

# CHANGING THE CULTURE OF AN ORGANIZATION



We often hear people talking about a company's Culture. But what is the "Culture" of an organization, and why is it so important?

The notion of "Culture" when referring to an organization emerged in the 1980s and is today believed to be a major factor contributing to a company's success or failure. So much so that Companies listed on Fortune's list of best places to work, which are known for having a particularly strong culture, **double** others in **stock performance**.

Cultural transformation is a common thread to the AHRMIO discussions this year. Together with our new sponsor Eutelmed, we are proud to provide you with this exclusive content on cultural change in organizations.

## ✓ What is an organizational Culture?

The Culture of a company can be defined as the beliefs and behaviors that govern how people act in that organization, and with only 19% of respondents to the Deloitte Global Human Capital Trends survey believe that they have the "right culture", it is a topic that has quickly gained the attention of CEOs and HR leaders around the world.

If we wanted to dismantle the concept, we could say that there are essentially **6 elements of Organizational Culture**, and these would be the different elements that a company would have to invest in to shape or change their culture. These are:

1. Leadership
2. Purpose and Values
3. Employee empowerment
4. Holistic and inclusive wellbeing
5. Professional development and growth opportunities
6. Communication

As with any change within an organization, if we want to reshape the company Culture, we have to manage it. And successful change management requires a series of phases to ensure that the transition runs smoothly, and that business stays on track during the required change. The phases that need to be considered are the following:

- Identifying the change and performing an impact assessment.
- Developing a plan.
- Communicating about the change.
- Providing reasons for the change.
- Seeking employee feedback.
- Launching the change.
- Monitoring
- Evaluation

But reshaping a company's Culture is not without its challenges! As former General Electric CEO Jack Welch once famously said: "The soft stuff is the hard stuff." While top management generally wants to bring change for the good of the organization, it isn't easy to do, and when not implemented properly these changes can do more harm than good.

## The challenges you will face

Here are some of the **challenges** that can get in your way:

- The **purpose** of the change is not clear to employees. You need to have effective communication about the change, so that employees see that the changes are in their interest and do not resist them.



- The **process** of change is not clear. Change is hard, so the process needs to be clear to everyone.



- The change is **drastic**. The more drastic the change, the more resistance you might find. It's always good to make changes gradually, at a pace that employees can digest and buy-into.



- Lack of **Communication & Training**. The more employees know and the better they're trained, the easier the implementation will be.



- Lack of **feedback**. Asking for feedback from employees about the changes you are implementing is crucial. You'll be able to confirm that there aren't any gaps, and that employees feel that they are part of the process.



- Lack of **reinforcement**. Once the change is implemented, reinforce it! Keep systems and trainings up to date and continue to involve the different stakeholders.



## ✓ 10 tips to drive a change of Culture

So, if we keep these potential challenges in mind, a leader of from company wanting to implement a cultural change may benefit from the following tips to drive a change of Culture:

- 1 Define the new desired values and behaviors. Do people understand the new values and behaviors that the company is striving for? Can they relate to them in their day-to-day behavior? Make sure that those new values and behaviors are absolutely clear to employees throughout the company and articulate how they translate into actionable behaviors at all levels.
- 2 Align culture with strategy and processes. Make sure that the new culture (mission, vision, and values) is fully aligned with your processes (HR processes in particular, like hiring, performance management, compensation, benefits and talent promotion).
- 3 Connect culture and accountability. Make sure people are held accountable when the new culture is not being upheld.
- 4 Have visible proponents. Employees need to see that leadership is also fully enrolled and accountable for the change.
- 5 Define the non-negotiables. Make sure you know what you want to keep, and what has to change. Determining what is not up for debate is important to show that the change is real and not something that can be negotiated.
- 6 Align your culture with your brand. The new Culture has to resonate not only with with your employees, but also with your clients.
- 7 Measure your efforts. Regularly check for gaps between desired and actual behavior, at all levels.
- 8 Don't rush it. Remember that gradual change is easier to digest. Patience is key throughout the change process.
- 9 Start now. Start now with what you can already do with the resources you have. Don't wait for staff and resources that may never come!
- 10 Be bold and lead. Lead by influence, at any level. Walk the talk!



### About the author - Emilia Garrigues

Emilia is an Executive Coach at Eutelmed and certified lawyer whose career includes more than 20 years in the pharmaceutical sector, including as Chief of Staff to a succession of CEOs. Her favorite missions include managing change in organizations, increasing leadership potential and running successful teams. She is perfectly fluent in French, English and Spanish.