

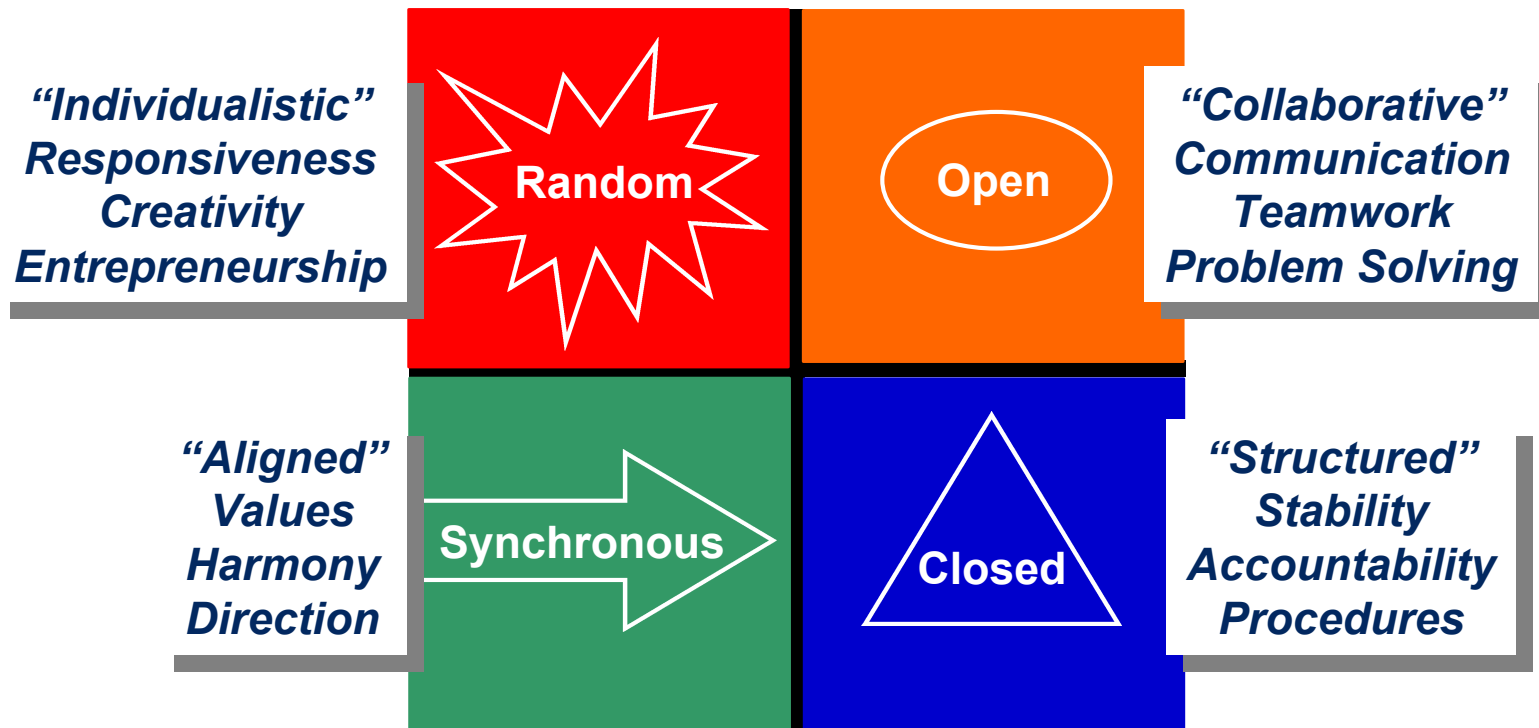
Finding Your Compass: ***Aligning Organizational Culture*** ***with Business Practice***

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Why Culture?

- Collective beliefs and behaviors in action - clock analogy
- Correlates to organizational performance - strong, best fit, adaptable
- Implications for strategy, leadership and team competencies

Four Culture Types



Based on the Kantor System Typology and Communicational Domains™ - used by permission

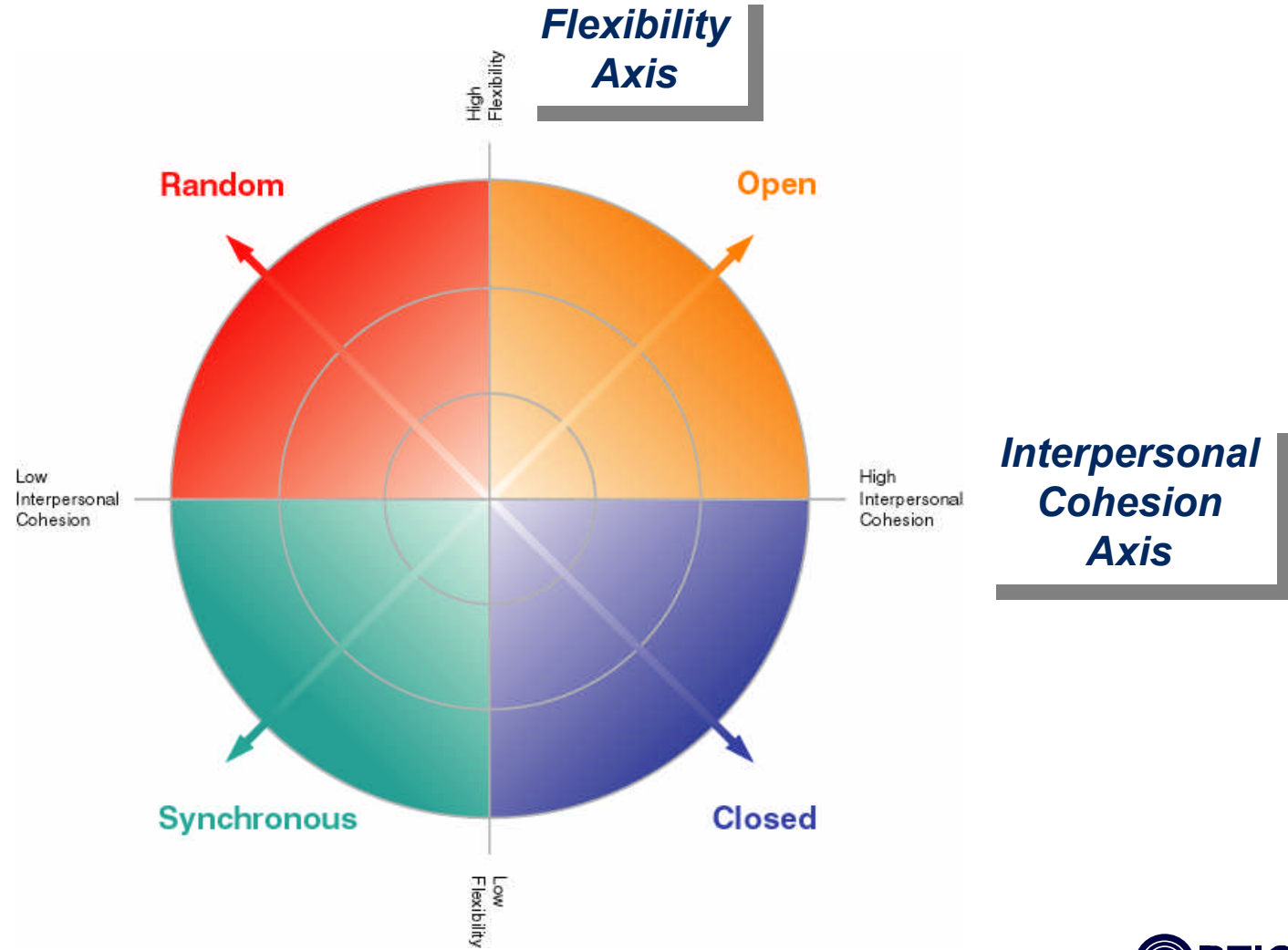
Advantages

- Intuitive – learn in ten minutes
- Multiple researchers – Kantor, Olson, Constantine, Slobodnik
- Systemic – non-judgmental
- Scalable – from individual to organization

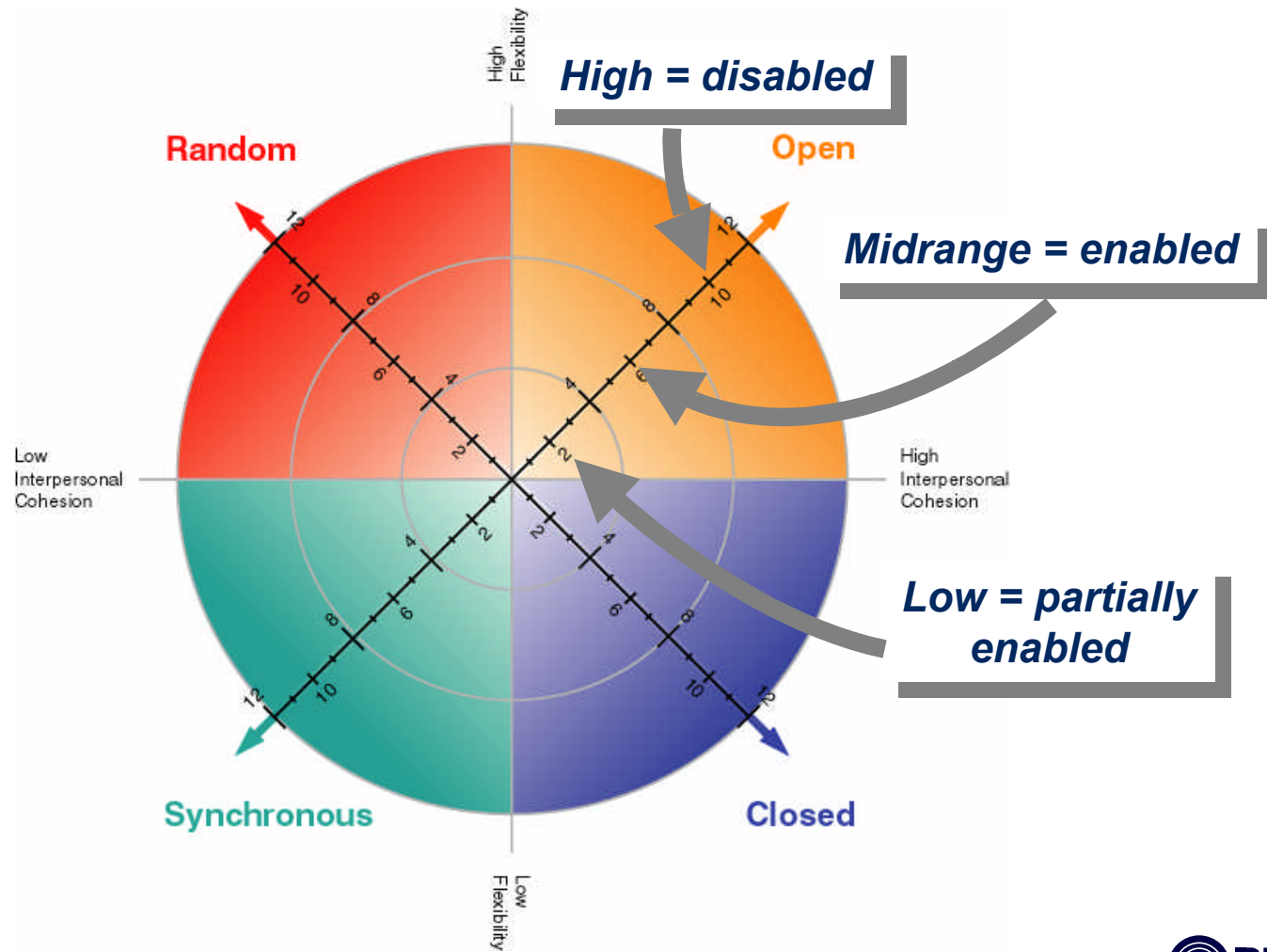
Features

- Circumplex Model – four quadrants
- Dimensional and typographical – cohesion and flexibility axes
- Curvilinear – moderate amount of each culture is best
- Dominant and secondary types
- Twelve point scale – easy to use

Circumplex



Curvilinear



Descriptors

1. Decision Making
2. Leadership
3. Communication
4. System Boundaries
5. Driving Force
6. Key Processes
7. Reaction to Change
8. Reaction to Conflict
9. Organizational Structure
10. Relationship to Customer
11. Rewards
12. Feedback

Closed Descriptors

Midrange

- Leaders work the chain of command effectively
- Top down information is accurate and timely
- We follow structured work processes faithfully
- We work in departmental work groups
- We reward loyalty and respect for the hierarchy

High

- Leaders are authoritarian
- Top down information is sanitized and guarded
- We are completely rule-bound
- We work in silos or stovepipes
- Rising through the ranks is the only way to get ahead

Random Descriptors

Midrange

- We are very flexible and adaptive
- We are committed to individual freedom & creativity
- We encourage individual initiative and risk taking
- We are always changing and like it that way
- Conflict is a useful part of the creative process

High

- Anyone can come and go as they please
- Individual freedom overrides the common good
- Individual action is out of control
- Our constant changeability puts us in chaos
- Conflicts escalate without resolution

Open Descriptors

Midrange

- We reach consensus after open and honest dialogue
- Leaders share and rotate power effectively
- We communicate openly and honestly
- We integrate diverse viewpoints well
- We collaborate effectively to get our work done

High

- We go round and round trying to satisfy everyone
- Leaders are non-directive to a fault
- We spend too much time communicating
- We are constantly negotiating and integrating
- Overcollaboration interferes with results

Synchronous Descriptors

Midrange

- Our vision and values guide our decisions
- People read each others' signals very well
- We include others who share our vision & values
- Conflict recedes over time
- We seek out customers who are like us

High

- We don't deviate from the book, regardless
- Communication is indirect and covert
- We exclude non-believers
- People in conflict get marginalized
- We only talk to the converted

View Four Video Clips

- Watch the four video clips of approximately four minutes each – *Top Gun, Witness, Wall Street, Reversal of Fortune*
- Pick out the dominant culture type in each video
- Pick out characteristics of the other cultures

Assess Present Culture

- Choose a system to assess – whole organization, department, team
- The larger the system, the more difficult to assess – made up of different subgroups
- Begin on Culture Compass™ page 6
- Rate your system between 1-12 in each of the four cultures – think systemically
- Plot your scores on the graph on page 10
- Take a button to represent your system's (or your own) dominant culture type
- Share your data at your table

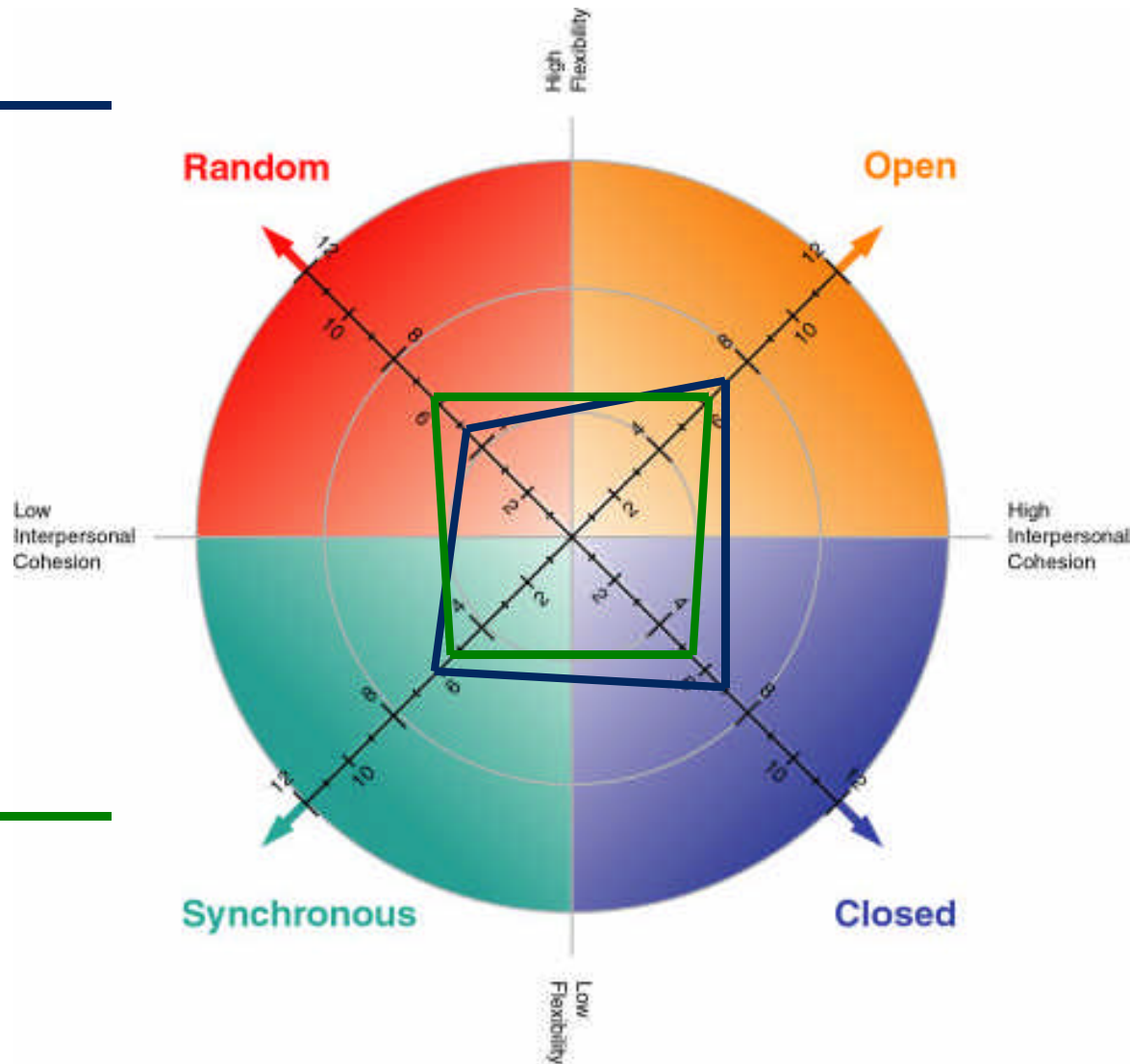
Recent Example

Present

Closed=6.8
 Open=6.8
 Random=5.1
 Synch=5.8

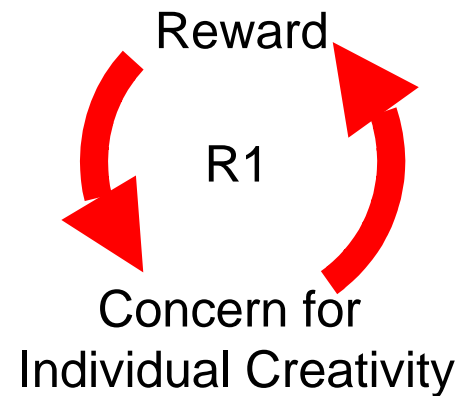
Future

Closed=5.3
 Open=6.3
 Random=6.3
 Synch=5.6



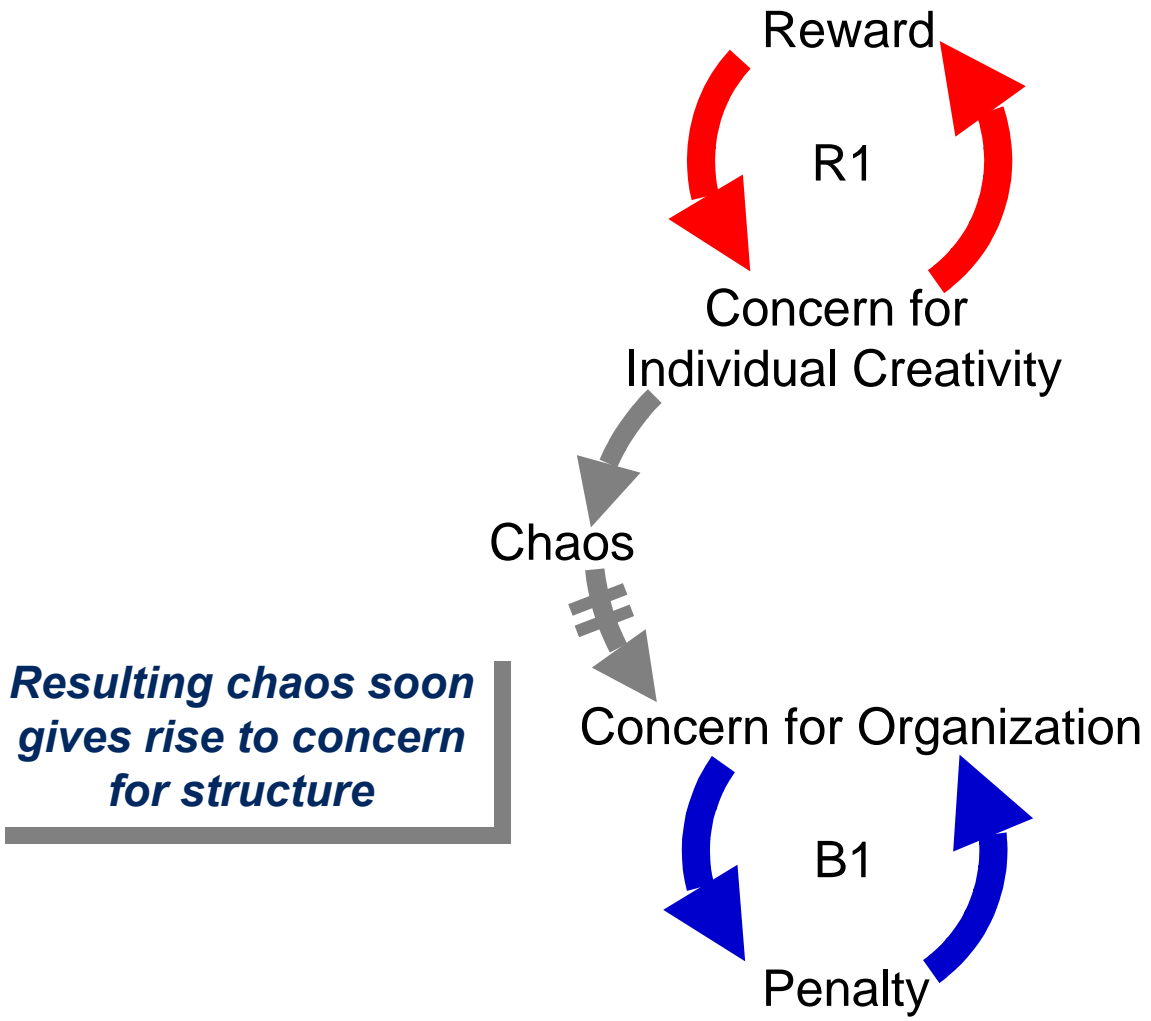
Random Culture

*Most systems start
off with a creative drive
but little structure*



Credit to Kris Wile, Systems Thinking Collaborative, for causal loops

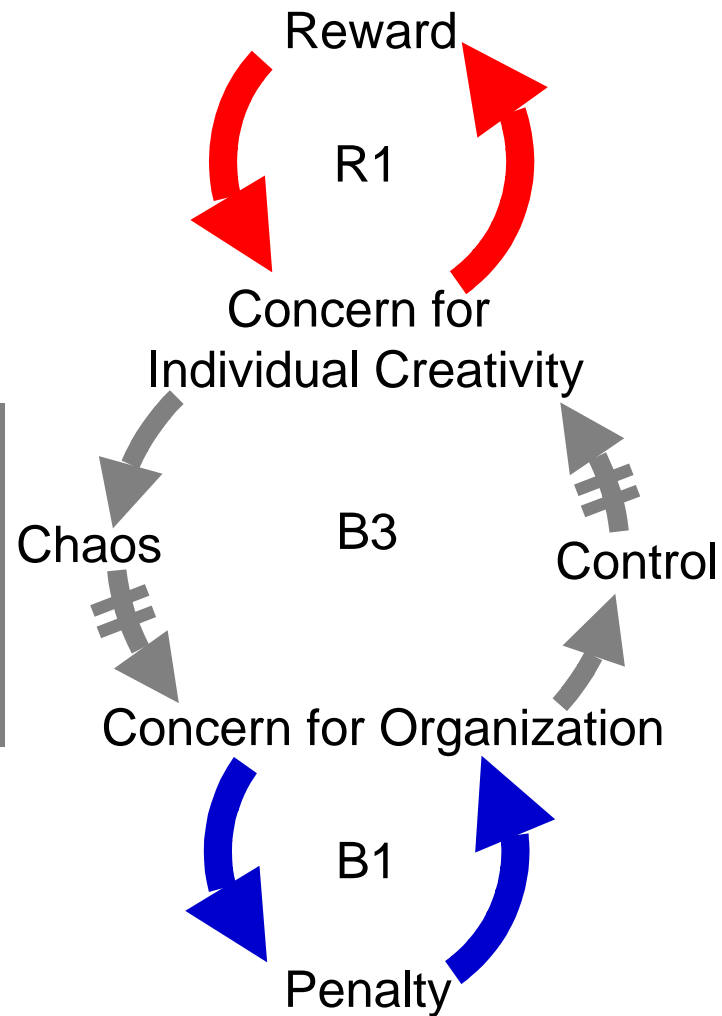
Closed Culture



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Competing Concerns

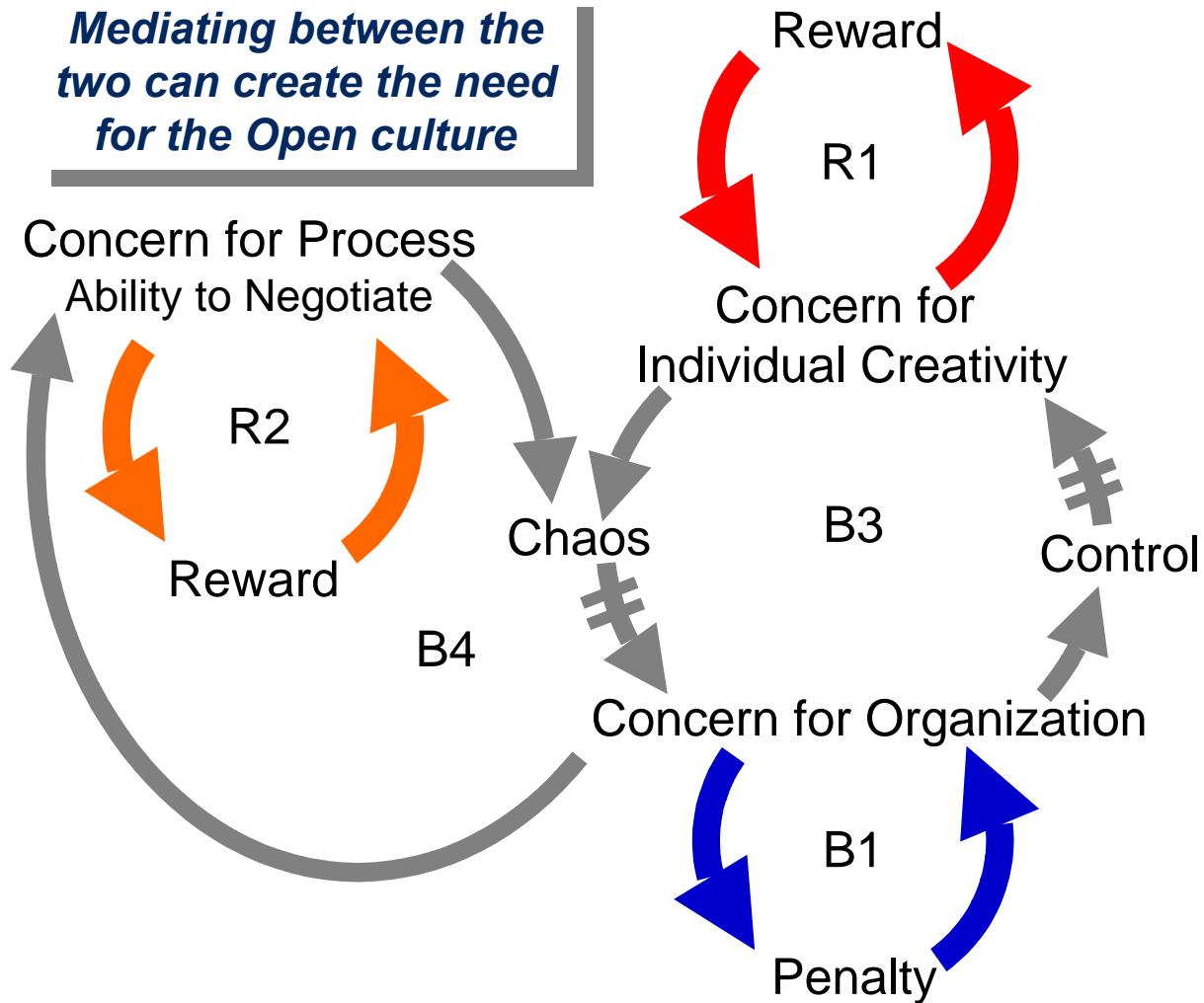
The relative strength of these competing concerns starts to define the dominant culture – Random, Closed, or oscillating



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Open Culture

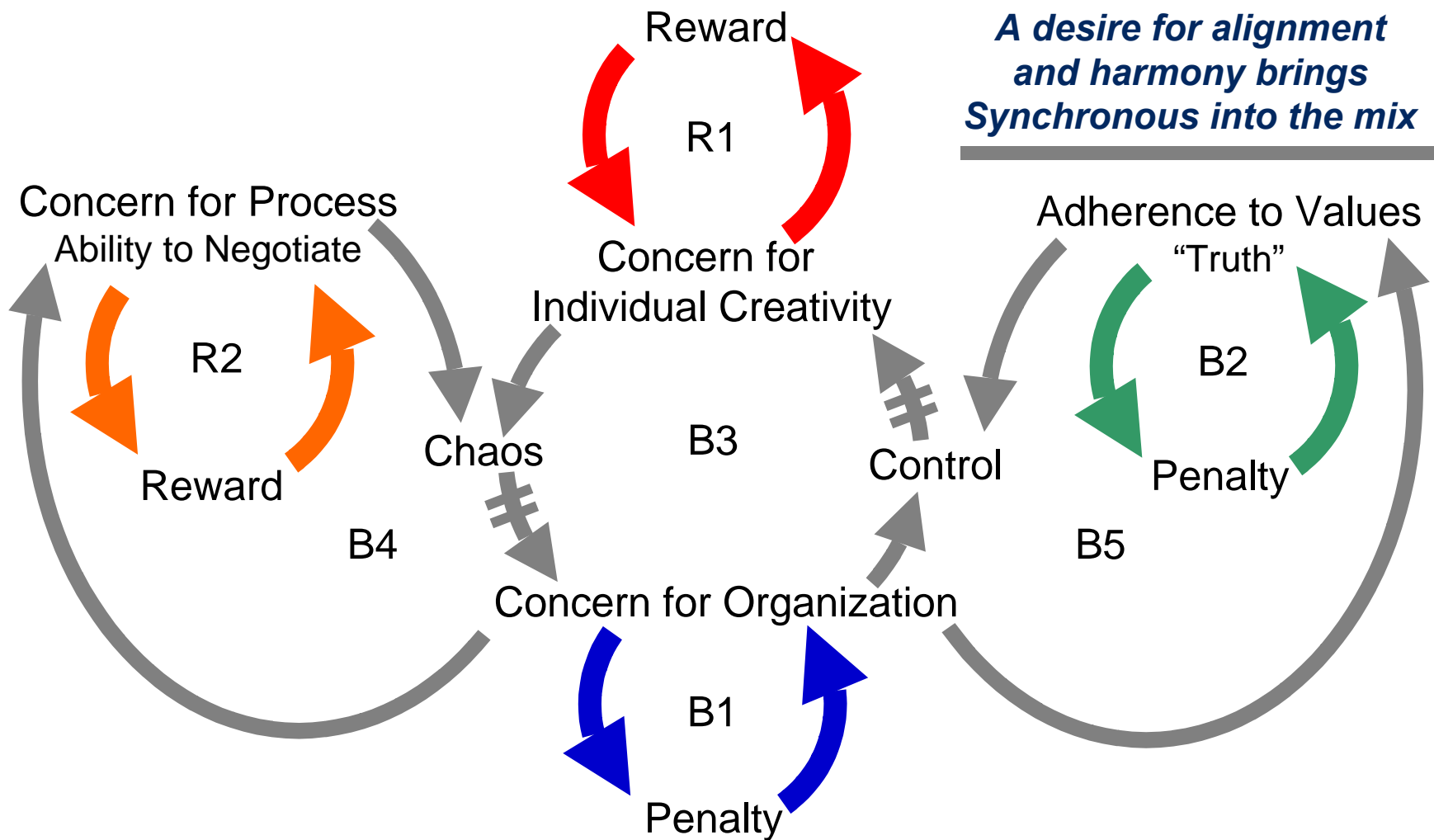
Mediating between the two can create the need for the Open culture



Credit to Kris Wile, Systems Thinking Collaborative, for causal loops

Synchronous Culture

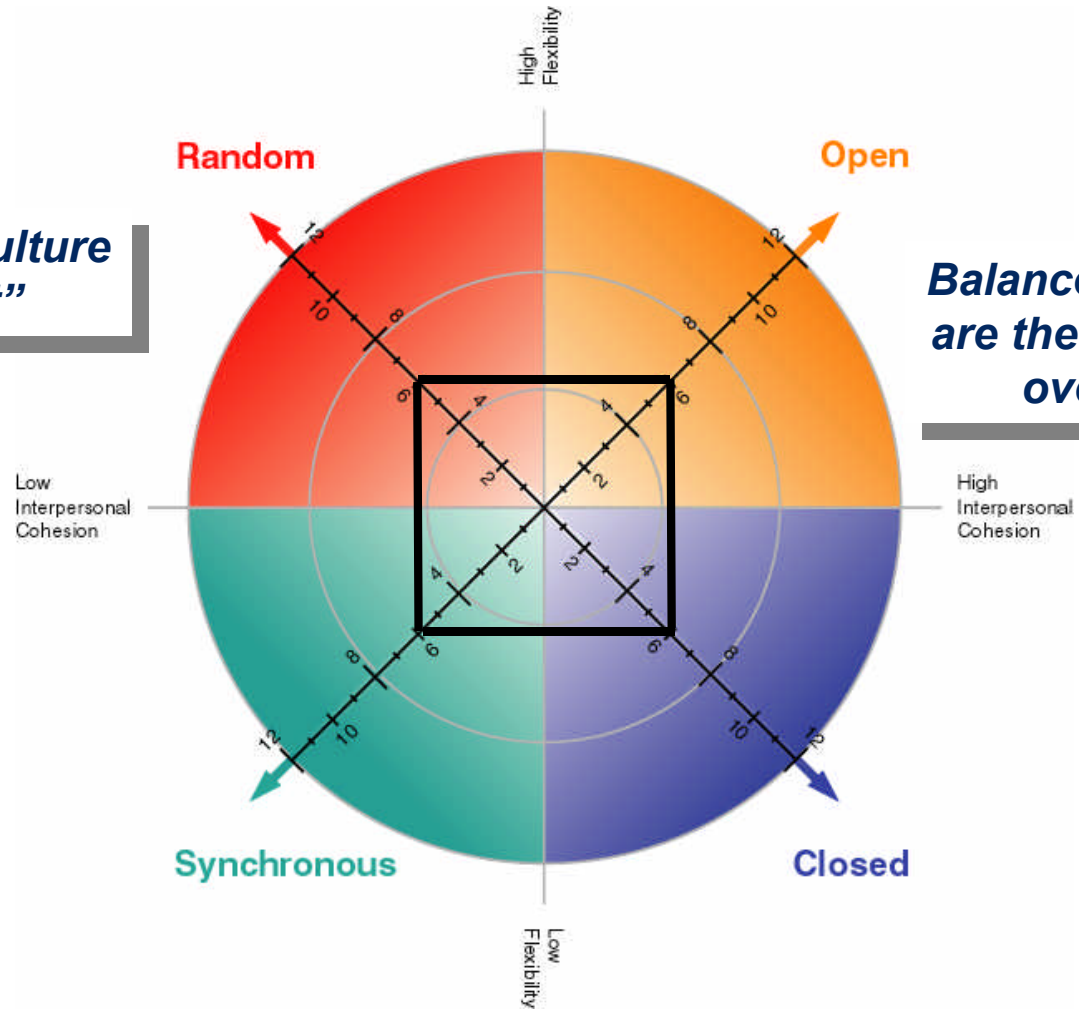
A desire for alignment and harmony brings Synchronous into the mix



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Balance

No single culture is "best"

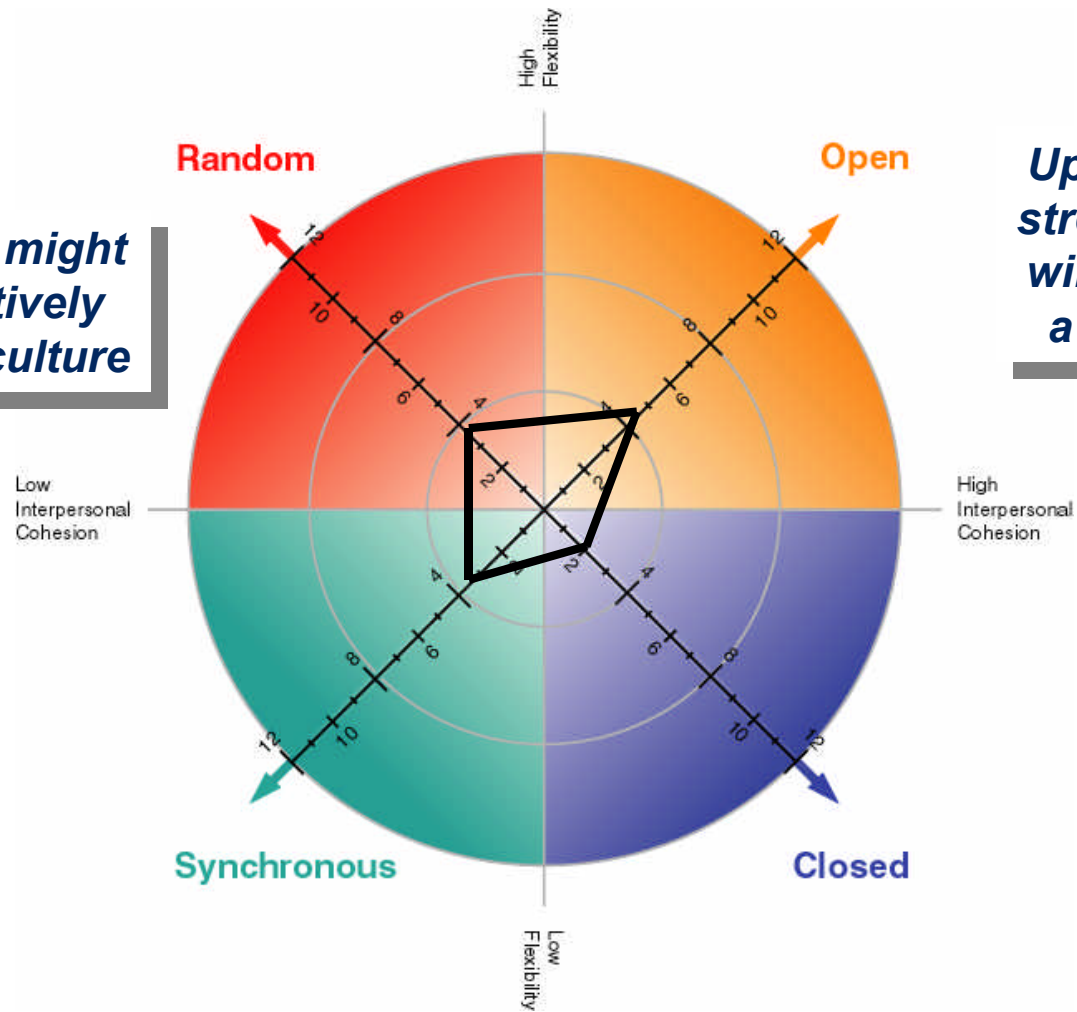


Balanced systems are the most agile over time

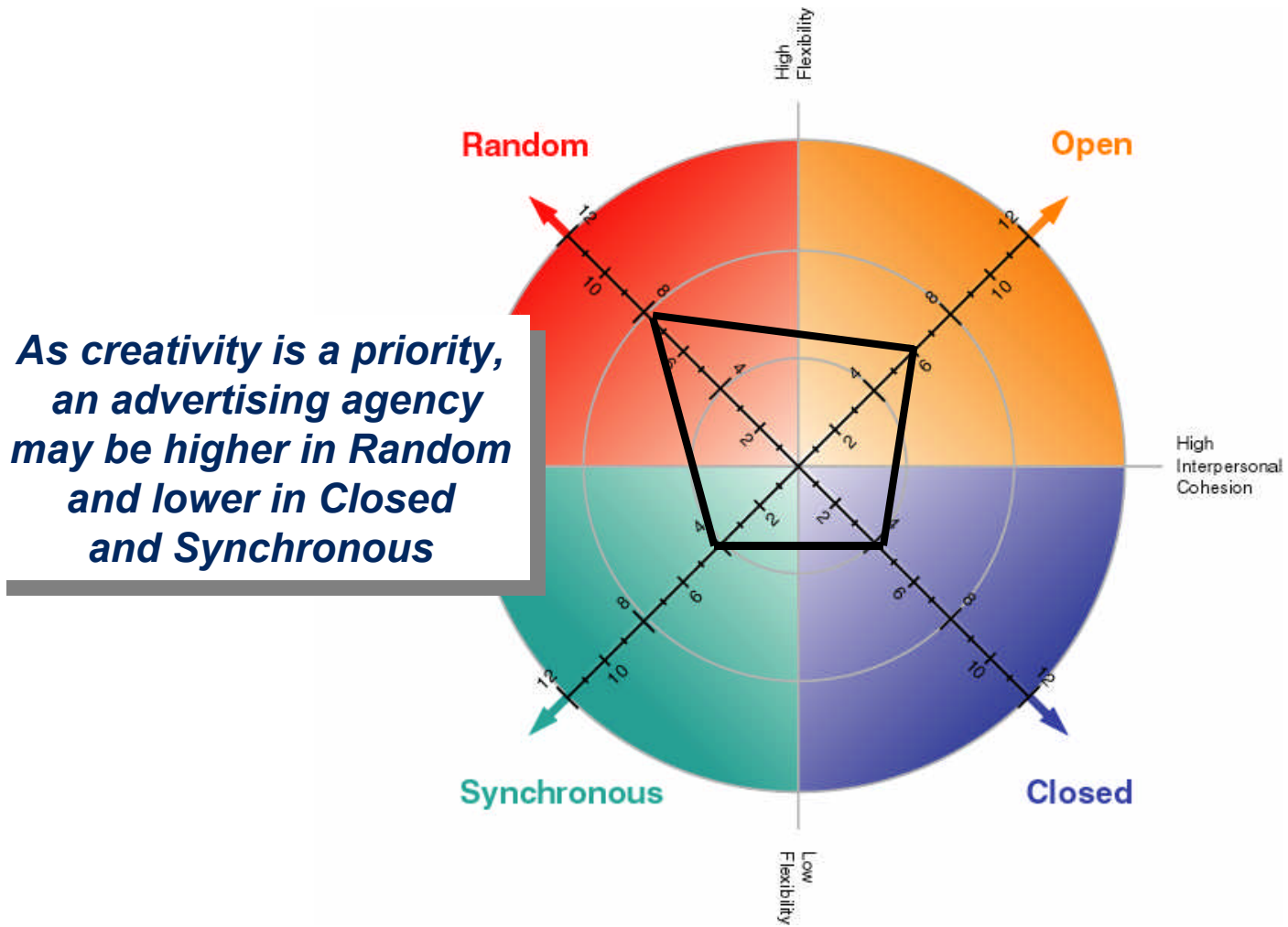
Strength

A non-profit might have a relatively weak Open culture

Up to a point, a stronger culture will outperform a weaker one



Industry Fit



Example 1 - CIBC

- CIBC spun off its back office functions - 4000 employees
- Used the culture types to identify different subgroups
- Developed separate communication plans based on culture
- Achieved 99.8% acceptance rate and higher than average retention

Example 2 – Top Financial

- Large financial company lost \$100m FY1999 because of failed projects
- Attempted technology “fix”, resisted by Random culture
- Propagated Closed processes through “attraction” strategies – voluntary compliance, high communication, rewards and recognition
- Gained acceptance of centralized Project Management Office

Example 3 - Applications, Inc.

- Small SAP installer landed biggest contract with power company
- Grew overnight from 10 to 45 employees
- Couldn't get along with project team at client
- Diagnosed clash between Random and Closed systems
- Put solutions in place to appear more Closed to client

Borrowing Strategies

Examples of Programs by Culture Type

<p>Random</p> <p>Provides: Innovation & Flexibility</p> <p>Examples:</p> <ul style="list-style-type: none">• Rapid prototyping• Rewards for individual excellence• Coaching• Family leave• High energy events	<p>Open</p> <p>Provides: Teamwork & Communication</p> <p>Examples:</p> <ul style="list-style-type: none">• Collaborative work spaces• Facilitation training• 360° performance reviews• Dialogue and negotiation skills• Diversity awareness
<p>Synchronous</p> <p>Provides: Direction & Alignment</p> <p>Examples:</p> <ul style="list-style-type: none">• Clarifying shared purpose and values• Visioning workshops• Competency-based succession• Knowledge management system• Screening and selection process	<p>Closed</p> <p>Provides: Leadership & Accountability</p> <p>Examples:</p> <ul style="list-style-type: none">• Leadership development programs• Performance management• Top-down strategic planning• Process re-engineering• Policies and procedures manual

Leadership Tactics

Examples of Key Leadership Behaviors

<p>Random</p> <ul style="list-style-type: none">• Invite challenge• Brainstorm• Take risks and reward risk taking• Have fun• Support individual initiatives	<p>Open</p> <ul style="list-style-type: none">• Be honest• Self-disclose• Ask for feedback• Communicate up and down• Model consensual decision-making
<p>Synchronous</p> <ul style="list-style-type: none">• Model and reinforce espoused values• Keep common purpose visible• Articulate a clear vision• Create meaningful rituals• Acknowledge similarities	<p>Closed</p> <ul style="list-style-type: none">• Make executive decisions• Set clear expectations• Follow through with consequences• Focus on organizational goals• Stick to plans and policies

Behavior Chart

	Create or Strengthen	Preserve	Avoid
Open			
Closed			
Synchronous			
Random			

Use the Model

- Complete the future portion of the Culture Compass™ for your system on your own
- Spread the use of the model
- Use your copy of the Culture Compass™ for free with one client or group
- Works extremely well with leadership teams
- Let us know how it went
- Presentation is available at www.optionsforchange.com