

Transforming Organizations: Changing the Work Culture

Stephen Sundlof, D.V.M., Ph.D.
Sr. VP of Regulatory Affairs
Kindred Biosciences, Inc.

Why Does Work Culture Matter?

- * High correlation between organizational performance and work culture
- * Releases “discretionary effort” by employees

Why Don't Organizations Invest In Cultural Change?

- * Uncertainty in how to approach the process
- * Long term commitment and uncertain outcome
- * Emotionally draining

Management Theory

Management Styles*

Exploitative Autocratic (System 1)	Benevolent Autocratic (System 2)
Consultative (System 3)	Participative (System 4)

*Based on Likert management system theory

Exploitative Autocratic (System 1)

Employees abide by the decisions made by managers and those with a higher status than them in the organization. The subordinates do not participate in the decision making. The organization is concerned simply about completing the work. The organization will use fear and threats to make sure employees complete the work set. There is no teamwork involved.

Benevolent Autocratic (System 2)

Just as in an exploitive autocratic system, decisions are made by those at the top of the organization and management. However employees are motivated through rewards (for their contribution) rather than fear and threats. Information may flow from subordinates to managers but it is restricted to “what management wants to hear”.

Consultative (System 3)

Subordinates are motivated by rewards and involvement in the decision making process. Management will constructively use their subordinates ideas and opinions. However involvement is incomplete and major decisions are still made by senior management. There is a greater flow of information (than in a benevolent autocratic system) from subordinates to management.

Participative (System 4)

Management has complete confidence in their subordinates/employees. There is lots of communication and subordinates are fully involved in the decision making process. Subordinates comfortably express opinions and there is lots of teamwork. Employees throughout the organization feel responsible for achieving the organization's objectives. This responsibility is motivational especially as subordinates are offered economic rewards for achieving organizational goals which they have participated in setting.

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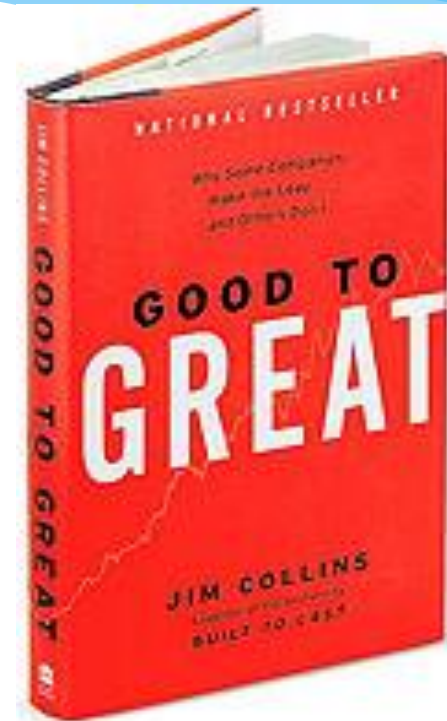
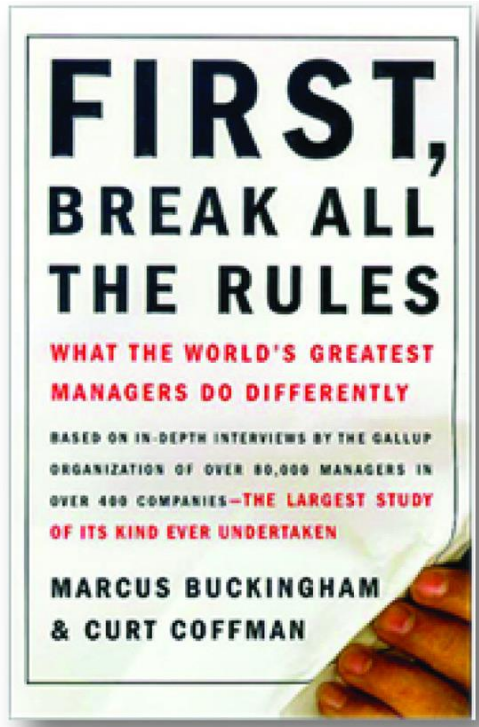
Empowerment

- * Empowerment means delegating decision-making authority and supporting the decision as if it were your own
- * Dis-empowerment means delegating decision-making authority and subsequently overturning the decision

Management is the Problem

- * Number 1 reason why people leave their job
- * Supervisors are responsible for the work culture in their units

Recommended Reading



Mono- or Multi-cultural Organizations?

- * It is easy to think of an organization's work culture as a homogenous set of beliefs, behaviors, values, and interactions
- * In reality, within the organization exists a sea of cultures dotted with islands of enlightenment and islands infested with snakes
- * The purpose of organizational change is to support and increase the number of enlightened islands while cleaning out the snake pits

Culture Change Step-by-Step

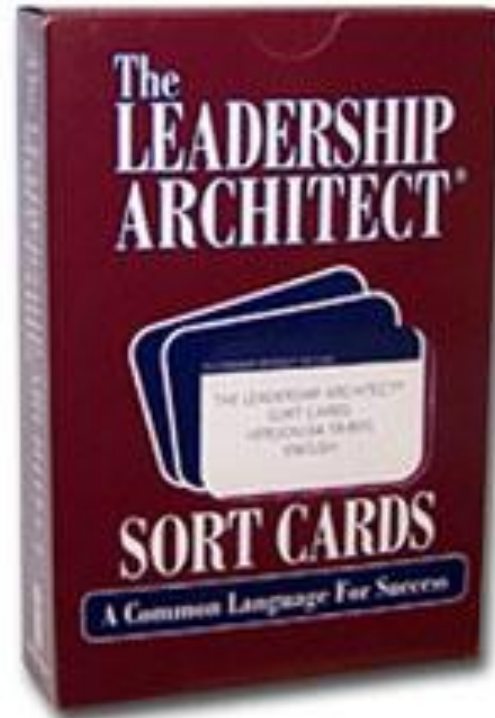
1. Decide what management system is right for the organization (System 3, System 4)
2. Hire or train organizational development staff
3. Everyone receives training on the new system
4. Stop hiring the wrong people
5. Measure progress on a recurring basis
6. Make cultural change a continuous effort



Organizational Development Staff

- * Individuals trained specifically in organizational development are key to successful culture change
- * OD staff work directly with individuals and business units within the organization
- * OD staff attend regular meetings with upper management to identify problems, report on progress, and advise management when policies / decisions under discussion may impact the work culture
- * OD staff must be trusted at all levels of the organization and confidentiality is paramount

Stop Hiring the Wrong People!!!



Competency-Based Hiring

Action oriented	Customer focus	Integrity and trust	Perseverance	Standing alone
Dealing with ambiguity	Timely decision making	Intellectual horsepower	Personal disclosure	Strategic agility
Approachability	Decision quality	Interpersonal savvy	Personal learning	Managing through systems
Boss relationships	Delegation	Learning on the fly	Perspective	Building effective teams
Business acumen	Developing direct reports	Listening	Planning	Technical learning
Career ambition	Directing others	Managerial courage	Political savvy	Time management
Caring about direct reports	Managing diversity	Managing and measuring work	Presentation skills	Total work systems
Comfort around higher mgt.	Ethics and values	Motivating others	Priority settings	Understanding others
Command skills	Fairness to direct reports	Negotiating	Problem solving	Managing vision and purpose
Compassion	Functional or Technical skills	Organizational agility	Process management	Work/life balance
Composure	Hiring and staffing	Organizing	Drive for results	Written communication
Conflict management	Humor	Dealing with paradox	Self-development	
Confronting direct reports	Informing	Patience	Self-knowledge	
Creativity	Innovation management	Peer relationships	Sizing up people	

Example

- * Command Skills

- * Relishes leading; takes unpopular stands if necessary; encourages direct and tough debate but isn't afraid to end it and move on; is looked to for direction in a crisis; faces adversity head on; energized by tough challenges.

Management's Role in Culture Change

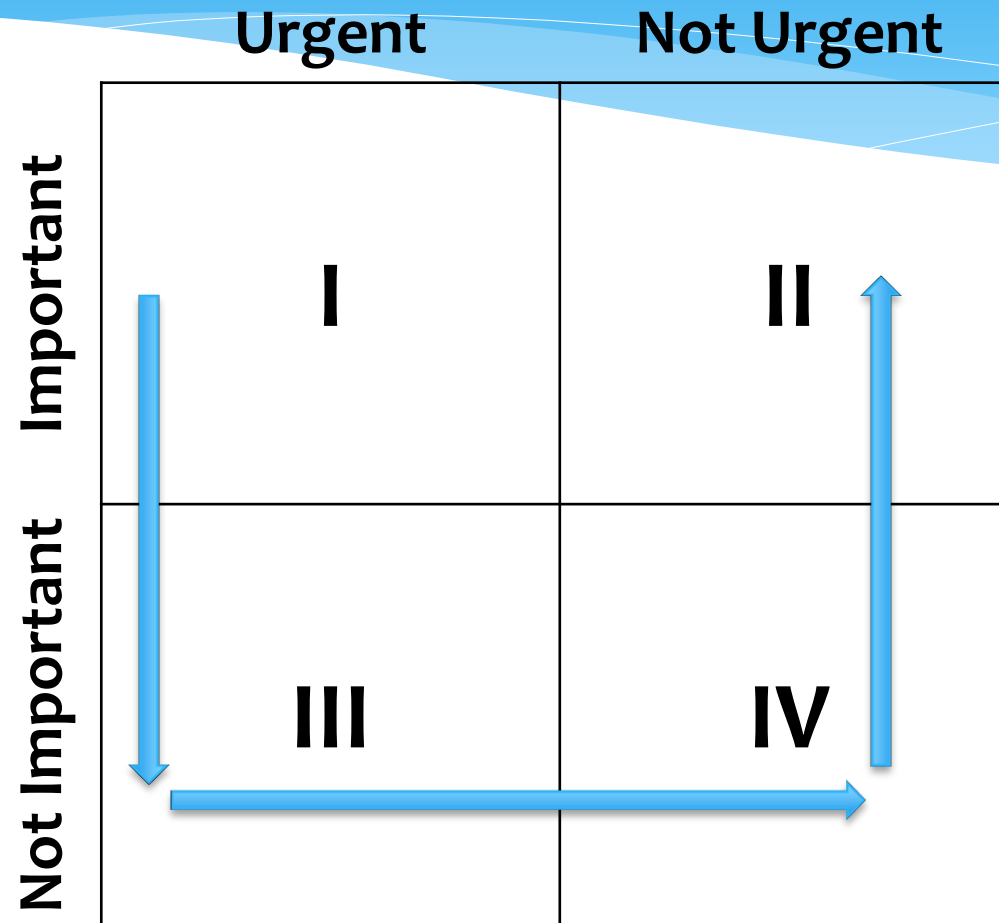
- * Make the commitment to improve the overall work culture a top priority
- * Make culture change a standing agenda item in management meetings
- * Allocate resources for dedicated OD staff and training for all employees
- * Hold supervisors accountable for improving the work culture in their business unit
- * Replace supervisors who cannot or will not change
- * Measure progress through validated employee surveys on a regular basis
- * Don't expect change overnight

Time Management*

	Urgent	Not Urgent
Important	I	II
Not Important	III	IV

*From Steven Covey

Time Management*



*From Steven Covey

Measuring Culture Change

- * Employee Surveys
 - * HHS Employment Viewpoint Survey
 - * Likert scale questionnaire
 - * Gallup Q12

Gallup Q12

12 INDICATORS OF ENGAGED EMPLOYEES

Ideally, employees always check "True," but the "False" answers are more revealing.

- | T | F | |
|-----------------------|-----------------------|---------------------------------------------------------------------------------------|
| <input type="radio"/> | <input type="radio"/> | 1 I know what is expected of me at work. |
| <input type="radio"/> | <input type="radio"/> | 2 I have the materials and equipment I need to do my work right. |
| <input type="radio"/> | <input type="radio"/> | 3 At work, I have the opportunity to do what I do best every day. |
| <input type="radio"/> | <input type="radio"/> | 4 In the past seven days, I have received recognition or praise for good work. |
| <input type="radio"/> | <input type="radio"/> | 5 My supervisor, or someone at work, seems to care about me as a person. |
| <input type="radio"/> | <input type="radio"/> | 6 There is someone at work who encourages my development. |
| <input type="radio"/> | <input type="radio"/> | 7 At work, my opinions seem to count. |
| <input type="radio"/> | <input type="radio"/> | 8 The mission or purpose of my company makes me feel my job is important. |
| <input type="radio"/> | <input type="radio"/> | 9 My associates or fellow employees are committed to doing quality work. |
| <input type="radio"/> | <input type="radio"/> | 10 I have a best friend at work. |
| <input type="radio"/> | <input type="radio"/> | 11 In the past six months, someone at work has talked to me about my progress. |
| <input type="radio"/> | <input type="radio"/> | 12 In the past year, I have had opportunities at work to learn and grow. |

Final Thought

Managing Up

Your job description:

To help my boss do his/her job better

Thank You