practice tip:** Find memorable ways to engage leaders and employees in creating/promoting the evolved culture (e.g., new company traditions, interactive games/contests, special events, a unique or special employee gift, esteemed award aligned to evolved culture).

- Design/facilitate leadership meetings/forums to build leader awareness and skills

**Best practice tip:** Creating a strategy that incorporates peer-to-peer influence is one of the most powerful things you can do. You'll notice more traction when your leaders and managers (and eventually employees) see their peers embrace the change.

- Ensure senior leaders are connected to the feedback loop and participate in two-way communication forums

**Best practice tip:** If you have a culture that isn't quick to speak up or ask questions, don't be afraid to tap a few employees on the shoulder before a meeting and ask them to take the lead!

- Provide manager training, job aids, feedback, and reinforcement to lead change



### A FEW SIMPLE REMINDERS:

- This is another make-or-break moment—without leaders walking the talk, you may not get the results you're looking for.



# Step 5: Execute

EXECUTE THE PLAN, EMPOWERING THE ORGANIZATION TO ASPIRE AND ACHIEVE

## Objectives:

- Implement across all “people touch points”—programs, processes, and tools—learn and adjust as you go
- Ensure managers feel the drumbeat, are equipped, and are engaged and engaging their teams
- Measure and track progress and impact
- Celebrate “lore creating” moments that demonstrate how business success is enabled by culture  
***Best practice tip:** Explore different ways to keep reinforcing the desired culture such as culture videos, engagement events, etc.*
- Keep communicating/contextualizing the “what” and “why” of the culture  
***Best practice tip:** Give employees a forum to share their own experiences through social platforms and mobile apps.*
- Maintain and continue to update your culture strategy and plan based on what’s working/ what’s not

## Typical activities:

- Consistently articulate and contextualize culture aspiration and proof points
- Help employees internalize the culture through storytelling  
***Best practice tip:** Before the work begins, you need to establish a framework to gather and track story ideas. This may be in the form of a strategic bubble-up process, editorial calendar, culture ambassadors, pulse surveys, or something else.*
- Empower employees through peer recognition  
***Best practice tip:** This is another powerful tactic. Consider revising your current recognition program if it’s a top-down approach or doesn’t align to your cultural behaviors and expectations.*
- Ensure “sustain” plans are in place and executed  
***Best practice tip:** Help managers continue to reinforce the desired culture by providing manager toolkits, meetings-in-a-box, or conversation guides.*



## A FEW SIMPLE REMINDERS:

- Remember culture change is a journey—celebrate and share early wins and small successes along the way, and know that over time the right amount of commitment, action, and reinforcement will add up to a lasting cultural evolution.





# Things To Consider:

- ✓ **Culture and strategy need to align in results-producing behaviors.**

*How will the desired future-state culture enable business goal achievement?*

- ✓ **Cultures don't change—people change cultures.**

*Who—among and beyond leadership—are the essential opinion leaders and change agents we need to enlist?*

- ✓ **Communication just increases confusion and lack of alignment if the mechanisms that really drive behavior are not aligned.**

*Which two to three people processes need to be changed first to create the conditions for culture change?*

- ✓ **Progress milestones and outcome goals need to be owned by leadership.**

*What key metric(s) will all leaders be accountable for?*