# CREATING AN ADAPTIVE HIGH PERFORMANCE CULTURE





Company culture can make the difference between an organisation's success or failure. It is not an overstatement that an organisation's inability to understand and proactively manage corporate culture can constitute an existential threat. Yet, when attempting to develop a common understanding of the current prevailing culture, and how it supports or hinders the delivery of your corporate strategy, it can be difficult to know where to start. However, in this time of rapid change, creating and sustaining an adaptive High Performance Culture, which combines engaged employees, satisfied customers, a positive financial performance and brand reputation, should be an urgent priority for every organisation. A thorough understanding of culture is essential in order to identify if, and how, it needs to change to achieve the desired current and future business outcomes.

This understanding cannot be achieved by looking at existing data alone, but requires that organisations listen to their employees on an ongoing basis, use their feedback and involve them to drive change. However, many organisations lack the tools to achieve this in a cost and time effective manner. The Culture Quest Toolkit has been specifically created to meet this challenge, and to enable organisations to develop their own adaptive High Performance Cultures. This easy to use, flexible, and rapid diagnostic solution provides a repeatable health check on the cultural profile across an organisation. A focused and flexible question set, and unique methodology devised by leading business psychologists, identifies a company's cultural profile, highlights areas for change and provides a vocabulary and framework that can make your culture tangible and understandable.

This paper explains how culture impacts business performance, the barriers to cultural change, and how the Culture Quest Toolkit helps organisations create their own, adaptive High Performance Culture now and into the future.

### THE IMPORTANCE OF CULTURE

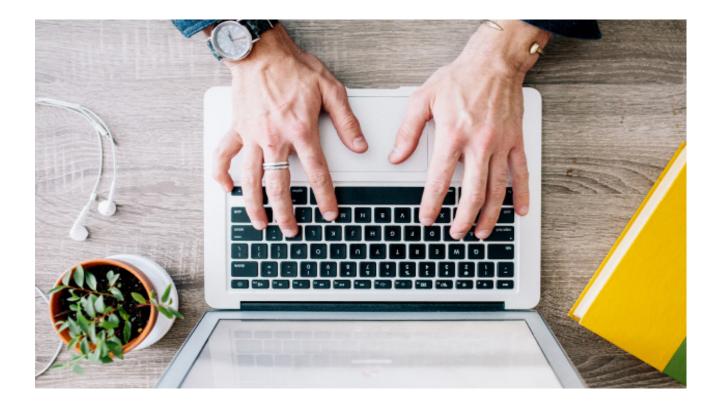
Every organisation's culture is unique, as it is created by its people, processes, history and location, making it impossible to replicate. It is analogous to brand, which itself was a concept that largely remained unexplored, unarticulated and unmanaged until the recent past. This seems almost unimaginable now and we firmly believe that it will also be unimaginable for culture in the near future.

Culture is immensely powerful and influences all actions and decisions made in an organisation, yet most of its impact is not consciously apparent. A failure to understand a business's culture holds back potential success. As management guru Peter Drucker famously said "culture eats strategy for breakfast and dinner" – essentially any strategy that fails to take culture into account is likely to fail.

Many recent corporate scandals have been ascribed to cultural factors which have been undiagnosed and unmanaged, and tacitly encourage or turn a blind eye to unethical or even illegal behaviour. Change programmes fail most often due to people or cultural reasons, while it is a key factor in employee engagement. One of the most common reasons given by people leaving an organisation is that they didn't like or fit in with the prevailing culture.

Given its importance, how can companies understand their culture and take steps to reinforce attributes that are desirable, while minimising those that are not?

The biggest factor determining and reinforcing culture is leadership and management. Companies therefore need to focus on the behaviours that define and reinforce culture and then take appropriate steps to enable change. While every corporate culture is different, there are certain elements fundamental to creating an adaptive High Performance Culture which need to be kept in balance. Staff need to be engaged and aligned, customers have to be satisfied, and the business has to be financially successful while maintaining high levels of integrity and propriety. If any of these elements are neglected, high performance will be unsustainable.



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# HOW DO YOU CREATE A HIGH PERFORMANCE CULTURE?

To understand their cultural context, companies have had to choose between tools which are overly academic or too generic to be specific to their individual needs and objectives.

What is needed is a more practical diagnostic measurement approach – essentially the equivalent of a regular medical check up or locating your position on a map. This has to build on existing <u>employee engagement</u> measures, using staff feedback to clearly describe the relationship between culture, performance and leadership behaviours. How aligned are employees to corporate strategy and values? What is the cultural profile across the organisation – and how does this vary between departments or countries? What is the impact of leadership behaviour on the everyday actions of staff? Of critical importance in this process is the development of internal capabilities and self-awareness to minimise the need for the involvement of expensive external consultants.

A culture diagnostic tool, which can provide you with the answers to the above questions has to be straightforward and easy to use across the business. As well as increasing employee collaboration it should enable the exchange of best practice throughout the organisation and support transformational cultural change. Additionally, it has to be flexible, able to track progress, and scalable, both in terms of management time required and overall cost.

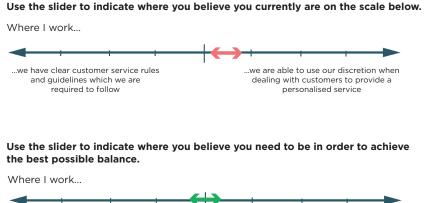
Employee involvement is essential as it creates a common understanding and vocabulary around culture, and increases self-awareness around everyone's role in making change happen. Focusing on staff insight will tell you what behaviours are creating and reinforcing your current culture and the impact your leadership is having on culture and performance in driving change.

Only by identifying the culture and – most importantly – where the current culture fails to support strategic objectives will management be able to take action to move towards an adaptive High Performance Culture that is sustainable over the long term.

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The toolkit is a flexible and rapid online solution that is based on a diagnostic approach that links culture to business strategy and outcomes.

It works by collecting employee feedback on a series of 24 statements, assessed on a specially developed rating scale. The resulting data enables organisations to see where they are now, in comparison with where they think they need to be to achieve their strategic business objectives. The statements assess leadership behaviours and how these impact upon engagement, performance and culture. This gives all employees a voice and the opportunity to share their ideas.





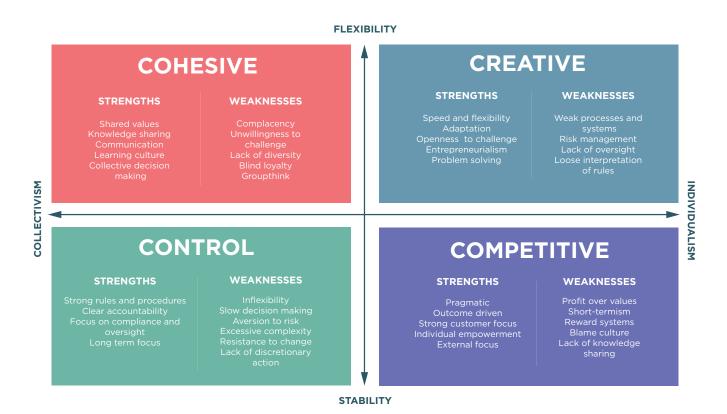
By evaluating the results, the Culture Quest Toolkit is able to help identify what type of culture currently predominates in your organisation or department. Based on the four most common cultural types (control, creative, competitive, co-operative), it enables you to see where units within your organisation sit and the consequent impact on strategy. Using this straightforward model provides a way of making culture tangible and understandable, establishes a common base line and gives everyone involved a vocabulary to discuss it.

#### CASE STUDY:

Money laundering allegations and failure to comply with regulations seriously dented a large international bank's reputation. Regulators demanded immediate action and threatened to withdraw its banking licence. The initial investigation clearly pointed to systemic cultural failure and behavioural issues in the affected parts of the business. The examination of existing background data proved inconclusive as the vast majority of employees stated that they were aware of and understood corporate strategy, values and desired behaviours. The reality however, did not support this as policies and regulations were being interpreted quite differently across the group.

A new measurement tool was developed to get to the bottom of the problem and to discover how this misalignment could be tackled effectively. Deploying the Culture Quest methodology, alignment with the desired behavioural changes required to achieve the bank's strategic objectives and 'live the Values' was tested across the global organisation. The results were enlightening, with a significant proportion indicating that they either believed that no change was required of them, or that the changes required were contrary to those actively being sought by the bank. The insights from the Culture Quest research were used to identify groups particularly at risk and initiate effective and targeted interventions which also proved to the regulators that the bank was taking action to bring about sustainable culture change.

# A PRACTICAL MODEL OF ORGANISATIONAL CULTURE



The toolkit helps identify clear areas for change – these can then be addressed directly by the company itself. By putting the organisation in control of its results, it ensures that improvements are focused on its particular needs and requirements, and can be adopted at a pace that fits with budgets and objectives.

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#### CULTURE QUEST TOOLKIT CAN BE DEPLOYED IN A NUMBER OF DIFFERENT SCENARIOS:

- Change management or strategy implementation programmes
- Alignment of culture with values and strategy
- Mergers and acquisitions
- Organisations with high levels of organic growth
- Following changes in leadership
- Reputational risk management
- In conjuction with, or in the place of, an existing employee engagement survey

Results are presented through a straightforward <u>dashboard</u>. This provides easy access to data, making it simple to drill down, share and understand. It can be easily integrated and compared with other performance metrics, such as employee engagement, <u>customer satisfaction</u> or brand reputation. By putting you in control of the results you can easily understand priorities, and set future actions based on the dashboard reports. Additionally, we can provide input and advice based on our experience, in order to give you deep insight into next steps.

The Culture Quest Toolkit's uniqueness lies in its flexibility and practicality. Its approach is sophisticated, without being academic and simplistic. It has been developed specifically to allow everyone within even the largest organisation to provide insights, which are immediately actionable. It eliminates the need for detailed interpretation or the involvement of expensive consultants. While based on a well-established and proven model of organisational culture, it requires no accreditation and minimal training to administer and analyse.

Unlike inflexible psychometric tools, the Culture Quest Toolkit can be tailored to reflect your organisation, its values and strategic business priorities. It incorporates your own performance and employee engagement data to identify an optimal, high performance model of culture that delivers what is needed for your organisation right now.

The Culture Quest Toolkit maps culture directly onto specific leadership behaviours. It incorporates a module specifically designed to help your leaders reflect on their own practice and develop self-awareness around how their leadership style impacts upon those around them. Finally, and crucially, it integrates seamlessly with tools which support collaboration, idea generation and the sharing of best practice, all activities which in themselves drive transformational culture change.

#### CONCLUSION

Whatever sector you operate in, there is a growing realisation that creating an adaptive High Performance Culture is central to success. However, most organisations lack the tools to understand their current cultural position, and how they can move forward to improve how they operate.

Simple to roll out, repeatable and scalable, the new Culture Quest Toolkit provides a practical, diagnostic solution, centred on your company and its needs. By collecting powerful feedback from your employees it can show you your current and optimal future cultural profile and provide a roadmap for future development.

Questback has extensive experience in helping companies use employee insights to drive better business decision making. We work directly with major organisations, as well as in partnership with consultancies, to best fit with your needs. Our flexible, powerful, technology platform can underpin all of your employee feedback requirements, enabling your organisation to unify feedback and translate the voice of the employee into business success. We believe this makes us the natural partner as you move towards an adaptive High Performance Culture – <u>contact us</u> to find out more.

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# Questback

# ABOUT US

#### QUESTBACK

Questback is a complete feedback system that helps companies transform customer, employee and market research programmes. Used by thousands of companies, including 1/3 of the Forbes list, Questback is the smarter, faster way to manage feedback. Get the software, services and human support you need to manage customer, employee and market feedback – all in one place.

Questback UK Phone: +44 207 403 3900 Email: post.uk@questback.com www.questback.com/uk

#### CONFLUX

Conflux is an innovative consultancy which helps organisations derive more insight and value from their employee research programmes. We believe that to be truly effective, any assessment of engagement and culture must be augmented by tools which help to support continuous dialogue and the development of the right leadership behaviours. Key to our approach is the incorporation of customer and other business data to inform the development of a truly high-performance culture.

Conflux Phone: +44 (0) 7903 558726 Email: info@conflux.org.uk www.conflux.org.uk

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