

The Science of Creating the Right Culture for Your Organization

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One of the most important things that a management can do to encourage a new, and more productive, culture is to make it safe for people to experiment with new behaviors and new ways of working. Some of these will turn out to be less than optimal, and some will seem strange to the business leaders. But the increased feeling of autonomy and the often extremely beneficial ideas that come forth make it well worthwhile. For an enterprise's leadership, this means letting go of some of the older management styles and working with the employees as a trusting team. We have found that this works even in businesses where there has traditionally been a high level of conflict between the management and the workforce.

"I want to get my partners to adopt a more entrepreneurial, cooperative culture," the CEO of a mid-sized American law firm told us recently. He wanted our team to come up with instant answers to the question of how he should go about doing this. There had already been a couple of failed attempts to change the culture of the firm. We believed the reason for the failures was that the ideas behind the change programs were not based on what we now know to be the real

drivers of human behavior and the willingness of people to change.

It is a common misconception that an organizational culture can be summed up by a series of vague quasi-value terms such as "integrity," "entrepreneurial," "excellence" or "respect." These often tend to be managerial wish lists rather than any real description of what people actually believe or the way they actually behave.

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Most organizations, even medium-sized ones, will probably have a number of sub-cultures, some of which may even be mutually antagonistic. This was certainly true of the law firm. This mutual antagonism, and the accompanying suspicion, is one of the reasons why over 70% of culture change programs fail (Micheli, 2011).

The reason humans adopt or create any particular culture is to surround themselves with a nexus of people who will support them (Baumeister and Leary, 1995). We are genetically geared to look for, and to rely on, that support (Baumeister and Leary, 1995). Therefore, an organization's culture is reflected in the way people behave towards each other on a day-to-day basis: how they greet each other, how they socialize, how they use praise and in many other small everyday rituals.

It is rare that business leaders look at culture in this way.

In this paper, we examine the issue of culture and culture change through the lens of science, including the latest findings from a number of fields—neurogenetics, anthropology and evolutionary psychology—along with our consulting perspective. We also offer some practical “how-to’s” for any organization wanting to create a culture that will enable it to flourish in this fast-changing and puzzling “new normal.”

The main thing that we want to emphasize throughout is that although any culture is a complex interaction between people—involving shared values, rituals, language, assumptions and beliefs—all of these elements are reflected in behaviors. Indeed it can be said that the behavioral norms of a culture are often what drive the creation of the other aspects of it (Cooke *et al.*, 2006).

Once established, cultures, like individuals, are often very resistant to change. This resistance comes largely from ingrained habit and also from threat. If a group feels under threat or pressure,

it will emphasize the differences between it and any other group it feels threatened by. Often this is the enterprise's management. Openness to change comes from a sense of safety and the exposure of the group to, and development of commonalities with, other cultures (Jones, 2009).

Getting the Right Culture

The task of management, therefore, is to create the conditions under which a majority of humans are willing and able to change.

The human brain and genome (our individual and collective DNA) are largely social tools. They evolved to allow us to get on with others of our species. There are a number of actions that management can take which will work with this evolution. Unfortunately, the majority of the time the way that leadership tries to direct culture change—as with the managing partner of the law firm we mentioned at the start—goes against both human evolution and human genetics.

To be in tune with human genetics and human neurobiology, there are a number of actions that management can take to ensure that they get the right culture for the business to prosper. These are:

- Bring people into the decision-making process around the new culture.
- Adopt a transformational leadership style.
- Build the new culture around a purpose, or a vision which the people see as important.
- Concentrate on behaviors not on attitudes or states of mind.
- Create a climate of safety, making it okay to experiment with new ways of behaving. Humans only change when they feel safe.
- Allow the culture to grow organically.

Doing these things will go a long way toward creating the kind of aligned culture which can move an organization to change and creating the conditions for a strategy to succeed.

Get People Involved in Decision Making

Before you even embark on the exercise of behavioral change, you need to explain the “why” of the change, for example, why they, and by extension the firm, need to be more entrepreneurial, cooperative. More importantly, you listen to their ideas and, perhaps, their objections. You concentrate on working with them, not against them. They feel an integral part of the process.

By bringing them in this way, you are making decisions in the way that hunter-gatherer bands come to decisions (Turnbull, 1987). You are breaking down hierarchy and working with human genetics. No known hunter-gatherer band has, in normal times, a definitive hierarchy or leadership, and this universality of equality in decision making can only be explained by genetics (Pennisi, 2014).

Adopt a Transformational Leadership Style

A leadership style which goes with the grain of human nature is far more likely to be effective than one which does not, and the style which is most attuned to the way in which our neurogenetics actually work is the one often called ‘transformational leadership’ (Bass and Riggio, 2006).

In terms of change management, this is a style of leadership where the leader identifies the needed change, creates a vision or a purpose and guides the change through giving inspiration, showing influence and demonstrating support for individuals. He or she executes the change in tandem with members of the group. Through these actions, the leader gets people committed to the relationship with him or her, to the project and to the success of the organization as a whole (Bass and Riggio, 2006).

A transformational leader will also understand that the way he or she communicates his or her

ideas is vitally important. People must not only be brought into the decision-making process, the communication should be face-to-face as far as possible.

In large organizations, like many we have worked for, this direct face-to-face communication between the leader and the workforce is not always possible. Leaders of these enterprises often rely on video presentations to get their message across. Because we humans scan facial muscles and other signs for truth-telling, these videos often get the eye-roll effect and are seen as distancing the leader from the rest.

It is far better for the leader to communicate the message to his direct reports and for them to pass down the communication face-to-face. If the culture has to be spread through an organization comprising virtual teams, then the leader should use whatever—teleconference, Skype or other means—to deliver the message as closely to face-to-face as is possible (Purvanova and Bono, 2009).

This concept of face-to-face communication is another means for creating safety. Humans are far more ready to accept an idea if it is communicated personally. We are face-to-face animals; it is by the judgement of our senses that we decide whether to trust or not (Golden *et al.*, 2008). As this method of communication and decision making on significant issues is preferred universally in societies everywhere, the desire for it must, again, be embedded in our genes (Cosmides and Tooby, 1994).

A transformational leader will gain far more commitment than one who adopts a more transactional or “do as I say!” style. Their people will change in order to strengthen the bond between themselves and the leader. A transformational leader makes his or her people feel safe, even protected, and one of the things

that we know is that people only really change when they feel safe (Detert and Burris, 2007).

Build Your Culture Around a Purpose

In order to have an entrepreneurial culture (or any other kind of culture), there must be some overarching rationale for it in terms of the individual and of the tribe. It is within the tribe that people find safety and community, and as long as they believe that this is the case, they will support efforts to preserve it (Wilcock, 2004).

Part of this safety comes from the knowledge that the council of elders in a hunter-gatherer band—or parents in terms of a family or management in a business—knows where they are going, that they have a purpose. In hunter-gatherer times the purpose was simple: the survival of the band. Every purpose that a modern family or enterprise might adopt is simply a variation on the theme of tribal survival. In these times of the “new normal,” when there is little increase in the pool of money available for purchases, top-line revenue can often only be increased by gaining market share. Therefore a modern culture change must begin with the purpose of satisfying the customer more than other enterprises can (Ulrich *et al.*, 2009).

Essentially, “perfecting our customer experience” is neurogenetically the same as “moving to a better hunting ground.” The purpose must be communicated to the workforce—the tribal members—as an issue of survival in ways that they understand and which are meaningful to them. And, of course, in ways that show that they have input into the decision.

Focus on Changing Behaviors Not Attitudes

Let us say that, as part of the purpose of being the best at discovering and satisfying the needs of your customers, you want to introduce a more

entrepreneurial, cooperative culture. The first thing to realize is that this term is very general and can mean many things to many people. Rather than worrying about the meaning of the word, ask yourself what actions you are looking for. What do you want your people to actually do differently? Remember that you know a culture by the things that people do, not by the thoughts that go on in their head. Since you cannot read those, you can never know people’s thoughts and attitudes, only their behaviors. For example, in terms of being more entrepreneurial, cooperative, do you want them to:

- regularly brainstorm new ideas with each other?
- spend more time doing business development?
- get to know their customer’s business more thoroughly?
- ask questions to perhaps discover problems that the customers did not even know they had?
- listen more intently to what their customers are telling them before rushing in with solutions?
- work as a team with others to fully meet customers’ needs?

These and other behaviors will almost certainly come up when you put it to focus groups of the partnership, or the workforce, and ask them what new actions they would adopt to be more entrepreneurial, cooperative. Management teams rarely do this. Yet in terms of how the brain works, it is far more likely that people will adhere to behaviors that they themselves have come up with (Norcross *et al.*, 2002).

You will also get agreement as to what rewards are applicable for compliance and what penalties will apply for non-compliance. A good change leader knows that these are better coming from the bottom-up in an organization rather than

from the top down. In terms of the rewards that the leader personally gives people, these should be in the form of praise and recognition. Monetary rewards, or even prizes, are self-defeating since they tend to be “normalized” as part of their remuneration and expected going forward without extra work (Izyna *et al.*, 2008).

Once you have arrived at an agreement about concrete behaviors under its particular value, and what sanctions would apply if people do not behave accordingly, you have begun to change the culture. There need not be many such agreed actions—perhaps only two or three—for the change to take place. These become what we call “catalyst” behaviors because they lead to the gradual development and adoption of a range of other accepted behaviors. What the group minds are doing is building a tribe where adherence to the agreed norms of behavior becomes the essence of belonging. The whole human system is geared towards acceptance and belonging, and this, as I said earlier, is why we have a culture in the first place (Mellor *et al.*, 2008).

Of course, entrepreneurialism is not the only value that you will want to establish as the basis of the new culture. There will be a range of others which together will form the basis of the “right” culture for your business. For each of these, you go through the same process of discovering the concrete behaviors that will indicate to you and the other members of the “tribe” that the value is being adhered to.

If, for example, there are five values that you want to instill as part of the culture, then you may wind up with a catalyst list of about ten behaviors—a kind of behavioral charter.

Create a Sense of Safety for Experiment

One of the most important things that a management can do to encourage a new, and

more productive, culture is to make it safe for people to experiment with new behaviors and new ways of working. Some of these will turn out to be less than optimal, and some will seem strange to the business leaders. But the increased feeling of autonomy and the often extremely beneficial ideas that come forth make it well worthwhile.

The essence of safety in this context is the art of catching people out doing things right rather than concentrating on what they are doing wrong. Very often there is a lot right with an experiment that goes wrong. For example, when Motorola was looking to develop a radically new mobile phone back in the 1980s, they looked at all their competitors’ failed experiments and asked themselves “what were they doing right?” not “what did they do wrong”? By building on the “right” rather than getting sidetracked by the “wrong”, they were able to develop the famous flip-top phone.

The same process is true in the development of a culture. Watch what people are doing, then praise and build on what they do right, rather than focus on what they do wrong (Cooperrider and Whitney, 2005). An important finding from recent research is that people learn from being praised for what they do right and not, as we used to think, from their mistakes. In fact concentrating on what people do wrong only leads to their doing the wrong things more often (Histed *et al.*, 2009). When people feel safe and appreciated, they become open to change, and those changes which are acknowledged and praised will stick (O’Tool, 2002).

Allow the Culture to Develop Organically

The beauty of having catalyst behaviors in place is that the rest of the elements of a culture will begin to fall into place naturally as a result of

adhering to them. The important thing is to allow the culture to develop organically, for when management gets impatient and tries to rush the process, it very rarely succeeds (Choueke and Armstrong, 2000). The leadership of the enterprise must take more of a back seat, as it is not exclusively their culture that is being developed; they are merely a part of it. The rest of the process comes from the bottom up.

What management can do is to allow the space and the opportunities for the culture to develop. Allow opportunities for socializing, within and outside working hours. Give people the chance to share ideas and to develop new rituals. A ritual can be as simple as going for drinks together after work, for eating lunch together, or saying hello in the morning, or meeting more face-to-face rather than by e-mail.

Do not worry if, at first, some of the new culture seems anti-management—a transformational leader accepts this as natural. He or she will adhere to the behaviors, discuss shared beliefs and assumptions and adopt some of the new jargon (Bass and Riggio, 2006).

Conclusion

The science of human behavior shows us how to create a viable and productive culture. It means concentrating on behaviors rather than abstract concepts of what the culture ought to be like. For an enterprise's leadership, this means letting go of some of the older management styles and working with the employees as a trusting team. We have found that this works even in businesses where there has traditionally been a high level of conflict between the management and the workforce.☺

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