

Chapter 10: The Invisible Elephant

“The most important thing in communication is hearing what isn't said.”

Peter F. Drucker¹

Changing The Corporate Culture

Now that some of the formal structures have been addressed, it is necessary to look at organizational influences that are not so concrete, such as your organizational culture. An organization's culture represents the general thinking or consciousness of its members. It conceptually holds the accepted belief systems about the organization's practices, values and expectations. While an organization's culture is not a tangible thing, its power for 'good or evil' is real. The belief systems embedded in an organization's culture are far more influential than any written down rules of the organization, as the following story indicates.

I was consulting at a particular organization and was talking to one of the mid-level managers named Matt about the fact that all managers appear to not leave the office before 7pm. I wanted to know if this was contractual. He explained that it was not in fact contractual but something that all managers did because it was expected of them. The actual work hours were 8:30 to 5pm. Then he described his induction into that culture club.

Matt explained that on his first day at the company, he noticed that at five o'clock none of the other managers seem to be leaving the office. So, he decided to stay awhile. He worked until about 6pm and was feeling pretty good about establishing the fact that he was not a clock-watcher. The very next day he did the same thing. On the third day, as he was packing up to leave at 6pm, one of the managers came to him and told him that managers were expected to work at least until 7pm. Matt asked the manager why. The manager's response was that leaving before 7pm was frowned upon by the company's top executives.

Well naturally, Matt conformed, like most new employees do when they are told, “that's not the way we do things around here.” Matt worked until 7pm daily like all of the other managers; however, he indicated that he refused to work any later. Some of his colleagues worked even later than seven all in an attempt to out-do each other. The perception was that the managers working the latest were the ones that would 'find favor with the gods' thus landing on the fast track for promotion.

This perception, these expectations, and their practices were not written down rules within the organization, yet they controlled the behavior of its members. Company executives created a culture of conformity with the mistaken expectation that it would increase productivity. However, the challenge with such a creation is that it doesn't necessarily get you the desired result. While you may think it is a good thing that all of your managers are working late, what exactly are they doing between the hours of 5pm and 7pm? Are they working, or are they finding non-productive things to occupy their time for appearances sake? If I were forced to work late for no sound reason, I would fake it.

¹ Quote Source: http://humanresources.about.com/od/interpersonalcommunication/a/quotes_nonverb.htm

The company might have been better served by encouraging their managers to leave the office on time. It would be better to allow managers time to de-stress and enjoy their time off so that they could return refreshed and ready to offer quality service as opposed to quantity of service. Company executives were successful in creating a culture of long hours, but to what end?

Some executives consciously create their organizational culture; for others, an organization's culture is like the invisible elephant in the room that you can't see but know is real, and because it is intangible, you have no idea what to do with it. Nevertheless, it cannot be ignored or artificially manipulated because it can have dire consequences for your organization, as in the following example.

One of my former clients had come up with a new strategy to try and get their employees without first level degrees to continue their education. So they established an education reimbursement program and created a new promotion policy—all promotions would require a first level degree. Sounds good so far, right? Well a number of problems arose from this:

1. Some entry-level staff members indicated that they were not making enough money to actually be able to afford paying school fees up front.
2. Other staff members that could afford it were not motivated to pursue it because...
3. The organizational policy of requiring a degree for promotion was not adhered to in the promotion of several individuals, and...
4. A number of individuals with degrees pursuing promotional opportunities were continuously denied promotions.

Remember, employees watch management's actions closely and this is what forms the opinions held by employees. The moment management dismissed the new policy to make exceptions for certain individuals the policy lost its effectiveness. However, the main culprit in the failure of the strategy was the lack of consideration of the existing organizational culture. The employees believed that anything requiring management approval would be given or approved if that employee 'found favor with the gods.' In other words, no matter what the policy, the perception was that managers were not objective creatures.

They knew 'favorability' was the real determinant of a promotion, so they ignored anything that said otherwise. What entrenched this belief into the culture of 'how things are done' were the actual practices of management. In a number of incidences, persons without degrees were promoted and individuals with degrees were actually passed over for promotion. These occurrences, whether legitimate or not, reinforced the beliefs in the culture of 'the way we do things' much more than belief in any written down rules.

Once again, everything within an organization affects everything. If you know that you have a culture where employees question the objectivity of some managers based on past practices, you can't expect new rules to wipe the slate clean especially if the old practices of management are not cleaned up. When attempting to implement a new strategy or bring about change, you cannot ignore the existing work culture and the aspects that could influence your strategy.

Make The Elephant Your Friend

Changing an organization's culture can be one of the most challenging endeavors of an executive. Nevertheless, however challenging it is not impossible. The first step is to discover what your culture says about your organization.

The culture of an organization tells the true story of the organization. If you want to discover the real company, pay attention to the things that are told to new employees. While not always the creators of the work culture, the employees are its administrators and they train their fellow workers. The socialization into the organization's culture usually starts with the statement, "That's not the way things are done around here" or "This is the way things are done around here." Cultural practices can range from courtesies as simple as, 'the last person in the office usually turns off the coffee pot' to expectations as complex as, "If our department has a major deadline, whether you are responsible for any of the project tasks or not, you are expected to work late to help complete the project."

As you know, organizational cultures have positive influences as well as negative influences on its members. The key is to minimize the negative influences and maximize its positives. One thing you don't ever want to do is to try and artificially manipulate your organization's culture with pretend practices. In other words, if company executives view employees as a means to an end but they attempt to portray a concern for employees by implementing an employee program, that program will not necessarily translate to 'value of employees.' New policies and programs in and of themselves cannot change employees' perceptions and the resulting organizational culture.

Whatever is done for employees has to be sincere and not manipulative. If you are pretending, you are sure to be found out because no one can pretend 100% of the time. If you can truly adopt this philosophy of viewing every individual employee's goal as just as important as your company's, then changing the corporate culture can happen easily and is likely to happen naturally.

Because culture is not based on written down rules, employees' perceptions become very important in shaping culture. If the message being continuously communicated is that 'we value employees and see them as equal, we respect employees in their ability to be self-leaders,' this is what will shape your culture. When you share your company's vision with employees and show them how they can help you achieve it, this communicates a partnership. When you develop individual work plans to show employees their role in achieving company objectives, this communicates responsibility. When you ask employees for their opinions on strategies and direction, this communicates trust. When you ask employees what their personal work goals are, this communicates concern for their lives and their future. When you celebrate employee achievements, this communicates appreciation and gratefulness. When these messages are continuously being communicated in your every organizational action, a conducive and positive work culture will result. It will evolve into a positive work culture because of what employees will perceive to be the truth about executives, management, and the company as a whole.

Beware Of Conflicting Cultural Themes

A word of caution: All of your efforts can go to waste if you have conflicting themes influencing your organizational culture. If you have created a culture where the focus is on partnership, self-leadership, responsibility, appreciation, etc., an opposing theme of competition, for example, can derail your best efforts. Competition is not congruent with “we are all equally important in our goals” and “we are each just as valuable as the next in our contribution.” While many may view competition as producing great results, the context within which it is used is very important. Remember my client where the employees of a particular department were so focused on being seen as the ‘favored’ that they kept all of their clients to themselves, despite the client’s interest in the services of other departments? In this example, the competitive practices resulted in missed opportunities for revenue creation because employees refused to share their clients with other departments.

If you are trying to create a culture of cooperation and partnership, which this model’s philosophy extols, then the element of competition is not conducive to your organization. You may feel that competition drives productivity, but in this context, it will work to undermine your efforts for a new approach to business. While you can celebrate outstanding achievements, it is important to celebrate each individual’s achievement at the same time. If, as an employee, I am never capable of performing at the same level as a co-worker and you make that co-worker the standard for all others, I will give up my efforts. Most humans don’t attempt the ‘seeming’ impossible because they do not like to fail. And everyone will never perform at the same level at similar tasks.

Another consideration for leaders is to be aware of the way external stakeholders are treated. If you are attempting to communicate a concern for others and wanting this to be representative of your work culture, but you treat suppliers poorly, or could care less about the customer’s experience, it negates the message ‘we care about you.’ Once again, employees will believe what they see and not what they hear. As expressed by Ralph Waldo Emerson, “What you do speaks so loudly that I cannot hear what you are saying.”² And while you are thinking your internal efforts are creating the right organizational culture, poor treatment of the external stakeholders can create negative perceptions and be the determinant of cultural themes. Employees will not believe that you care about them if you don’t care about the others. They will choose to believe that you care about no one.

Having said all of this, know that you may not always be aware of cultural themes. It is not always possible to know what is in the minds of employees from pure observation. You may think you are doing a fantastic job as a leader only to later discover that your employees feel differently. Our best efforts can sometimes be misinterpreted. So, make the invisible elephant your friend. Make it a point to conduct on-going surveys but not so often that employees get tired of them. Ask employees themselves what they perceive the company’s values, focus, and unwritten rules to be. You will be amazed at how telling this can be.

I once had a client that asked me to come in and conduct a post-merger assessment of their organization. They had morale issues but they didn’t quite understand why. As always, the first thing I did was to conduct an assessment. I usually start with getting the executive/s’ opinion on the organizational direction and their view of employees; then I move on to get the employees’ opinion on the organizational direction and their view of executives. The most

² Quote Source: http://humanresources.about.com/od/interpersonalcommunication/a/quotes_nonverb.htm

shocking discovery to the executives in this case was the fact that their employees, including middle management, had different views from executives about what the organizational direction was and what its main objectives and values were. How can an organization move ahead if its employees feel that the organization is heading in one direction and its leaders feel it is heading in another? The interesting thing to executives was the fact that the staff members of the two merged companies were in agreement and the executives of the two merged companies were in agreement; so the difference was at the employee level and not with the individual merged companies.

Executives were amazed by these discoveries because they thought they had done a great job of communicating with staff about the merger and their new goals two years prior, and they thought that they had a fairly good read on their staff members. However, the employees were forming opinions based on their perceptions. They watched the changes that took place to tell them where they were headed. They had opinions about the practices and procedures that were being slashed and the new ones that were being introduced, and these were the things that told them the direction of the company and not what executives wanted them to believe. Executives forgot how much perceptions determine reality for staff. And they failed to take into account issues such as human nature during a change process, the power of buried emotions about unresolved issues, and the barriers that can be created when employees feel insecure and unsafe about their jobs.

My point is that, once again, even the best intentions can go awry. It is always smart to have a reading of your organizational culture. The best way to handle the elephant in the room is to know as much about it as you can. This way, you can allow it to perform tricks and entertain you as opposed to stampeding and destroying your room—your organization.

