

Shaping Organizational Culture: A Practitioner's Perspective

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“For most people, corporate culture is a vague and slippery concept at best. Almost everyone agrees that it is an important factor in the success or failure of any organization, but many people have difficulty pinning down exactly what their corporate culture is and are truly at a loss when it comes to knowing how to change it.” —Peg Neuhauser¹

Shaping Organizational Culture: A Practitioner's Perspective

by Mindy L. Hall, Ph. D.

Every organization has a culture: regardless of size, age, or industry. What separates many leading companies from their competitors is the ability to intentionally shape and leverage culture to bolster their business goals; the ability to engage the hearts and minds of their employees; and the ability to create an environment where people are inspired to achieve extraordinary results.

In eras past, the discussion of culture was reserved primarily for academics, with only a backwards glance to business application; very little has been written addressing the practical aspects of shaping culture in the real world. In the absence of such information, many business leaders are left with a sense of operational paralysis when attempting to shape culture. Confronted with market changes, global competition, and changing business models, these well-intentioned individuals set off to change their companies' cultures armed with the *desire* to affect change, but little knowledge on *how*. I have witnessed many practitioners (*note: the term "practitioner" is used to refer to individuals—line and staff—who play a role in shaping organizational culture*) compensate for this lack of practical knowledge by creating overly complex culture initiatives, or by involving small armies of external consultants—both of which run counter to involving and energizing the workforce. Culture initiatives need not be models of complexity, nor the exclusive realm of "culture experts." By understanding the key levers which influence culture, individuals throughout an organization can begin to take actions that influence the culture and shape what the organization will become.

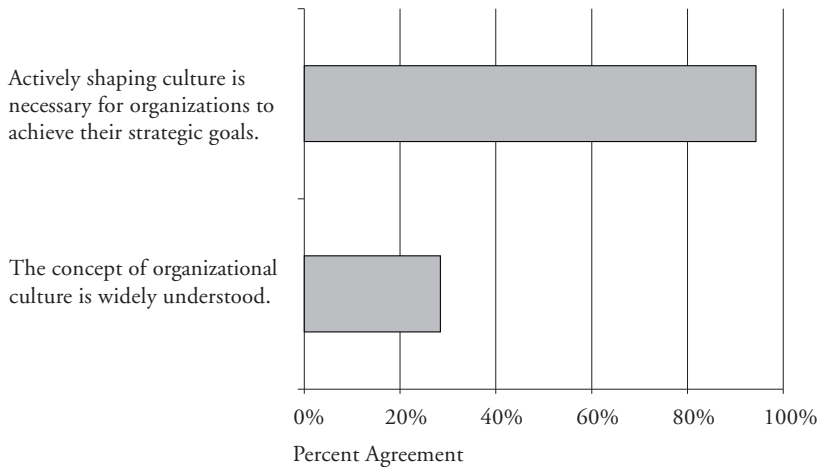
WHAT IS CULTURE?

In order to assess current experience, practitioners were involved in a research study, "Shaping Organizational Culture: A Cross-Functional Study on Real-World Practice." Of the nearly 200 people who participated—including leaders at every level, from every functional area, across multiple industries and multiple continents—there was a high level of agreement that, "actively shaping culture is necessary for organizations to achieve their strategic goals." However, less than

1 Neuhauser, P. C. (2005). "Strategies for Changing Your Corporate Culture." [On-line]. Available: www.culturedotcom.com/culturedotcom/article_4.htm

25% of the study population agreed that, “the concept of organizational culture is widely understood” (Diagram 1). That gap presents a tremendous opportunity for individuals who lead culture initiatives: while the concept of organizational culture may not be widely understood, study participants recognize there is great value in the concept. Therefore, it seems that any discussion on how to bridge this gap must begin with a definition.

DIAGRAM I



Edgar Schein, a foundational thinker in the field of organizational culture, offers the following:

The culture of a group can now be defined as: A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.²

While this definition is widely accepted and of proven worth in academic discussions on the topic, practitioners often find the language overly conceptual or see little connection to concrete business actions.

Working in the field over the past 20 years, I have developed an alternate definition for the practitioner:

Culture is a social energy built over time, which can move people to act or impede them from acting. Culture will develop by design or default; an organization’s ability to shape its culture is determined primarily by its level of intention.

To some encountering this definition for the first time, the term “social energy” can feel esoteric. The reaction is understandable given the intangible nature of culture. At its root, however, this “social energy” is comprised of interactions among people: everyone from the CEO to the frontline employee, in forums ranging from structured company meetings, to one-on-one interactions with managers, to casual conversations around the water cooler. When we talk about culture, we are talking about the quality of those interactions and whether they make individuals more or less engaged with the organization. As a result of their interactions, how do people choose to *behave*?

Looking further at this definition, it is important to stress that cultures are built—and change—over time: it takes thousands of individual actions, both large and small, over a period of weeks, months, and years. Cultures are constantly evolving and reacting to shifts in the organizational environment, and the culture that serves an organization’s strategic goals today may not be the culture it needs to compete in the future. Given this dynamic nature, culture must be viewed as a living construct in need of continued support and attention.

Finally, this definition for practitioners reinforces that the ability to shape organizational culture is a matter of choice.

CEOs and middle managers who choose to ignore their corporate culture—to let it evolve or “just happen”—do so at some risk to their own career success and the success of their organization. Conversely, CEOs and middle managers who make the conscious decision to plan, create, implement, and nurture a specific corporate culture have the potential to reap significant benefits.³

Once the benefits of attending to culture are realized and leaders commit to developing their organization, even individuals who lack experience will find that the necessary skills can be readily developed. “The bottom line for leaders is that if they do not become conscious of the cultures in which they are embedded, those cultures will manage them. Cultural understanding is desirable for all of us, but it is essential to leaders if they are to lead.”⁴ The importance of that sincere commitment—to make culture a strategic imperative and to follow through on its development, despite roadblocks—cannot be stressed enough. There is a Native American saying that states, “In the confrontation between the stream and the rock, the stream always wins...not through strength, but through persistence.” In Western business, there is a propensity to abandon initiatives when they do not produce results quickly. Those who are most successful in shaping culture are those who exercise good, old-fashioned “stick-to-itiveness” right at the moment when abandoning the effort would be the easier course of action.

3 Valentino, C. L. (2004, November-December). “The role of middle managers in the transmission and integration of organizational culture.” *Journal of Healthcare Management*, 49(6). p. 393(12).

4 Schein, p. 15.

WHY PAY ATTENTION TO CULTURE?

“As the human component becomes the critical variable of the Information Age, factors such as culture take on more importance. Culture is people, not cash, equipment, facilities, or even a superior product. In a service business, one might say without too much reservation that culture is the critical variable.” —Jac Fitz-Enz⁵

Over the past 15 years, several studies have demonstrated a clear link between culture and performance.

For their landmark book “Built to Last,” Collins and Porras conducted an exhaustive study of “visionary companies” that survived the test of time. Among their findings was:

Contrary to business school doctrine, “maximizing shareholder wealth” or “profit maximization” has not been the dominant driving force or primary objective through the history of visionary companies. Visionary companies pursue a cluster of objectives, of which making money is only one—and not necessarily the primary one. Yes, they seek profits, but they’re equally guided by a core ideology—core values and sense of purpose beyond just making money. Yet, paradoxically, the visionary companies make more money than the more purely profit-driven comparison companies.⁶

In “Corporate Culture and Performance,” Kotter and Heskett found: *Corporate culture can have a significant impact on a firm’s long-term economic performance.* We found that firms with cultures that emphasized all the key managerial constituencies (customers, stockholders, and employees) and leadership at all levels outperformed firms that did not have those cultural traits by a huge margin. Over an eleven-year period, the former increased revenues by an average of 682 percent versus 166 percent for the latter, expanded their work forces by 282 percent versus 36 percent, grew their stock prices by 901 percent versus 74 percent, and improved their net incomes by 76 percent versus 1 percent.⁷

In the face of such clear evidence, we can see that shaping an organization’s culture is more than “nice to do,” but a business imperative that has a tangible, meaningful impact on the bottom line.

5 Fitz-Enz, J. (1997). *The 8 Practices of Exceptional Companies: How Great Organizations Make the Most of Their Human Assets*. New York: AMACOM. p. 69.

6 Collins, J. C., & Porras, J. I. (1994). *Built to Last*. New York: Harper Business. p. 8.

7 Kotter, J. P., & Heskett, J. L. (1992). *Corporate Culture and Performance*. New York: The Free Press. p. 11.

While this financial impact is desirable, it cannot be the only motivating factor: Collins and Porras note that it is equally important to have a “sense of purpose beyond just making money.” A recent study by Calette and Hadden found that:

...most people routinely expend only about 62% of their physical, mental, and emotional capacity while at work...By their own admission, 41% of the respondents to our survey indicated that they “could contribute substantially more at work, if they wanted to.” Fewer than 30% disagreed with that statement.⁸

Similarly, a 2002 Gallup Organization survey reported that only 26% of employees consider themselves “actively engaged” in their work.⁹ Only 26%! Imagine the impact a company could have if it could inspire the other 74% to become actively engaged. Imagine the effects not only on the bottom line, but on customer relationships, on product quality, on recruitment, on retention rates, and more. The possibilities are extraordinary. The challenge for leaders then becomes how to access that discretionary effort. How do you create an environment where people are energized by their work and choose to engage more fully? How do you instill a sense of purpose that connects with your workforce and motivates them to have an impact on their customers, their colleagues, and the bottom line?

VISION AND VALUES

“All leaders have the capacity to create a compelling vision, one that takes people to a new place, and then to translate that vision into reality.” —Warren Bennis¹⁰

As participants in the “Shaping Organizations Culture” survey ranked “vision” as the most important characteristic a leader needs to shape culture (Diagram 2), as well as one of the most important components for developing an organization’s culture, defining the vision for stakeholders should be among the first steps in any culture initiative. Even organizations with well-established visions would do well to revisit them periodically, as, “...vision, like the world itself, is dynamic, not static, and must be renewed, adapted, and adjusted. And when it becomes too dim, it must be abandoned and replaced.”¹¹

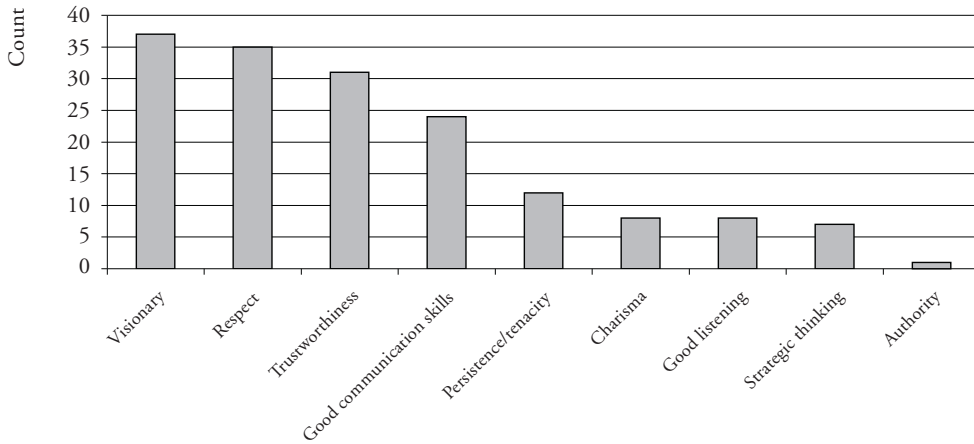
8 Callette, B., & Hadden, R. (2005). “Work is Contractual—Effort is Personal.” [On-line]. Available: www.contentedcows.com/200501free.html

9 Kowalski, B. (2002, December 3). “The Engagement Gap: A Growing Crisis for Training and Development.” *Human Resource Executive*. [On-line]. Available: www.workindex.com/editorial/train/trn0212-v-01.asp

10 Bennis, W. (1989). *Leadership*. Reading, MA: Addison-Wesley Publishing Company. p. 192.

11 Bennis, p. 178.

The Single Most Important Characteristic a Leader Needs to Shape Culture Effectively



The vision of an organization should be brief and compelling, written in plain language that engages people emotionally, as well as intellectually. Ideally, it is seven to ten words that boil the essence of the organization’s aspirations down to an inspirational statement. Some examples include: putting a Coca-Cola, “within an arm’s reach of desire;” and “achieving the goal, before this decade is out, of landing a man on the moon.”¹²

There is no one right way to go about creating or re-defining an organization’s vision. In many successful organizations, a clear, compelling vision is set by the founder or CEO, who identifies the characteristics (values) and actions necessary to get there, then rewards behavior which reinforces these values and actions. More and more, however, leaders are seeing real value from involving the organization in defining the vision. In a recent Harvard Business Review interview, Samuel J. Palmisano, CEO of IBM, commented:

You can’t just impose command-and-control mechanisms on a large, highly professional workforce. I’m not only talking about our scientists, engineers, and consultants. More than 200,000 of our employees have college degrees. The CEO can’t say to them, “Get in line and follow me.” Or “I’ve decided what your values are.” They’re too smart for that.¹³

Where vision can be seen as “what an organization is doing,” values can be seen as “how an organization is doing what it is doing.” According to Fitz-Enz, “Values drive decisions. They become the foundation of the culture and as such contribute to the design of operating and administrative systems.”¹⁴ Obviously, different

12 Kennedy, J. F. (Speaker). (1961, May 25). *Special Message to the Congress on Urgent National Needs*. [On-line]. Available: www.jfklibrary.org/j052561.htm

13 Palmisano, S. J. (2004, December). “Leading change when business is good.” *Harvard Business Review*, 82(12), p. 63.

14 Fitz-Enz, p. 37.

visions require different values: a company such as FedEx values speed and efficiency in a way that may be counterproductive for a research facility or a design studio. It is well worth the effort, therefore, to take time to establish values that will further your organization's unique vision.

Involving employees in creating the organization's vision and values not only brings a wealth of experience to the table, but gets people talking. By involving people from all levels and functions, you create a web of communications which carries energy and ideas deep into the organization. Not only will this prove valuable in helping individuals feel their voices are heard, but also in generating the energy which provides fuel for building a culture. Creating a sustainable culture is never about one initiative or one person, it is the product of many voices in an ongoing dialogue.

LEADERSHIP

“Much has been said about the need for vision in leaders, but too little has been said about their need to listen, to absorb, to search the environment for trends, and to build the organization's capacity to learn.” —Edgar Schein¹⁵

When considering culture initiatives, it is helpful to consider not just *who* is leading efforts, but also *how* they are being led.

Who Leads Efforts to Shape Culture

Effectively shaping culture requires both positional and personal leadership: individuals who must take responsibility for the culture by virtue of where they sit in the organization, as well as individuals at every level who believe in the organization's culture and choose to model it in their everyday behavior.

When asked to identify the “senior most leads for shaping culture,” participants in the “Shaping Organizational Culture” study cited the president/CEO and the senior executive team as bearing the most responsibility. Reviewing narrative comments, however, raised the question of what it means to “lead” culture initiatives. While the majority of the respondents talked about senior executives as the “lead communicators” or “champions of culture,” little is said about designing the strategy and infrastructure to support the culture.

In most companies, senior leaders are the most visible; they are intimately involved in formulating the business strategy, which the culture must support; and, as the

primary communicators for the company, they are in a unique position to disseminate messages on culture. Without the commitment and support of senior executives, it is highly unlikely that culture initiatives will thrive. The good news is that senior executives seem willing to make that commitment: 100% of president/CEO respondents believed they should be responsible for shaping culture. However, given the demands on senior executives' time and the breadth of issues requiring their attention, it makes sense that these executives would need significant support from others in the organization throughout design and implementation.

I have seen this play out time and again throughout my career, most memorably in a pharmaceutical company, working with the CEO to create a growth culture. While I was the “culture expert” in charge, the organization, rightfully so, related to the CEO as the leader of the initiative. As the CEO was not versed in culture, he entrusted me with formulating the company's strategy for culture, and we worked together to implement it effectively. I served as a behind-the-scenes advisor, providing needed expertise in discussions on strategy, alignment of initiatives, and modeling behavior. Throughout the initiative, we met at least weekly to consider the audiences he would have in the coming days, and how best to disseminate culture messages which reinforced the company's strategic direction.

I believe human resource executives, in particular, are well-suited for this advisory role, providing support and direction to the senior leader. Regardless of function, however, I urge senior leaders to choose this advisor wisely, as the depth of the advisor's experience and their facility for shaping culture has an enormous impact on the success of the initiative.

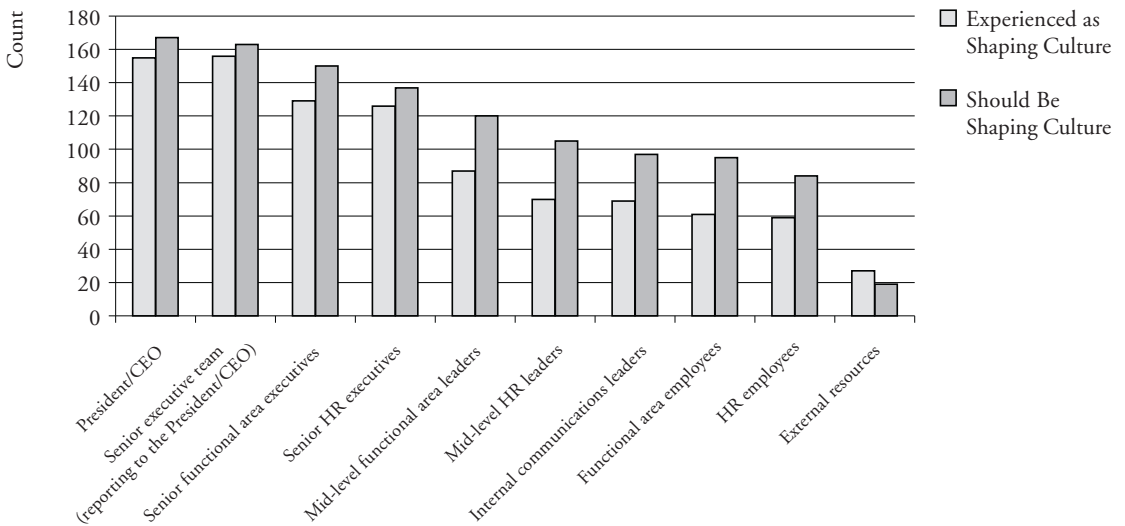
It is also important to note that the term “senior leader” is highly dependent on context. Whereas the president/CEO is the senior leader for the organization, the senior-most leader of a department or team has an equally important role to play in shaping the culture of their group, and ensuring it is aligned with the organization's strategy. Here again, there is often great benefit in involving a trusted advisor, from either inside or outside the organization.

While senior executives have perhaps the most visible role in shaping culture, employees at all levels have a role in making sure the culture takes root. In the “Shaping Organizational Culture” survey, we asked respondents first to indicate who *is* responsible for shaping culture, and then who *should* have responsibility for shaping culture (Diagram 3). The *should* responses exceeded *is* responses in all but one category—external resources. Across every category of internal staff, respondents would like to see employees taking more responsibility for the culture. Further, the biggest discrepancies between *is* and *should* responses occurred within

the mid-level leader and employee populations, indicating that these groups should take more responsibility for their role in shaping the organization's culture, as each has an important part to play.

DIAGRAM 3

Who is Experienced as Responsible for Shaping Culture Versus Who Should Be Responsible



Mid-level managers, in particular, are often overlooked in culture initiatives; while the literature review for this study revealed a wealth of information on the role of the president/CEO, we found little information on how mid-level managers can affect their cultures. This is surprising, as studies have shown that the relationship between employees and their immediate manager is the most important variable in the attraction and retention of talented employees.¹⁶ As so much communication and reinforcement happens at this level, organizations should pay particular attention to how these individuals are selected, developed, and leveraged.

At the employee level, culture is largely a matter of personal leadership. The narrative responses to the survey included many comments to this effect, notably: "It is important for everyone in the company to believe in the company culture and live by the company culture in order to make it work. It can't just be something that is put in a plan and put in a policy it has to be something that everyone believes in and lives from the top down." More strongly, another respondent

16 Buckingham, M. & Coffman, C. (1999). *First, Break All the Rules*. New York: Simon & Schuster. p. 34.

said, “I’ve seen/heard too many people complain about culture and wait for someone else to do something about it.” Organizations are hungry for personal leadership; for individuals to proactively seek ways of embodying the cultural values in their day-to-day actions; and for people to take responsibility for coaching and reinforcing behavior among their peers and direct reports.

How Leaders Shape Culture

Indeed, much of building culture, at any level, centers on personal ownership and responsibility. Whether shaping culture for an organization of thousands working around the world or for a small team at a single location, many of the necessary leadership characteristics and behaviors remain the same, and begin with the individual.

According to respondents, after vision, the most important characteristics for shaping culture are: respect, trustworthiness, and communication skills (Diagram 2). Not charisma, strategic thinking, authority, or several of the characteristics we have heard touted throughout the age of the celebrity CEO. Respect. Trustworthiness. Communication skills. How do others experience you? Do you do what you say you are going to do? Can someone sit across a table from you and believe what you are saying? Do you listen to others’ concerns? Are your intentions clear? Do you speak in plain language or with jargon? These are simple questions, but they go a long way toward helping leaders understand how to use themselves in creating environments where engagement is the norm. What’s more, embodying these characteristics isn’t additive to a leader’s day. They do not require the implementation of a large-scale program or the creation of a new form to be filled out in triplicate, but can be displayed in the course of an executive’s existing responsibilities. Development begins when one is willing to ask the tough questions and listen honestly to the answers.

When respondents were asked the most effective ways for senior executives, functional area leaders, and HR leaders to shape the organization’s desired culture, only one response ranked among the top three in each category: “model behavior.” Here again, adopting this behavior does not require an elaborate organizational system, but rather, begins with individuals and an increased level of awareness regarding the impact of their actions.

Everything you do sends a message. While many executives are careful about what they say through official communications and actions, they are less so about informal, everyday behaviors and interactions. An executive who denounces an “us-versus-them” mentality between management and employees, but then parks

in a reserved space by the main entrance, is sending a mixed message. Likewise, an organization which states “customer focus” among their values, but institutes policies that have a negative impact on price or customer service, erodes trust in both their values and their leadership.

There is a difference between the messages delivered from staged settings, such as when a leader gives a welcoming speech to newcomers, and the messages received when that leader is observed informally. The informal messages are the more powerful teaching and coaching mechanisms.... Some of the most important signals of what founders and leaders care about are sent during meetings and in other activities devoted to planning and budgeting... One of the most powerful mechanisms that founders, leaders, managers, or even colleagues have available for communicating what they believe in or care about is what they systematically pay attention to. This can mean anything from what they notice and comment on to what they measure, control, reward and in other ways systematically deal with.¹⁷

As has often been said, actions speak louder than words. Or, to quote another study participant, “I cannot hear what you say, but what you do speaks volumes.” While it would be wonderful if, through careful attention, we could avoid every misstep, even the most sincere actions sometimes have unintended consequences. Rather than view these situations as signs of failure, however, I encourage leaders to look upon them as opportunities to model behavior. When faced with mistakes, be an example for putting them right. When your team takes a well-calculated risk that fails, reward them for their courage. These times of adversity or embarrassment are often our truest glimpse into the character of a person or organization.

REINFORCEMENT

“Effective change leaders provide opportunities for employees to practice desired behaviors repeatedly, while personally modeling new ways of working and providing coaching and support...effective leaders explicitly reinforce organizational values on a consistent basis, using actions to back up their words.” —Garvin & Roberto¹⁸

In order to make lasting cultural change, people need to be rewarded for actions supporting the new way of operating. Again, while choosing which behaviors will be rewarded sends a clear message about the desired culture, how those

¹⁷ Schein, p. 240, 233, 231.

¹⁸ Garvin, D., & Roberto, M. (2005, March 14). “Reinforcing Values: A Public Dressing Down.” *HBS Working Knowledge*. [On-line]. Available: hbswk.hbs.edu/item/jhtml?id=4688&t=leadership

behaviors are rewarded is of equal importance: the more effective the reward, the more quickly the new behavior will take root.

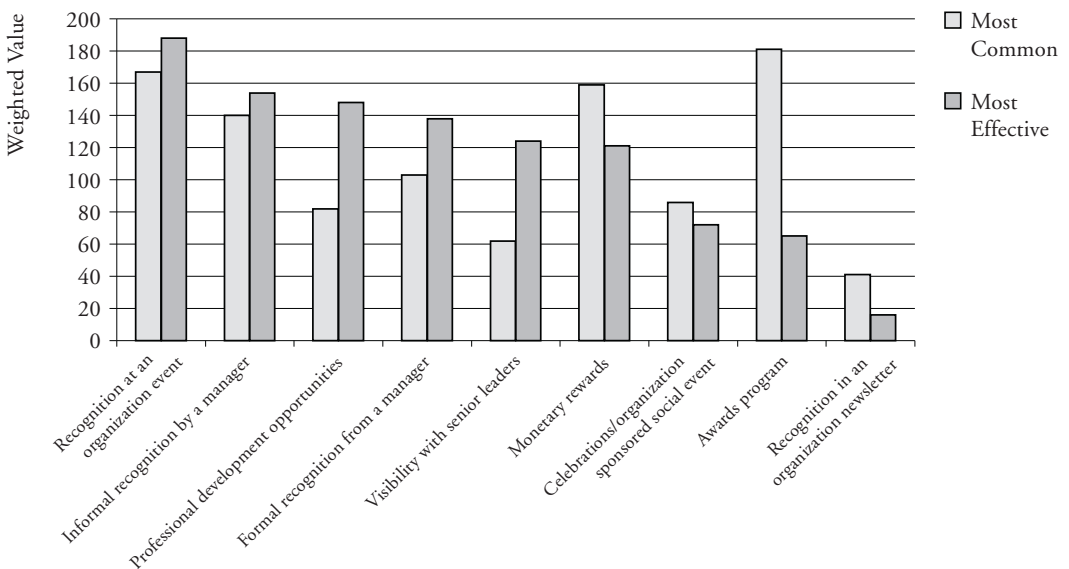
Both the nature of the behavior rewarded and punished and the nature of the rewards and punishments themselves carry the messages. Leaders can quickly get across their own priorities, values, and assumptions by consistently linking rewards and punishments to the behavior they are concerned with.¹⁹

According to the “Shaping Organizational Culture” study, traditional avenues for recognizing behavior—monetary rewards and awards programs—are seen as less effective than more personal methods (Diagram 4). Respondents ranked the three most effective rewards as:

1. individual/team recognition at an organization meeting or event;
2. informal recognition by a manager; and
3. professional development opportunities.

DIAGRAM 4

Most Common Versus Most Effective Rewards for Supporting a Desired Culture



Unfortunately, as the study shows, a gap exists between the most common and the most effective rewards; between the formal, programmatic methods typically employed (i.e. awards programs and monetary rewards) and the personal, informal methods which have been used more effectively. As these personal techniques are often more cost effective for organizations, one must wonder why they are not used as widely. I suspect that personal reward strategies are seen as requiring more

¹⁹ Schein, p. 242.

energy and time. Monetary rewards require less creativity and knowledge of an individual's likes or development needs. Awards programs may offer a more structured approach, and require less involvement from leaders who are already stretched for time. Or perhaps it is simply that, as the most common reward programs, leaders have more experience with these more formal methods; therefore, when faced with the need to reward employees, these executives default to what they know. Regardless, in the face of this new data, leaders at all levels should reconsider their reward strategies, incorporating personal, informal rewards as a prominent component of their reinforcement programs.

COMMUNICATION AND LANGUAGE

“Motivating people over time requires, first, that vision and strategies be communicated on a continual basis, not just once or occasionally. That communication must go beyond just informing; it must excite people by connecting to their values.” —John Kotter²⁰

Once the vision and values for the new culture have been set, carefully consider how those messages will be communicated to the organization. In my experience, communications is the most overlooked and poorly executed area in culture initiatives. Here again, a deliberate plan for how the messages will be communicated, including language and mechanisms to be used as well as frequency of communication, will serve the culture well.

For many culture initiatives, it will be helpful to begin with language. Especially when changing an existing culture, the words chosen to describe the new environment can have a strong impact. Indeed, language has been called, “...one of the most powerful elements of culture. If you coin a new set of words that represents the new traits, it will get people's attention.”²¹ When selecting the new descriptors, remember to keep it simple and use plain language; rhetoric and jargon create barriers to understanding and effectiveness. Even the term “culture” itself can carry baggage, particularly if previous culture initiatives were not well received. There are many good examples of simple, engaging statements that avoid the word “culture” altogether: from “The HP Way” to the “Johnson & Johnson Credo.” As with all communication, consider your audience, and use the language that will connect with them in the strongest manner possible; meet people where they live.

Next, consider your communications vehicles. Participants in the “Shaping Organizational Culture” study ranked many of the ways organizations traditionally communicate—email, intranets, letters/memos, newsletters, and voicemail—as

²⁰ Kotter, J. P. (1990). *A Force for Change: How Leadership Differs from Management*. New York: The Free Press. p. 72.

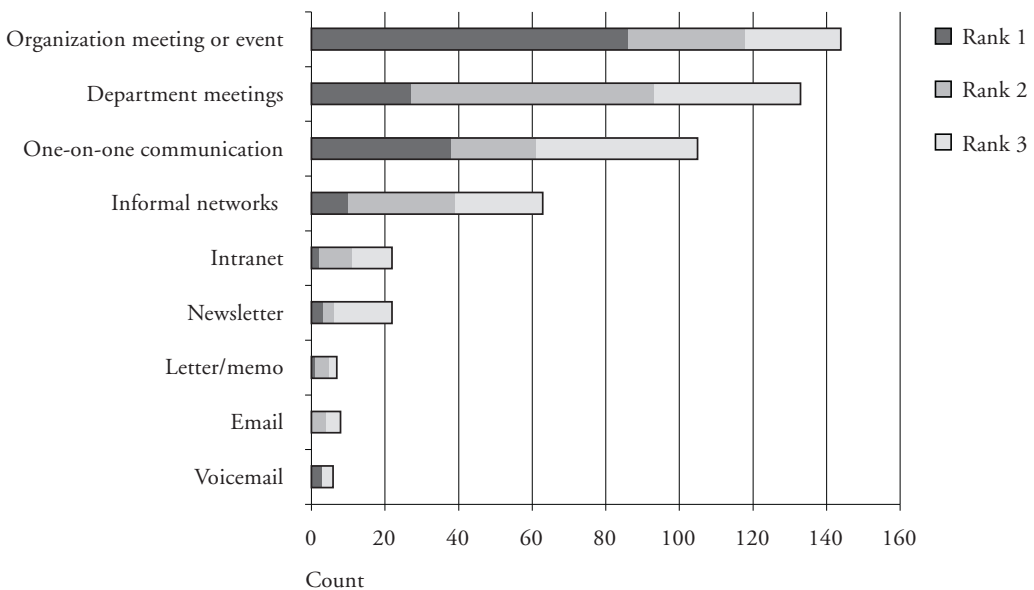
²¹ Neuhauser, p. 3.

significantly less effective than more personal methods. They ranked the three most effective methods as:

1. organizational meetings and events;
2. department meetings; and
3. one-on-one communications.

DIAGRAM 5

Most Effective Ways to Communicate About a Desired Culture



In this light, it is important to ask how many of your departmental meetings have a cultural component? How many of your communication plans stress conversations between managers and employees or focus on ways to build buzz around the water cooler? Given that culture is a social energy formed by a series of interactions among people, developing opportunities for people to talk face-to-face about the culture should be of high importance when developing your communications strategy.

Finally, how often and at what stages is the organization communicating? Respondents to the "Shaping Organizational Culture" study indicated that communications are important at every stage in the culture change process: from inception, design, and launch, to implementation, realization, and sustainment. In my experience, however, most organizations concentrate their efforts in the launch and implementation phases. This kind of communications approach relegates culture initiatives to programmatic roll-outs, at best. As the study results

show equal value in laying the groundwork for culture initiatives pre-launch, and in celebrating successes once the new culture is realized, it is evident that a consistent communications effort, sustained over time, is key to successfully shaping a culture. To this end, I have found that even organizations which seem to be communicating a great deal are often not doing enough, or rather enough *of the right things*. Indeed, “It is easy to underestimate the amount of communication necessary during corporate transformation. Core messages must be repeated over and over again, from multiple sources and through different communications vehicles.”²² As any good marketer will tell you, it can take between seven and fourteen impressions before someone is moved to take action, and the most effective medium is different for different populations.²³ Think of yourself as the marketing executive in charge of communicating this new culture: vary your communications, send your messages through multiple channels, and tailor your messages to specific audiences. Better yet, involve your marketing and communications colleagues in creating and executing a meaningful communications strategy to drive the desired culture.

It is important to remember that all change creates a period of uncertainty: people are being asked to go from behaviors and environments that are comfortable and well-defined, to others which, though enticing, may feel amorphous and unknown.

In the face of uncertainty, when information is ever changing, most managers are simply too busy to explain what’s going on to every last constituent. They believe the employees will just trust that management knows what it’s doing. A lack of information, however, does not build trust. Instead, a countervailing dynamic develops. People left in the dark fill the void with their own—mostly negative—interpretations of events.²⁴

The only way to prevent your organization from creating its own stories about what is going on is to manage the story proactively—consistently, frequently, and through multiple channels.

CONCLUSION

Vision, leadership, reinforcement, and communication: none of these necessarily require an investment of anything more than intention and time. Practiced consistently, these behaviors have a profound effect on your organizational culture. However, these behaviors are not reserved for leaders: as shown in the research study, everyone has a role to play in shaping an organization’s culture.

22 Miles, R. H. (1997). *Leading Corporate Transformation: A Blueprint for Business Renewal*. San Francisco: Jossey-Bass. p. 72.

23 Kremer, J., & McComas, J. D. (1997). *High Impact Marketing*. Rocklin, CA: Prima Publishing. p. 6.

24 Graham, G. L. (2002, April). “If You Want Honesty, Break Some Rules.” *Harvard Business Review*, 80(4). p. 42.

Recently, an executive asked me: “How do I *make sure* everyone in the organization lives this new culture?” Recognize first that this mindset places responsibility for culture on the leader, as opposed to holding everyone accountable for the climate they create. Secondly, recognize that culture is formed by invitation, not mandate; by commitment, not coercion. Invite others to help you paint a compelling picture of the culture that will drive the business. Some will decline, but the ones who accept will *want* to be there, and self-selection makes a world of difference in the level of energy generated. As you begin to establish your desired culture and others choose to join in, you build an environment that sustains itself—a culture people continually nourish, because they have helped create it.

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Shaping Organizational Culture: A Cross-Functional Study on Real-World Practice is an independent research study exploring how organizational cultures are shaped, and the roles individuals play in actively shaping them. The study is part of Peak Development's ongoing commitment to advancing knowledge in the fields of organization and leadership development. For more information on Peak Development's research initiatives, or to obtain a copy of the full Research Report for this study, please visit our Web site at www.peakdevelopment.com.

Mindy Hall, Ph.D. formed Peak Development Consulting, LLC in 1996 to help organizations grow their most important assets—their cultures and the people within them. In her role as President and CEO, Mindy brings both industry and academic credentials to her work with clients. With over 20 years of experience in the pharmaceutical and banking industries, her internal corporate career has spanned both senior development and HR generalist responsibilities, including experience working in a French-Japanese biotechnology venture as an expatriate based in Paris, France.

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Peak Development Consulting, LLC delivers a full suite of custom organization and professional development solutions. Our client list includes leading pharmaceutical, technology, and biotechnology companies throughout North America, Europe, and Asia. We are committed to building the long-term capacity of the organizations with which we work. Whether shaping cultures, cultivating leaders, developing teams, or building HR capacity, our goal is to deliver the best solutions for our clients' unique business challenges.



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