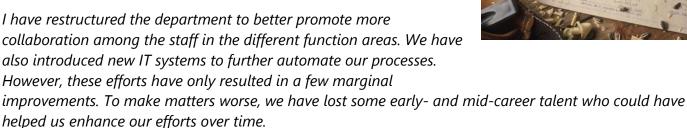Career Compass No. 51:

Building a World Class Culture

In this issue of Career Compass, Dr. Frank Benest suggests if you want to improve performance, then you need to improve workplace culture.

by Dr. Frank Benest
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I'm an administrative services director of a large urban city government, overseeing a department that includes Finance, HR, and IT. Serving in this position for two years, I have found the environment a bit tumultuous and chaotic. I'm concerned that our performance is adequate but we do not compare favorably with other local government agencies that I have previously led. We are not as service-oriented, productive, collaborative, or adaptive as I would like.

I have restructured the department to better promote more collaboration among the staff in the different function areas. We have also introduced new IT systems to further automate our processes. However, these efforts have only resulted in a few marginal improvements. To make matters worse, we have lost some early- and mid-career talent who could have helped us enhance our efforts over time.

I believe that we still have managers and front-line staff who would support my efforts and commit to developing a better department.

I'm disappointed with the organizational improvements and results to date. I don't want to give up. What do I do?

DR. BENEST: Adequate but not exceptional performance is pervasive in all organizations, regardless of sector. I'm pleased that you are concerned and that you have taken a few steps to improve organizational performance. However, restructuring and IT enhancements are not sufficient. Big leaps require improving culture.

Peter Drucker, the foremost management thinker of the 20th century, warned that culture always trumps structure and strategy. So, the challenge is how do you and your colleagues build a world-class culture?

What is culture?

Culture is perceived by most of us as a fairly squishy concept. Culture is simply defined as "the way we do things around here." Culture is the underlying operating system of the organization.

Dan Rockwell (see [Leadership Freak blog of April 16, 2016](#)) explains that culture is built through a commitment to certain beliefs expressed in a set of behaviors practiced by organizational members. Therefore, there are two elements to culture:

1. Beliefs
2. Behaviors.

The current culture—the way we do things around here—is built over time. Likewise, to change and enhance organizational culture requires sustained effort one step at a time. Culture requires "the long march" (Jim Collins).

Where do we start?

STEP ONE

Share your observations and concerns with your managers, cite some relevant examples (without blaming people), and generate dialogue with your management team members. As part of these conversations, ask your managers for their observations and any concerns and suggestions on how to assess the state of the department's culture and performance.

STEP TWO

Assess with department members what you all believe about yourselves, your customers, the work itself, and the importance and meaning of what you do. This is a conversation that includes management and all employees. Remember, as the poet David Whyte asserts, leadership is the art of conversation. To be successful, you and your division managers must commit publicly to act on the conclusions generated by the conversation.

You can use several methods to help you assess beliefs, such as focus groups, employee surveys, and in-house social media (e.g., Yammer). It is best to use a combination of methods.

For example, you might want to ask to what extent is the department committed to:

- Continuous performance improvement
- Ongoing learning
- Innovation in our work efforts
- Doing our best for internal and external customers

- Support for each other
- Creating a safe environment in which we can admit and correct mistakes and suggest and try out new ideas
- Talent development and coaching.

STEP THREE

Assess with all your department employees and your internal customers (other departments) and external customers (contractors, vendors, job applicants) how you express these beliefs in respect to actual day-to-day behaviors. To what degree are daily behaviors aligned with your professed beliefs? To what degree are there gaps between beliefs and behaviors?

What are strategies to build a better culture?

HERE ARE NINE STRATEGIES FOR BUILDING A WORLD-CLASS CULTURE:

1. CREATE A NEW STORY FOR THE DEPARTMENT

Based on all the structured conversations with department employees and internal and external stakeholders, you can help craft with a group of interested employees a first-draft "story" of the department five years from now. The story or vision should address the following:

- What do the department members believe?
- What is the department doing?
- How does it do its work?
- What great value does the department add to the total organization and/or to the community?
- How is the department different or better than the current department?

The story includes desired beliefs and behaviors.

The story of a new culture five years out must also describe what "success" looks like and a few key metrics. For instance, is the Administrative Services Department more efficient, reducing the time to purchase and contract by 50%? Is the department supporting the growth of all staff with 50% staff engaged in an annual learning plan or engaged with an individual coach?

You can share this first-draft story with all the department members to get their feedback and suggestions in order to enhance the story. You might also share the revised story with some trusted partners inside and outside City Hall, ask for their reactions, and then provide this feedback to your story team.

Once you finalize the story, you can develop with the team, the management group, and all employees an action plan to make the story come true. You then must communicate the new story and action plan and publicly commit to it.

2. MODEL KEY BEHAVIORS

The most powerful way that people change behaviors is through modeling. Therefore, you, your division managers, and other key influentials must serve as role models, not only communicating the desired beliefs but modeling the desired behaviors.

For instance, are you and other key influentials taking visible steps to:

- Learn
- Experiment and adapt
- Improve processes
- Engage others
- Take calculated risks
- Acknowledge mistakes and commit to make it right
- Make it safe for opposing views
- Care about and support others
- Coach and develop others.

3. FIND SOME CHAMPIONS

Nothing ever changes in the world without champions of change. Consequently, you need to find and secure commitments from a small group of "champs" who will help you institute organizational improvements and ultimately behavior change.

This champs group could be the original story team plus others (especially frontline employees) who are inspired by the vision and want to make it come true. The champs must be "all-in," persist in the face of the slogging nature of culture change, and sustain the effort over time. In addition to their own commitment, the champs group must have your total support, the support of the division managers, resources to invest, and the time to focus on culture-change initiatives along with their regular jobs and assignments.

4. SHARE THE STORY AND COMMUNICATE THE PATH FORWARD

The champs can now launch the implementation phase by sharing the new story with department units. In addition to serving as communicators, the champs are "cultural ambassadors" who can link the future story to initiatives now being undertaken to build the culture and encourage their colleagues to take part.

You and other leaders must continuously communicate the story and efforts to make it come true. In a tumultuous environment, people only hear about 20% of what you say as a leader. Therefore, you must over-communicate. When you think that people are sick of hearing you talk about the new future, communicate some more.

5. START WITH A FEW VISIBLE INITIATIVES

Based on all the conversations and assessment work, people will have suggested a few tangible initiatives to improve your department's work and culture. With the champs, select one or several do-able projects that will jumpstart your culture-building efforts.

For example, let's say you want the enhanced culture to embrace learning and adaptability. You can focus on this goal by:

- Debriefing in division and department-wide meetings any significant experience and documenting what went well, what did not go well, and what we learned for future practice.
- Conducting real-life case study forums.
- Scheduling "learning reports" at the beginning of unit meetings.

- Engaging employees in seminars, workshops, and leadership academies.
- Training all managers and supervisors on how to conduct development conversations with their direct reports.
- Working with interested employees to develop individual learning and development plans for the upcoming year.
- Encouraging employees to get a one-to-one coach (see Career Compass #48—"How Do I Benefit From a Coach?")

6. ENGAGE EMPLOYEES IN THE CULTURE-BUILDING PLAN

To further grow the desired culture, you need to engage employees in designing and implementing these initiatives and providing feedback so adjustments can be made. Employees must get their "fingerprints" on the effort so it becomes their plan.

7. SHARE "PROOF POINTS"

To create and sustain momentum towards this new culture, managers and champs, as well as employees across the department, can begin to identify and accumulate "proof points." These proof points demonstrate that the desired future is being shaped and is coming alive.

The proof points are typically positive vignettes or experiences that people share of small successes. For instance, you can invite external customers (such as police department or public works employees) to come to your department meetings in order to share how the Administrative Services Department staff helped them solve a problem and become more effective in meeting their goals. Or, you can share some hard data of how the HR division reengineered and streamlined the recruitment process to eliminate six weeks from the time to hire.

The proof points support the reality that the culture is changing for the better and demonstrate how everyone is helping create a new reality.

8. CELEBRATE HEROES

To acknowledge positive behaviors and encourage others to adopt them, the department can recognize and celebrate individual employees or teams that provide great customer care or take a calculated risk to achieve desired results. The department may establish a "Great Talent Developer" award to recognize a manager/coach at a quarterly all-hands meeting. As another example, my former city of Palo Alto, California, organization bestowed a "Turtle" award for employees who stuck their necks out to push innovation or a controversial solution.

These heroes and heroines are exemplars of the desired beliefs and behaviors imbedded in our story. These exemplars model the way.

9. HIRE AND PROMOTE FOR CULTURE

Instead of hiring and promoting people solely on their technical skills, you can begin to hire and promote those who demonstrate that they have the beliefs and behaviors supporting the culture that you are building. Consequently, if you want to create a culture of learning and adaptability, you should seek out and select those who exhibit learning agility. Agile learners are willing and eager to take on challenges of

which they know little, research the issue, gather all kinds of information, make a recommendation, test a solution, and fix it up as they go along.

In the high-tech industry, LinkedIn consciously hires "purpose-driven" employees who see work as being about self-fulfillment and serving others. In the airlines world, Southwest famously hires for attitude not skill. Southwest seeks authentic employees who bring their whole selves to work and are passionate about delivering an efficient and fun customer experience.

In assessing new hires and internal staff to promote, you can ask culture-related interview questions or have the candidates respond to scenarios. For instance, you might want to pose some of these interview questions:

- Identify a team experience in which you helped make the team exceptional. What did you do?
- Identify a previous professional situation that was good but not good enough for you. What did you do to take the situation from good to great or almost great?
- Describe a situation where you did not let the administrative procedures get in the way of solving the customer's problem. What specifically did you do?
- Tell us about two people whose careers you have fundamentally enhanced. What did you contribute?
- Tell us about a significant project that you lead where you took a big risk and the project failed. What did you and the team learn?

If you are hiring an accountant, some accounting skills are necessary, but those technical skills cannot be the sole criterion. Hiring and promotion decisions are opportunities to create the new future.

How do we win the war for talent?

You cannot effectively address the current challenges facing the department or adapt to new demands without great talent. You win the war for talent based on culture. Assuming that your organization pays competitive salaries and benefits, talent will tend to join you and stay with you based on your culture.

Consequently, does your culture. . .

- Promote purposeful and meaningful work?
- Provide autonomy for talented employees to do their work?
- Encourage employees to develop their skills and capabilities and get better at what they do?
- Foster ongoing learning and talent development?
- Promote customer service and effective problem-solving?
- Demonstrate that people care about each other and support each other?
- Create a safe environment for diverse views and responsible risk-taking?
- Support the active engagement of employees?

Let me give you an example. In Brea, California, where I used to serve as city manager, one of our beliefs was that the organization offered a "professional safety net" for employees. If an employee was committed to excellence and made a mistake from which we could all learn, then top management would protect the employee and in fact celebrate his or her risk-taking. Department heads and I took great pride in protecting the employee. In fact, people who wanted to attack the staff person (including any elected

officials) would have to "go through us." This belief in the professional safety net and the behaviors from top management that supported the belief helped us attract and retain entrepreneurial employees.

In terms of creating "organizational stickiness" so you can retain star players, there is much evidence that talented employees will stay with an organization as long as they are growing and learning and being challenged. Therefore, a great culture allows for employees to stretch themselves and learn and develop themselves along the way.

What about the larger city-wide organizational culture?

You are concerned that the larger culture of the city organization does not support the positive culture that you are trying to shape. This should not be a great hindrance for several reasons.

First, there is not one citywide culture, but many cultures. In fact, there may be several cultures in your own department.

Second, through a conscious vision and a sustained effort, you can over time create a "pocket of excellence." The strategies identified above will help you and your team shape that future.

Is there a sliver bullet?

No. No one strategy or action will build your culture of excellence. A lot of related efforts will slowly create a new culture or story for your organization.

Jim Collins, in his book *Good to Great,* suggests that an organization can get from good to great only by slowly pushing the "flywheel." The premise of the flywheel is simple. A flywheel is a very heavy wheel. Getting a flywheel started takes a lot of effort – you push, and you push, and you push some more. Slowly, it becomes easier to turn. Finally, it starts to generate momentum all on its own, and suddenly, what once took so much effort becomes effortless and self-sustaining. No one push made the difference in moving from good to great. It is the series of related pushes, one at a time, that creates the momentum for change.

You build culture day by day, step by step.

How do I demonstrate that culture matters?

You as the leader will on occasion be faced with a "moment of truth." These moments of truth may include:

- Which budget cuts do you make and why?
- Which of three internal candidates do you promote and why?
- Do you share the whole truth with your team about your mistake or failure?

Your choices illuminate your values and beliefs and reinforce the culture that you are trying to shape.

What is your a legacy?

To become an effective culture-builder you need self-reflection, assessment and critique, will, continued commitment, and the active engagement of others.

For much of my career as a department head and chief executive, I focused on leading external improvements in the communities that I served. However, I finally discovered that my true legacy was as a culture-builder and sustainer. Culture lives on and supports the great work of others.

Career Compass is a monthly column from ICMA focused on career issues for local government professional staff. Dr. Frank Benest is ICMA's liaison for Next Generation Initiatives and resides in Palo Alto, California. If you have a career question you would like addressed in a future Career Compass, e-mail careers@icma.org or contact Frank directly at frank@frankbenest.com. Read past columns at icma.org/careercompass.