

CULTURAL TRANSFORMATION

KNOWLEDGE SESSION

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Presented by

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Culture

eats strategy for breakfast, everyday



What is an organization's culture?

What is an organisation's culture?

ATTITUDES

BELIEFS

TRADITIONS

HISTORIC BEHAVIOUR

ENERGY

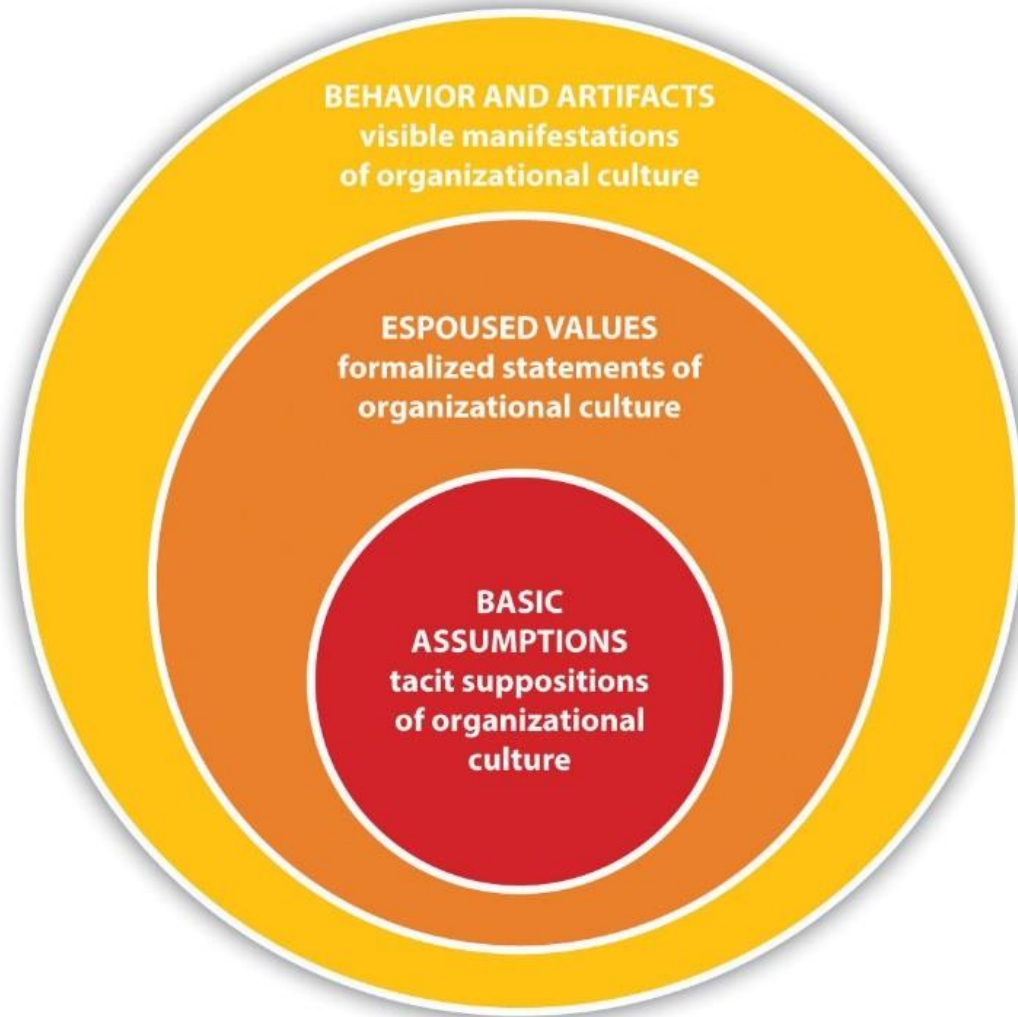
UNWRITTEN GROUND RULES

VALUES WE LIVE

THE WAY WE DO THINGS HERE

OUR HABITS

SPIRIT

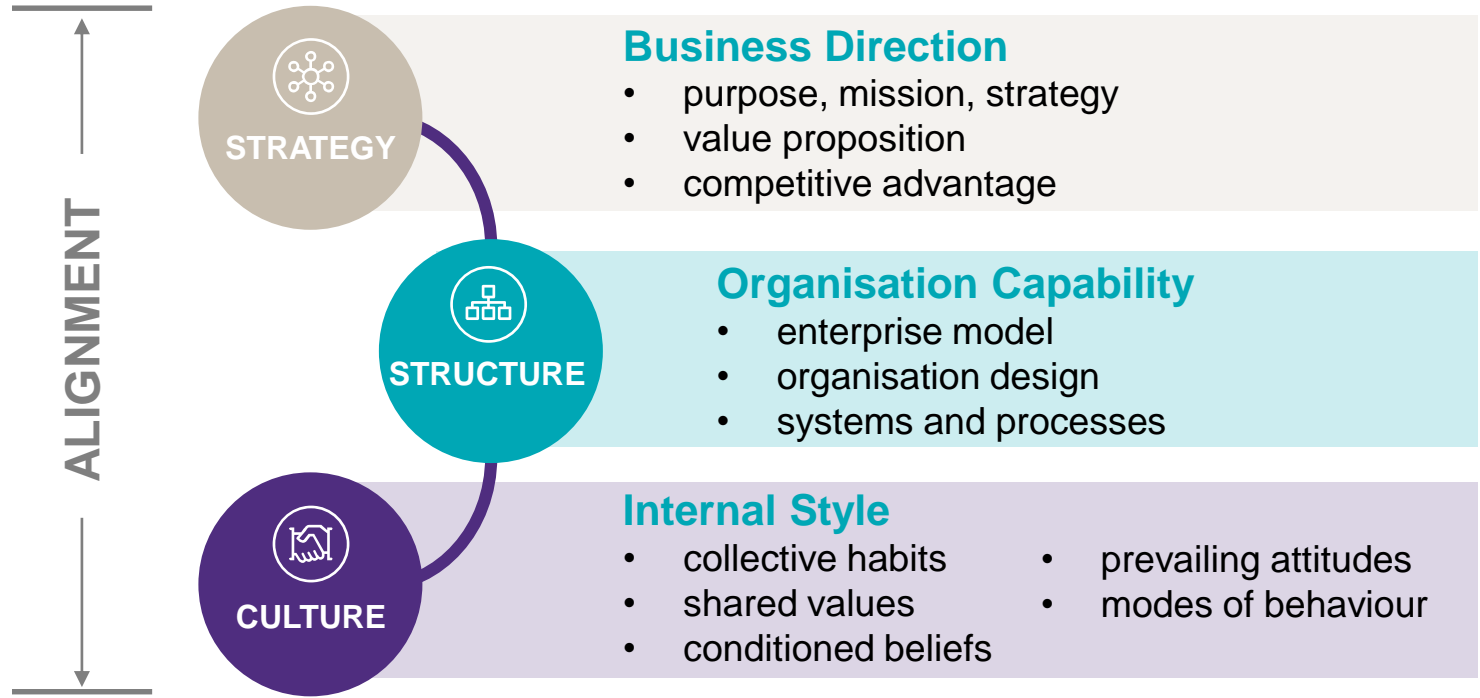


Enron had a nice sounding values statement

- Integrity
- Communication
- Respect
- Excellence

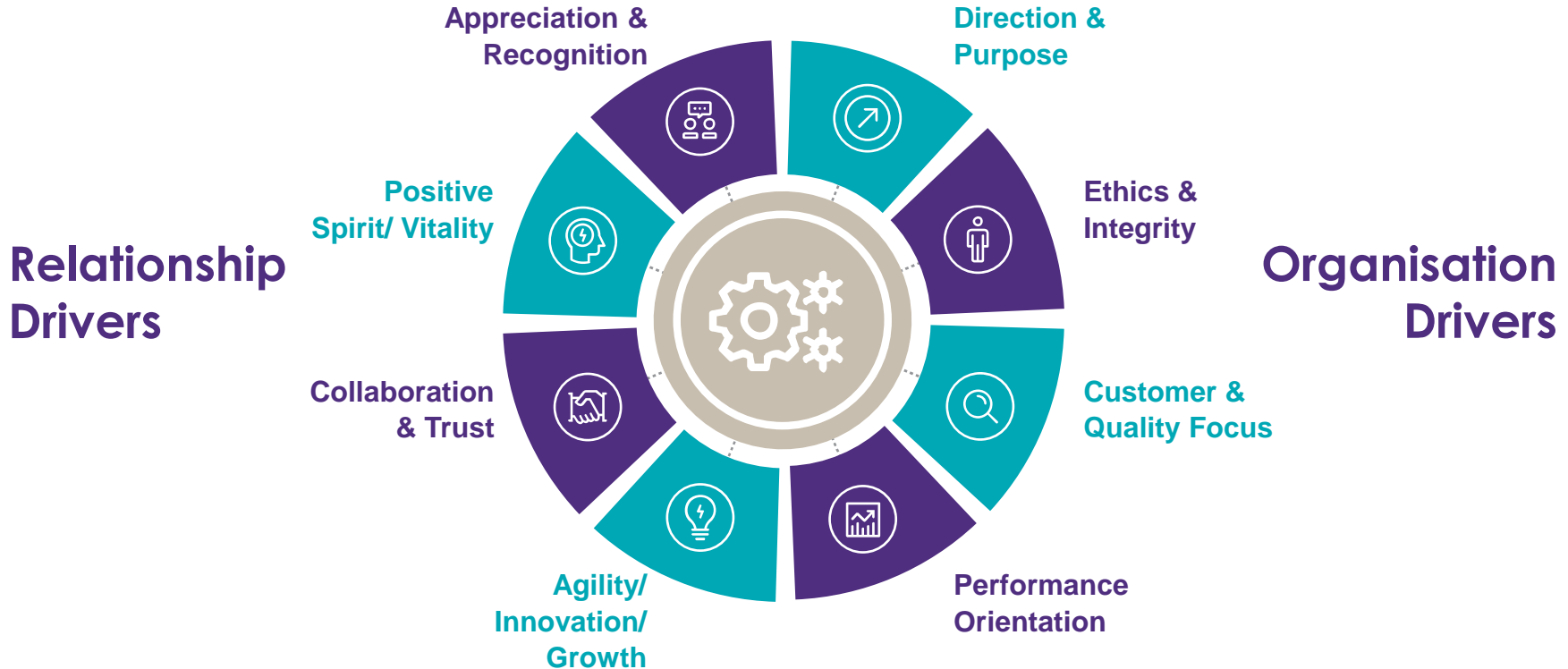
These 4 values were chiseled in marble in the main lobby of their headquarters!

If you align these three, **you win**

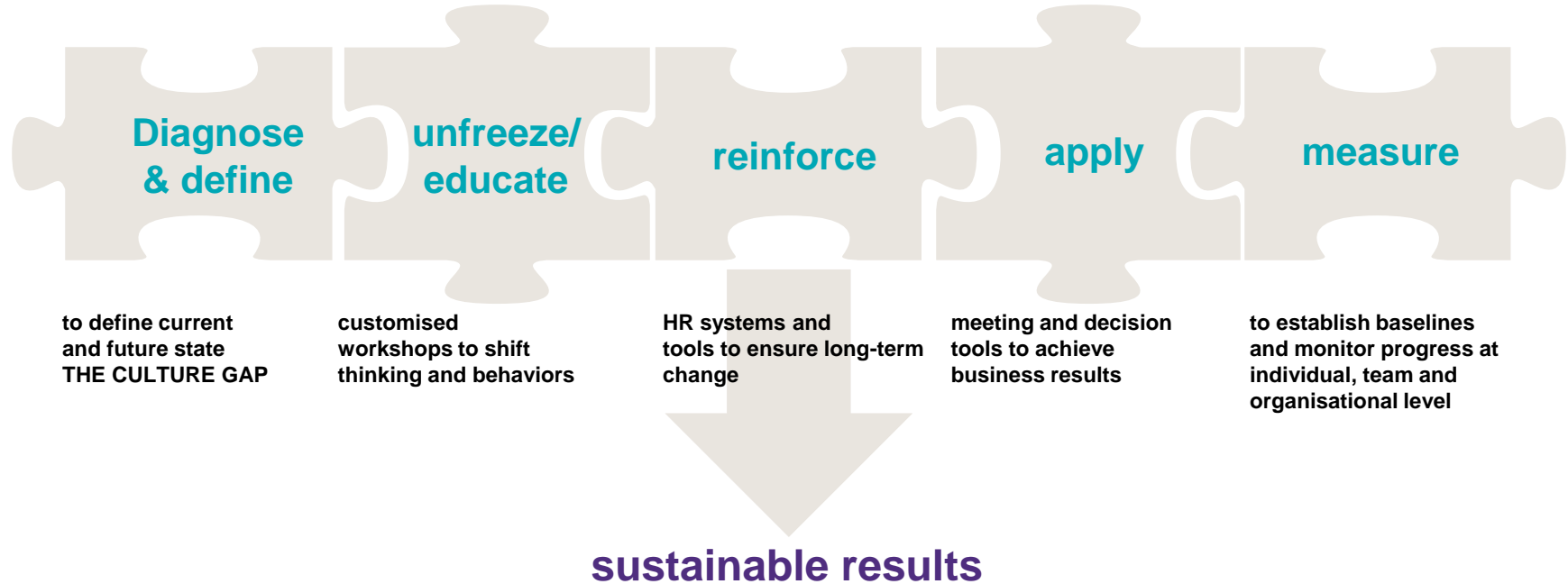


The corporate culture engine

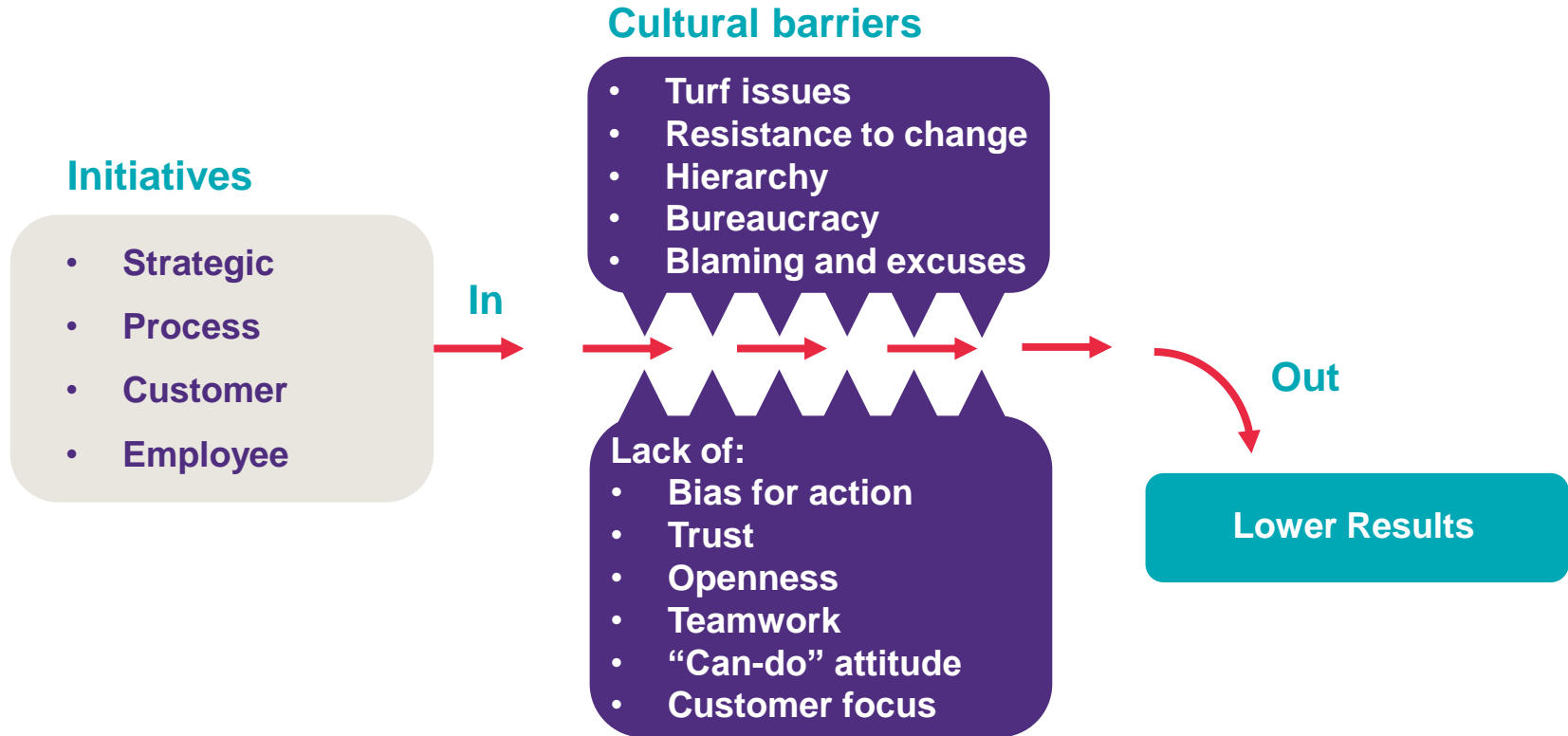
Key drivers of high performance culture



Integrated approach needed to shape team behaviours and the culture



The Jaws of Culture at the last mile



70%

growth initiatives fail due to lack of skills, mindsets and on-going commitment*

\$ 5tn

is the size of the **business of growth**, transformation and change#

85%

of the global **workforce is disengaged** costing organizations ~\$ 500bn annually*

53% believe the system is failing^ and
63% don't trust their CEOs^

\$.2tn

is the size of the **business of culture** i.e. employee experience transformation#

If this room were an organization ...



Energy

Sources of energy

To be at your best requires managing the four sources of energy:

Physical

physical – base level of energy

nutrition,
exercise,
rest, sleep,
relaxation

Emotional

emotional – quality of life energy

positive moods,
gratitude,
appreciation

Mental

mental – focus of energy

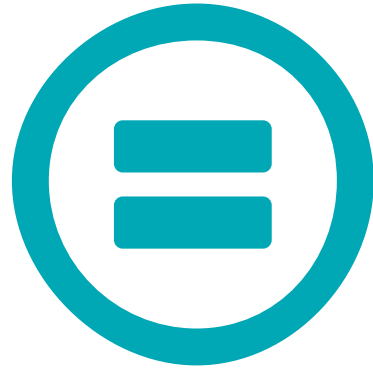
reduced
interruptions and
distractions

Inspirational

inspirational – energy of purpose

serving others
making a
meaningful
difference

Energy

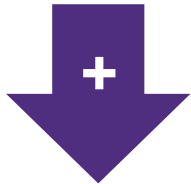


Our inner feelings

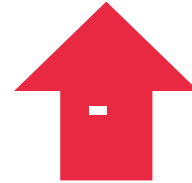
Types of energy



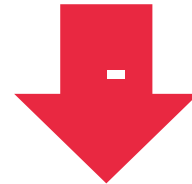
High Positive:
energetic, enthusiastic



Low Positive:
reflective, grateful



High Negative:
angry, hostile



Low Negative:
worried, stressed

Energy



**Managing personal energy is a key
to healthy, high performance**



“

**“I think there is a world market
for about five computers.”**

– Thomas J. Watson, 1943

**“There is no reason for any individual to
have a computer in their home.”**

– Ken Olson, 1977

”

The world we live and work in today ...

Strategy is no longer long term, it's iterative

What the most future ready and disruptive organisations are getting right



Netflix did not kill Blockbuster. Ridiculous late fees did.

Uber

Uber did not kill the taxi business. Limited access and fare control did.



Apple did not kill the music industry. Being forced to buy full-length albums did.

amazon

Amazon did not kill other retailers. Poor customer service and experience did.



Airbnb isn't killing the hotel industry. Limited availability and pricing options are.

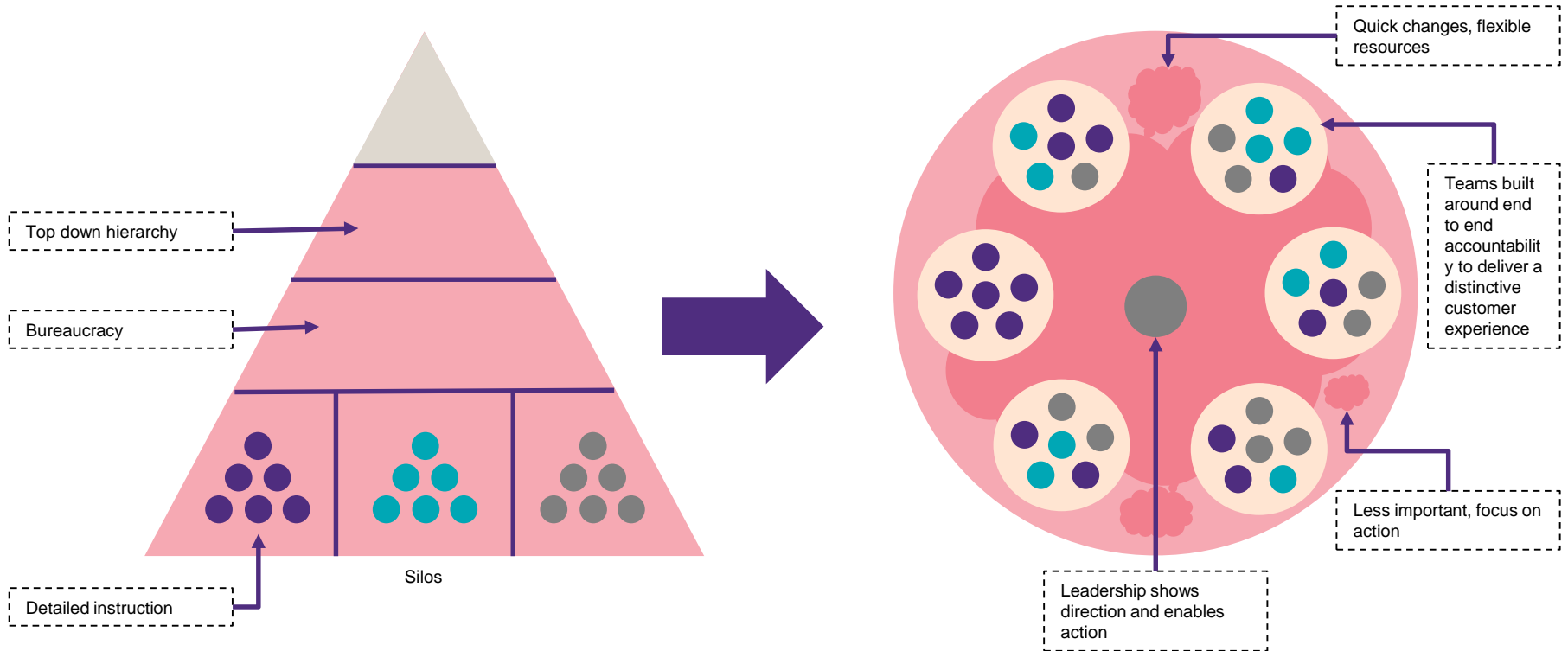


Technology by itself is not the disruptor. Not being customer-centric is the biggest threat to any business.

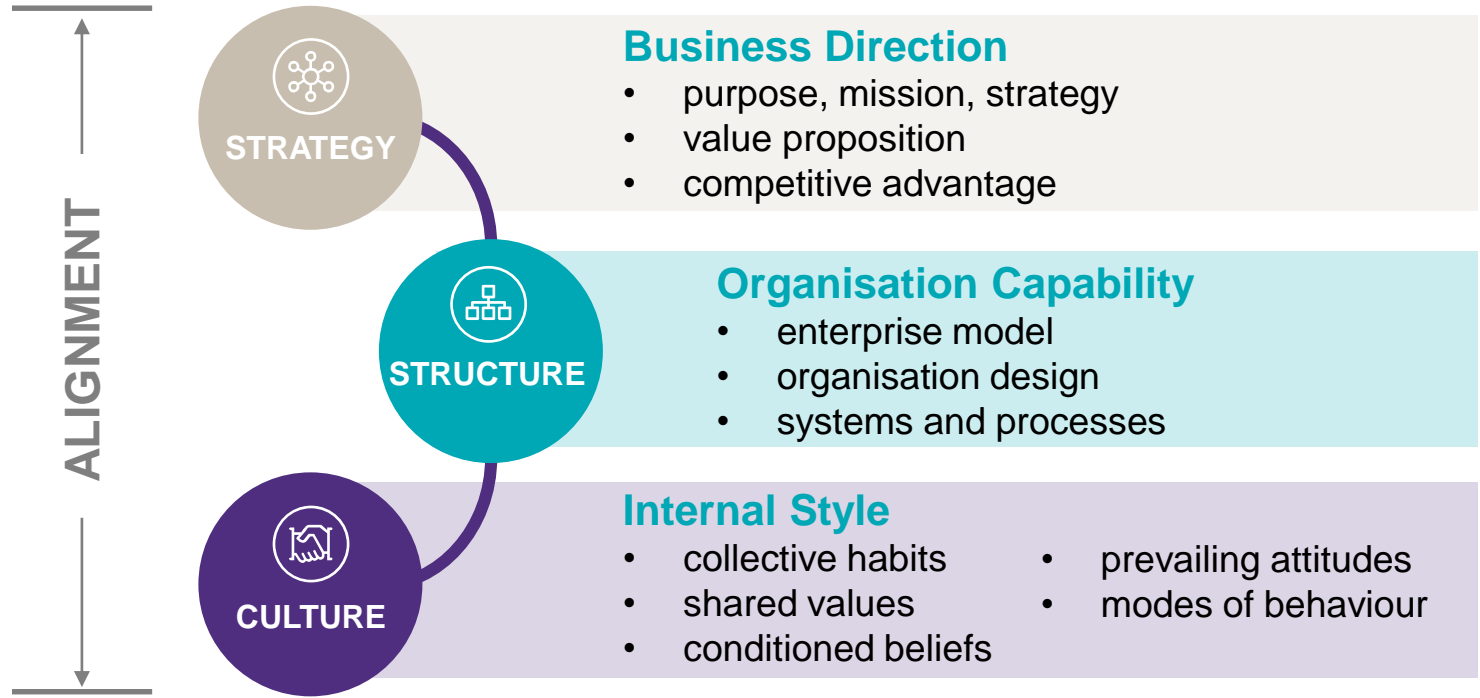
1. **Radical humanisation** of products, services and experiences
2. **Extreme fanaticism** about the growth of their people, clients & communities
3. **Excellence in every act** especially in small acts, the next five minutes! *'Doing more with less'*
4. **Data is the new oil!**
 - captured by the Internet of Things
 - managed by Blockchain
 - made actionable by Artificial Intelligence

Emergence of the agile organisational model

From hierarchy for control to self organizing, empowered teams across customer touchpoints



If you align these three, **you win**



Why do you come to work everyday?

Why do we work?

IMPROVE

GROW

DO WHAT YOU
LOVE

BE A PART OF SOMETHING

DEVELOP

LEARN

MAKE A DIFFERENCE

BE CHALLENGED

SENSE OF
ACHIEVEMENT

MEET NEW
PEOPLE

HAVE AN IMPACT

PURPOSE

What helps you do your best work?

What stops you from being your best?

What stops us from being our best?

**LOW
AUTONOMY**

**NO ONE
LISTENS**

NO FEEDBACK

NOT ENOUGH CLARITY

HONESTY

LOW SUPPORT AND GUIDANCE

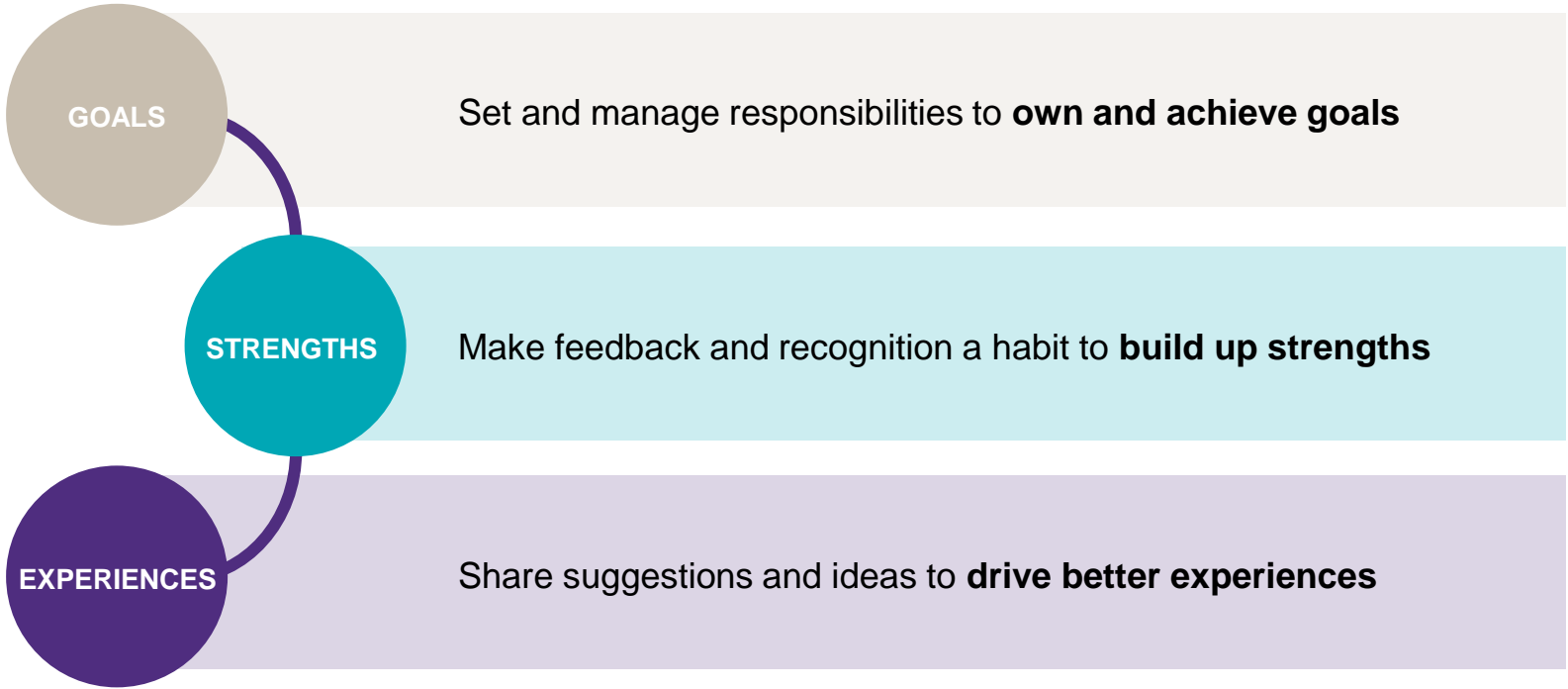
**DON'T GET
APPRECIATED**

NO COLLABORATION

LOW VISIBILITY

FEEL EXCLUDED

We are at our best when all of us ...



How are these related to intrinsic drivers of motivation?

Goals



Autonomy

Strengths



Mastery

Experiences



Purpose

The iconic culture deck by Netflix ...

The real company values, as opposed to the nice-sounding values, are shown by who gets **rewarded, promoted, or let go**

How do we currently address this?



How do we currently address this?



Forms

Templates

Questionnaires

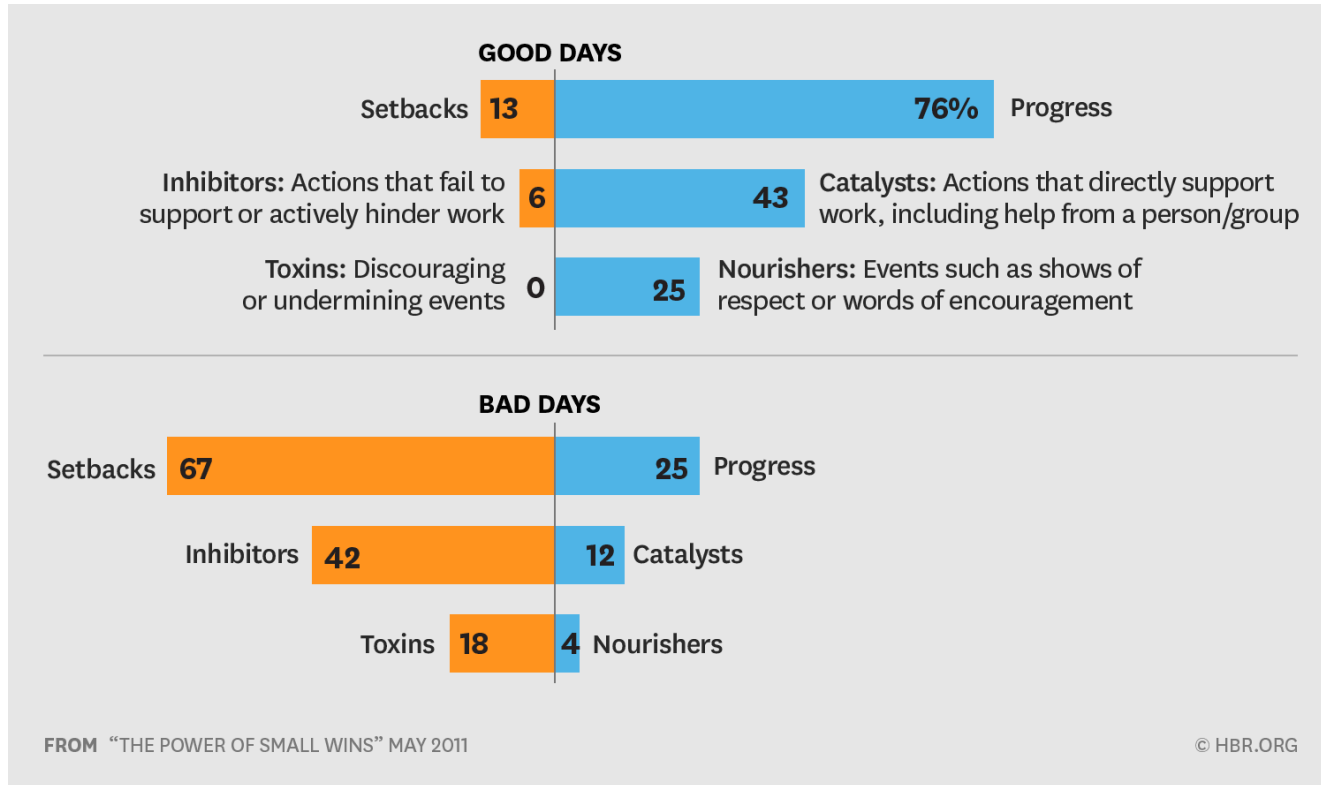


Structured

Retrospective and periodic

Idiosyncratic rater bias

At the last mile, culture is an everyday thing ...



At the last mile, culture is very personal



“
**I am what I think,
feel and see
everyday!**
”

Leaders and mindful conversations shape

Culture



What “we” permit and promote is what “they” see

“Grant me the serenity to accept the **people** I cannot change, the courage to change the **person** I can, and the wisdom to know it is **me.**”

It's time to conclude!

The evolution of organisational models

The evolution and co-existence of organisation models

		Current examples	Key breakthroughs	Guiding metaphor
Red	<ul style="list-style-type: none">• Constant exercise of power to keep teams in line• Fear is the glue of the organisation• Highly reactive, short- term focus• Thrives in chaos	<ul style="list-style-type: none">• Militias• Street gangs	<ul style="list-style-type: none">• Division of labour• Command authority	Wolf pack
Amber	<ul style="list-style-type: none">• Highly formal roles within a hierarchical pyramid• Top-down control and command• Stability is valued; maintained through rigorous processes• Future is repetition of the past	<ul style="list-style-type: none">• Government agencies• Public schools	<ul style="list-style-type: none">• Formal roles• Processes, compliance and discipline	Army
Orange	<ul style="list-style-type: none">• Goal is to beat competition; achieve profit and growth• Innovation is key to stay ahead• Management by objective (command on what; freedom on how)	<ul style="list-style-type: none">• Multinational companies	<ul style="list-style-type: none">• Innovation• Accountability• Meritocracy	Machine
Green	<ul style="list-style-type: none">• Focus on culture and empowerment to achieve employee motivation	<ul style="list-style-type: none">• Culture driven organisations such as Southwest Airlines and Ben & Jerry's	<ul style="list-style-type: none">• Empowerment• Value-driven culture• Stakeholder model	Family

Evolutionary teal/ agile organisations

Teal

- Self management over hierarchical pyramid
- Organisations are living entities, oriented toward realising their potential

Current examples

- Morning Star
- Buurtzorg

Key breakthroughs

- Self- management
- Wholeness
- Evolutionary purpose

Guiding metaphor

Living organism



- collaborative **cross-functional teams**
- **teams that are trusted** to put their own processes in place to control organisational risk, not have them imposed
- teams that **can resolve conflict, negotiate, and make decisions**
- **transparency** at a strategic, operational and tactical scale
- commitment to transparency, **openness, giving and receiving feedback, continuous improvement**
- clear line of sight from the work being done to **“end user value”**
- investing heavily in training individuals outside of their “technical” sphere, in both business and soft skills
- **less management**, and fewer operational issues escalated

Four principles of culture shaping

1

Purposeful Leadership

The senior leaders must own and lead the culture-shaping process.

Leaders cast a powerful shadow.

Must be a clear and compelling purpose.

2

Personal Change

Unfreeze existing habits and make personal behaviour change.

Understand the purpose for shaping culture.

The culture journey needs a clear “from-to.”

3

Broad Engagement

The faster the whole organisation engages in the process, the higher probability the culture will shift.

Use a Leader-led process.

4

Systemic Reinforcement

Reinforcement at individual, team and organisation level.

Institutional practices, systems, performance drivers, capabilities to drive the desired culture.

Think and feel

What goes on in their minds?

Hear

How does the environment influence them?



See

What do they see in their environment?

Say and do

What might they say?
How might they behave in public?

Pain

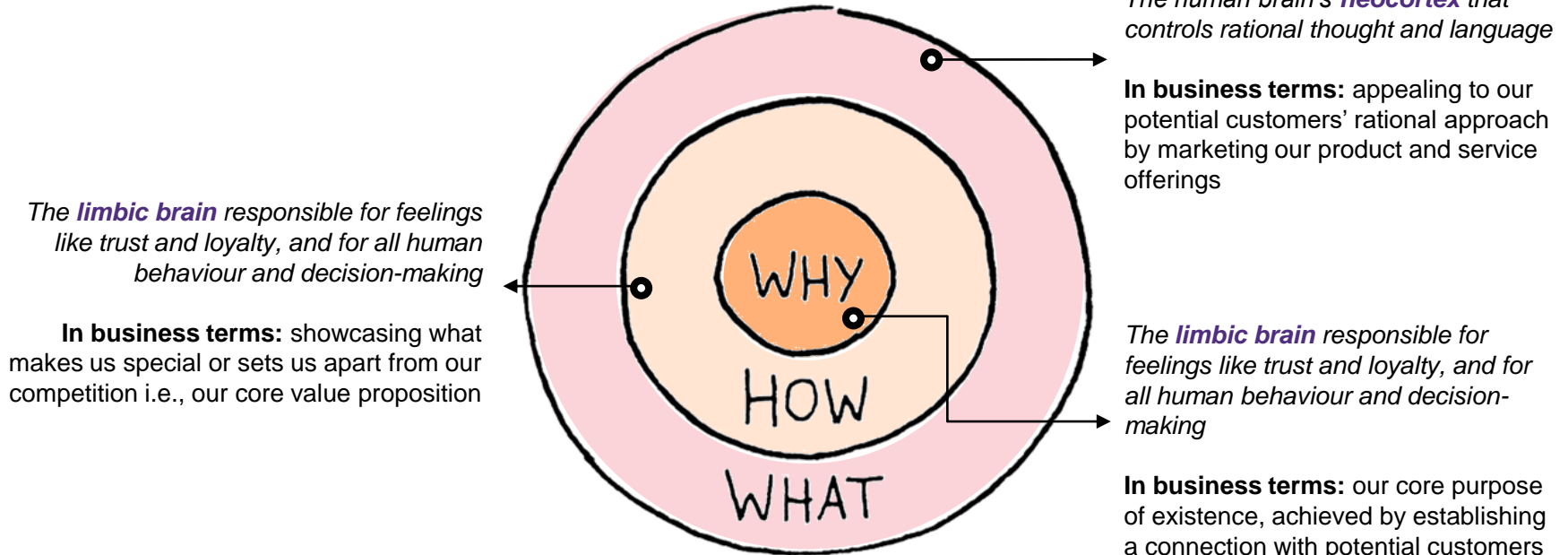
What are their biggest frustrations, needs, wants, fears?

Gain

What do they gain? How do they measure success?

Start with why: the golden circle

The what can be articulated but the why needs to be felt



And focus on quality of conversations!



APPRECIATIVE:

“What I appreciate about you is...” and Why!

AND



CONSTRUCTIVE:

“I feel you could be even more effective if...” and Why!

“

You must be the change you wish to see.

– Mahatma Gandhi

”

Be a **goals champion**



**Have
continuous
conversations**

Be a strengths champion



Recognise
others

Be an **experiences** champion



**Express
yourself**



Thank you!