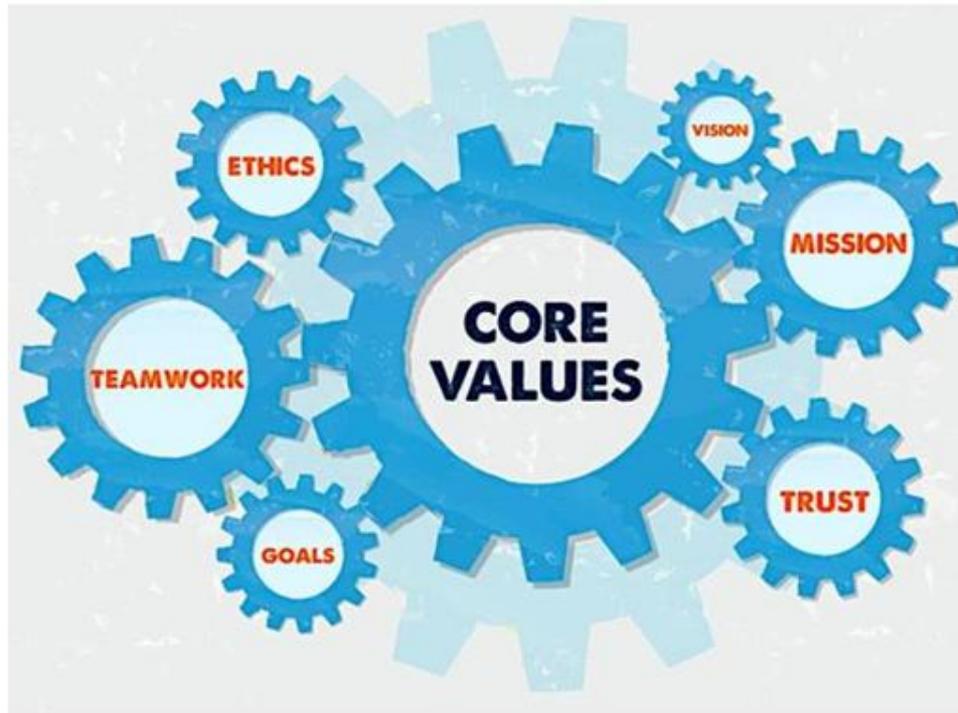


Driving and Maintaining Company 'Culture'



Activity ID: 397793

Title: Company Culture

Recertification Credit Hours Awarded: 1

Specified Credit Hours: HR (General)

Training Outcomes:

By the end of this training, HR professionals will:

- Understand the importance of corporate behaviors and how to drive these behaviors throughout the organization.
- Confident about implementing a robust OD system to drive and maintain the right company culture.
- Using other HR systems to drive core behaviors that are the catalyst of any company culture.

Training objectives:

By the end of this training, HR professionals will be able to:

- Get a clear picture of why company culture is important.
- How to manage corporate behaviors within each HR system.

Agenda

What is Organizational Culture

Why Does Organizational Culture Matter

Levels Of Organizational Culture

Drive And Maintain The Culture: 9 Steps

Test Question

Organizational culture refers to a system of shared assumptions, values, and beliefs that show employees what is appropriate and inappropriate behavior.

Managing corporate culture through reward systems have a strong influence on employee behavior as well as organizational performance. In fact, the term organizational culture was made popular in the 1980s when Peters and Waterman's best-selling book *In Search of Excellence* made the argument that company success could be attributed to an organizational culture that was decisive, customer oriented, empowering, and people oriented.

Since then, organizational culture has become the subject of numerous research studies, books, and articles. However, organizational culture is still a relatively new concept. In contrast to a topic such as leadership, which has a history spanning several centuries, organizational culture is a young but fast-growing area within organizational behavior.

Culture is by and large invisible to individuals. Even though it affects all employee behaviors, thinking, and behavioral patterns, individuals tend to become more aware of their organization's culture when they have the opportunity to compare it to other organizations.

If you have worked in multiple organizations, you can attest to this. Maybe the first organization you worked was a place where employees dressed formally. It was completely inappropriate to question your boss in a meeting; such behaviors would only be acceptable in private. It was important to check your e-mail at night as well as during weekends or else you would face questions on Monday about where you were and whether you were sick.

Contrast this company to a second organization where employees dress more casually. You are encouraged to raise issues and question your boss or peers, even in front of clients. What is more important is not to maintain impressions but to arrive at the best solution to any problem.

It is widely known that family life is very important, so it is acceptable to leave work a bit early to go to a family event. Additionally, you are not expected to do work at night or over the weekends unless there is a deadline.

These two hypothetical organizations illustrate that organizations have different cultures, and culture dictates what is right and what is acceptable behavior as well as what is wrong and unacceptable.

An organization's culture may be one of its strongest assets, as well as its biggest liability. In fact, it has been argued that organizations that have a rare and hard-to-imitate organizational culture benefit from it as a competitive advantage.

Organizational culture: Can it be a source of sustained competitive advantage?

In a survey conducted by the management consulting firm Bain & Company in 2007, worldwide business leaders identified corporate culture as important as corporate strategy for business success.

Why culture can mean life or death for your organization. This comes as no surprise to many leaders of successful businesses, who are quick to attribute their company's success to their organization's culture.

Organizational culture: Internal and external fits.

For example, if a company is in the high-tech industry, having a culture that encourages innovativeness and adaptability will support its performance.

However, if a company in the same industry has a culture characterized by stability, a high respect for tradition, and a strong preference for upholding rules and procedures, the company may suffer as a result of its culture.

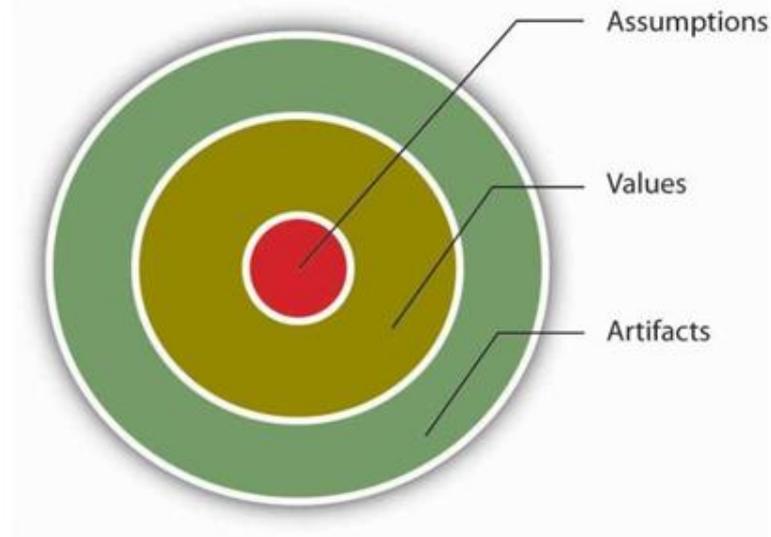
In other words, just as having the “right” culture may be a competitive advantage for an organization. Having the “wrong” culture may lead to performance difficulties, may be responsible for organizational failure, and may act as a barrier preventing the company from changing and taking risks.

In addition to having implications for organizational performance, organizational culture is an effective control mechanism for dictating employee behavior.

Culture is in fact a more powerful way of controlling and managing employee behaviors than organizational rules and regulations. When problems are unique, rules tend to be less helpful.

Instead, creating a culture of customer service achieves the same result by encouraging employees to think like customers, knowing that the company priorities in this case are clear: Keeping the customer happy is preferable to other concerns such as saving the cost of a refund.

Organizational culture consists of some aspects that are relatively more visible, as well as aspects that may lie below one's conscious awareness. Organizational culture can be thought of as consisting of three interrelated levels.



At the deepest level, below our awareness lie basic assumptions. Assumptions are taken for granted, and they reflect beliefs about human nature and reality.

At the second level, values exist. Values are shared principles, standards, and goals.

Finally, at the surface we have artifacts, or visible, tangible aspects of organizational culture. For example, in an organization one of the basic assumptions employees and managers share might be that happy employees benefit their organizations. This assumption could translate into values such as social equality, high quality relationships, and having fun. The artifacts reflecting such values might be an executive “open door” policy, an office layout that includes open spaces and gathering areas equipped with pool tables, and frequent company picnics in the workplace. For example, Alcoa Inc. designed their headquarters to reflect the values of making people more visible and accessible, and to promote collaboration.

Understanding the organization's culture may start from observing its artifacts: the physical environment, employee interactions, company policies, reward systems, and other observable characteristics.

When you are interviewing for a position, observing the physical environment, how people dress, where they relax, and how they talk to others is definitely a good start to understanding the company's culture.

However, simply looking at these tangible aspects is unlikely to give a full picture of the organization. An important chunk of what makes up culture exists below one's degree of awareness. The values and, at a deeper level, the assumptions that shape the organization's culture can be uncovered by observing how employees interact and the choices they make, as well as by inquiring about their beliefs and perceptions regarding what is right and appropriate behavior.

Following are 8 actionable steps to drive and maintain the culture throughout the organization.

Step One: Define the core behaviors that align and support the organization's vision and mission.

It is the role of HR to see that the senior management team define and agree on the core behaviors that align with the organization's vision and mission. This can be done by reviewing company goals, objectives, and strategies. By understanding goals and objectives, behaviors can be mapped to how goals and objectives are to be achieved. For example, as previously mentioned, companies in startup mode may require behaviors to include the ability to make decisions quickly while performing in a highly collaborative environment, while a company in its declining phase, may want behaviors that follow strict procedures and protocols.

Step Two:

Pollinate each job description with the core behaviors.

We know that employees function most efficiently when there is a clear understanding of their roles and responsibilities. Indeed, one of the reasons why employees fail is a lack of clarity regarding their respective roles, responsibilities, and the expectations they are held to. When corporate behaviors are embedded within their job descriptions, these behaviors can be clearly defined. Furthermore, when the entire organization follows the same behaviors, employees begin to see consistency of these behaviors throughout the organization. When behaviors are clearly defined, employees can anticipate expected behaviors from others. They are able to recognize that the overall success of the team is a function of shared common behaviors.

Step Three:

Translate behaviors into actionable language

Just having the behaviors written in job descriptions may not be enough. The behaviors must be written in measurable language that will show quantifiable results in the achievement of goals and objectives. Behaviors can be lost in translation if not written into actionable language that clearly defines what the behavior actually means.

For example, if a corporate behavior is “ Teamwork”, create competencies in the employee’s job description to contain the ideas of the behavior; such as 1). Keeps team members informed regarding projects. 2). Promote and champion cooperation within the work unit to achieve team goals. 3). Meets agreed-upon deadlines on team assignments and commitments. 4). Makes team mission and objectives a priority.

When behaviors are spelled out, there is less confusion as to how the behavior translates into actionable behavior.

Step Four:

Use the Performance Management System To Measure the Expected Behaviors

If you don't measure, you can't manage.

When making real time employee performance observations, include measuring the employee's actual performance to that of the corporate behaviors. Employees will be expecting their performance to be measured against their job description. This will promote integrity to the belief that corporate behaviors are an important part of every employee's role and responsibility. Nothing is more disengaging and confusing if your senior leadership team promotes core behaviors, but employee performance is measured against other things.

Step Five:

Use the Rewards System To Enforce the Expected Behaviors

We all know the Rewards System should be deeply linked to the Performance System. In which case if corporate behaviors are embedded into job descriptions, which are then used to measure performance, by default corporate Behaviors should be a component in the rating or ranking of performance. This is simply walking the talk, further enforcing the behaviors that drive culture.

Step Six: Use the Training System To Include training the corporate behaviors

We can't expect employees to know all there is about your organization; the business model, the value chain, etc. Therefore, the opportunity to promote the corporate behaviors lies within your Learning Management System. The Learning Management System can be the companywide method to introduce your corporate behavior without leaving anyone behind. Your LMS can ensure every employee has equal exposure to the behaviors of the organization.

Infuse the behaviors into lesson plans whenever there's an opportunity. This provides clarity to the meaning of the behaviors by giving examples how they are used in practice.

There is no other better opportunity than to use your LMS to represent your corporate behaviors to employee. Design your LMS to align training to include corporate behaviors.

Step Seven:

Make corporate behaviors a component of your succession planning

If corporate behaviors are appropriately aligned and support the vision and mission, then it only makes sense that promotions can be deserved by those that have shown consistent demonstration of the corporate behaviors.

If the organization is to sustain its culture, then you must strategically promote those that are true to these behaviors. Allow those that have been promoted, be testimony that performance alone is not always the factor in achieving roles of higher levels.

Step Eight:

Make your staffing process the starting point to ensure the behaviors will be carried out

Talent Acquisition is where it all begins. Success and failures can be determined in your staffing process. If your corporate behaviors are part of your job descriptions, see to it that the vetting process includes probing for these behaviors. Develop questions that can determine if these behaviors have been demonstrated in previous roles. Or you may have to develop questions that can point to the candidate's ability to demonstrate the behaviors. Regardless of what method you take, emphasis to these behaviors must be considered in the overall staffing process.

Step Nine:

Rinse and Repeat

Consistency is therefore all about repetition. It 's about repeating the same actions (routines, behaviors and processes) over and over again; gaining criticism from these actions and adjusting them accordingly to help you stay on track as you work towards your goal. And that, in core, is the difference between success and failure to achieve higher levels of success.

- 1). Why do companies need culture?
- 2). Give an example of a company culture that is a strength and one that is a weakness.
- 3). In what ways does culture serve as a controlling mechanism?
- 4). If assumptions are below the surface, why do they matter?
- 5). Share examples of artifacts you have noticed at different organizations.
- 6). Describe in 90 words or more, how to drive and sustain a culture.



TEST QUESTIONS

Please submit your test questions to: credits@hrcogs.com

Include your:

- 1) Name:
- 2) Your HRCI ID#
- 3) Email Address used to register for the program. Test submissions must be received from the email used to register!
- 4) Activity ID: 397793
- 5) Sponsorship ID:

There is no partial credit awarded for incomplete test answers!