

# What is a High Performance Culture?

Creating a culture that supports long term growth and sustainability





The term <u>culture</u><sup>i</sup> has many meanings. There is one, however, that pertains to organizational culture that may not be foremost in your mind. Organizational culture can be defined as the set of shared attitudes, values, goals, and practices that characterizes an institution, organization, or group. Simply put, "the way work gets done around here." A company's culture says a lot about an organization and the direction they are headed.

In this whitepaper, we'll discuss the following key components and related actions to creating a high performing culture:

- Strategy
- Leadership
- Structure
- Processes
- Diversity

- Adaptability
- Communication
- People
- Technology
- Evaluation

Edgar Schein, a
professor at MIT Sloan
School of Management,
says, "The only thing of
real importance that
leaders do is to create
and manage culture. If
you do not manage
culture, it manages you,
and you may not even
be aware of the extent
to which this is
happening."

A culture of poor communication, lack of transparent and authentic leadership, abuse of power, and inflexible structures and processes is most likely a culture that would not be categorized as high performance or sustainable for the long term. We can look to the U.S. financial sector and the current issues relating to Wall St. firms as an example.

On the flip side, we can look at Google as a positive example of a high performance culture. Google places a high importance on their goals and values and on hiring those who share those values. This has helped them to create a culture of innovation and sustainability. The organization has flexible processes and structures which help facilitate cross communication; encouraging people to share ideas and concerns with leadership. People enjoy working for Google, agree with the values and mission, and thus in most cases give 100% engagement toward helping the company succeed.

How can you manage to achieve a <u>"Google culture"</u> instead of a <u>"Wall St. culture?"</u> How can you make your organizational culture a positive high performance culture? First, take a look at several core organizational areas, and ask yourself some tough questions.



Start with looking at the **leadership** within your organization. Leadership is a driving force behind creating and maintaining a high performing culture.

- Are your leaders serving as role models through positive actions and behaviors?
- Are they committed to rallying people around a deeper sense of purpose?
- Are they expert communicators?
- Do they have the ability to translate ideals into action?

### What about the **strategy** of the organization?

- Does the strategy explain who you want to be, where you want to go, and how to chart the course to help you get there?
- Does it answer organizational imperatives?
- Can leadership clearly communicate the strategy?
- Do employees understand the strategy and how and where they fit into helping achieve it?

### What about structures and processes?

- Do the structures and processes of your organization help support and execute the strategy?
- Do the structures and processes align to the mission and vision?
- Are they flexible enough to adapt to changes over time?

Adaptability and flexibility are imperative to achieving and maintaining a high performing culture.

- Is your organization adaptable and flexible to internal and external environmental changes?
- Does your strategy support flexibility?
- Are your processes and structures adaptable to rapid changes?

A culture can't be high performing without having a focus on the **people**.

- Do you recruit, engage and retain the right people for your culture?
- Do you provide tools and technology to help them succeed at their jobs and promote work life balance?
- Does your organization value open, honest and transparent communication and idea sharing?
- What about diversity? Does your organization value and support diversity?

Can you answer these questions?

If not, take a deep breath as you're not alone, many leaders and organizations can't answer them. For those that can answer some of them, also take a deep breath and give yourself a pat on the back, you're



on your way to having a culture and organization of high performance. Answering these questions, however, is only a first step to achieving a high performing culture.

# The next step is *action!*

So, what actions can you take to create the right **strategy**, provide committed **leadership** who can clearly **communicate** throughout the organization, implement flexible **structures and processes** to maintain **adaptability** to achieve organizational goals, recruit and retain the right **people**, and provide the **technology** and learning to help them succeed while implementing ways for measurement and **evaluation** of success...well for starters, here are a few actions we've found successful.

**Strategy**- An organization cannot achieve a high performing culture without having developed a detailed strategy, including a clear mission and a defined vision statement. The strategy should help determine who you want to be, where you want to go, and how to chart the course to help you get there.

The strategy should answer several imperatives, including but not limited to: what can we do best? What motivates us and our people the most? What is essential for our financial stability? And how do we define and measure success?

• If you want to achieve a high performing culture, development of a detailed and actionable strategy is imperative. Strategy development should not just involve leadership. Input should be included from employees, vendors, stakeholders and anyone else that plays a role in the strategic direction and success of the organization. The mission and vision statements of the organization should be clearly defined, concise and powerful. The strategy should also include achievable goals, methods for fine-tuning, and measures of success.

Leaders hip- Leadership is a driving force behind creating and maintaining a high performing culture. Leaders serve as role models through their actions and behaviors. High performing organizations have committed leaders who can rally people around a deeper sense of purpose. In most cases these leaders are also expert communicators. Through their management, leaders of organizations with a high performing culture have the ability to translate ideals into action. These leaders not only know their organization; they know the type of people in their organization and how those people's contributions help to achieve the strategic goals. Leaders who help achieve a high performing culture are ethical, approachable, relatable, and involved.

• If you are a leader trying to create an organization with a high performing culture, or trying to select leaders to help create a high performing organization, start with the basics. To achieve a high performing culture, it's recognizing that vision without an action plan is just a



dream. Leaders of high performing organizations recognize that it takes more than strategy to succeed, it takes committed people. Leaders should be personally involved in organizational planning, communications, employee development and coaching, development of future leaders, employee engagement and recognition and overall organizational performance strategies. Be transparent, congruent and authentic and lead by example.

**Communication**- To achieve a high performing culture, frequent, transparent, and authentic communication amongst leadership, employees, stakeholders, and customers is a necessity. To keep audiences engaged in your products and services, and committed to the organizations' strategy, mission and vision, they need to know what is going on and why (within reason).

• If you want to create a high performing culture, it is not enough simply to communicate; methods for receiving and acting on feedback received from target audiences must also be developed. Develop communication plans and processes to ensure that all audiences are reached with the content vehicles and frequencies appropriate for them.

**People** - Organizations can't exist without people. People make the difference in every business. To achieve a high performing culture, you must recruit, engage and retain the right people for your culture. Many things bring employees through the front door, but bad work environments drive them out. Build a highly engaged and committed workforce. Let employees know they and their ideas are valued and provide a culture where their voices can be heard. Creating this type of environment increases employee motivation and retention and reduces employee turnover. This type of positive environment helps people reach higher levels of productivity. People are the company. High performing organizations recognize and embrace this fact. Leaders should acknowledge, in all decisions made, that it is the people who execute the organizations strategy. It is people who measure the organizations progress and steer its direction. It is the people and their capabilities, individually and collectively, that ultimately create a high perfuming culture.

• If you want to transform your workforce into one with highly engaged and committed people, create an environment which has processes in place to support employees in sharing ideas and innovations. Design incentive programs to reward and recognize your people and insure they consistently deliver excellent results. All people are not the same, we all have different motivators; however, all people have a basic human need to feel valued and appreciated. Success depends on knowing and understanding your workforce and valuing each employee's satisfaction, motivation, well-being, and development. Recognition and development programs are a starting point and should help meet the needs of employees as well as generate behaviors in alignment with organizational goals and standards.



**Technology**- Most employees are used to technology; some were even born with it at their fingertips. Utilize new technologies and adapt fast to new innovations. Don't shy away from new technologies that enable telecommuting or virtual work environments, or that help contribute to work life balance. Utilize laptops with wireless access, mobile applications, video teleconferencing, webinars, and social media. **Technology can be used to encourage group and project based work, strengthening collaboration and engagement.** Use technology to build in collaboration, create informal team building exercises, and as a communication tool for positive public relations for your organization.

• Advanced technology has often proven to yield a competitive advantage. To achieve a high performing culture, utilize social media and new technology as a communication and feedback tool, and for telecommuting and enhancing collaboration. Creating public forums for employees to pose insights, questions, concerns, and for the organization to have a place to respond real time to address issues and share information helps everyone feel heard and can increase engagement and productivity. Technology is also a great way to keep the door open for alumni to return. Alumni websites can keep former employees connected and up to date with status of the organization.

**Structure**- Many different types of organizational structures exist (product, functional, virtual etc.). *The structure for your organization should help support and execute the strategy and align to the mission and vision*. Organizational structures often require changes over time as organizations increase in size, change service offerings, and respond to internal and external environmental factors. Remain flexible and open to adapting the structure as needed.

• For you to achieve a high performing culture, design a structure that not only supports the strategy and service execution, but that also supports connecting with employees on deeper-lying levels. Often, this may mean creating a flatter, less hierarchal structure. A structure that supports a high performing culture provides for appropriate levels of management and leadership, yet is not top heavy (too many high level leadership roles causing conflict and chaos). The organizational structure should contain built-in flexibility and support adaptability. Internal structures that help achieve a high performing culture contain processes for delegating routine decisions, investing in new ideas and providing for optimal employee value, empowerment and accountability.

**Processes**- To have an organization with a successful, high performing culture, *flexible and adaptable processes must be in place*. Processes should support the organization in developing the ability of the organization to change (flexibility, speed and ability to learn). Processes should support a culture of innovation and continuous improvement. Processes should be continuously improved, simplified and coordinated, to support the organization strategy. The more processes you have in place to help



relevant and correct information be reported and delivered, the faster products and services can be continuously updated and improved.

For you to achieve a high performing culture, take a detailed look at your processes. Will your current processes get you where you want to go? Do the current processes support the strategy? Developing and implementing new processes, modifying existing processes, removing duplicative processes, and those that hinder instead of help, can increase employee engagement and productivity, and thus increase bottom line results. Managing processes should occur at the tactical, crossfunctional, and strategic levels. Processes shouldn't just be designed to achieve product or service development, they should also help identify symptoms of organizational problems that may hinder performance. Certain tools can often help with process improvements, such as implementing lean principles, and applying various methodologies or technology solutions.

Adaptability- The organization with a high performing culture is unafraid of change and embraces new innovations and trends in order to remain competitive. Developing the ability of the organization to change and adapt (flexibility, speed and ability to learn) is imperative to success. The high performing organization does not maintain status quo; but is enabled to make meaningful change to improve their programs, services, products, and processes, and to create new value for the organization's stakeholders.

"The biggest human resources challenge we face in Government is changing its culture," stated Morley Winograd, Senior Policy Advisor to the Vice President and Director of the National to Office of Personnel Management (OPM) managers culture is hierarchical, process-'stovepiped.' We need to create a culture that is more integrated across boundaries, focused.... we're interested in changing the culture of Government by changing its conversation — when you change what people talk about, you change the culture."

To achieve a high performing culture, you should be agile and adaptable. Authorize employees with enough decision-making freedom, reducing barriers between departments, promoting participative management and maintaining open communication. Stay aligned to the strategy by providing sufficient information to the entire organization. Highly adaptive organizations elicit employee and customer feedback regularly investing in new ideas and creating strong incentives for performance.

**Diversity**- For those organizations that wish to remain successful and competitive in today's global marketplace, ignoring diversity is a thing of the past. Most organizations have a diverse workforce. To keep them engaged, it is important that they see the organizational values and that those values support diversity. Take a look at your organization chart. For example, if you see that most managerial or leadership roles are filled by one demographic, then most likely this was already noticed as a negative by employees who don't fit into that demographic. If employees see that only one 'type' of person tends

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to move up the ladder, and they don't fit that description, then it becomes easy for them to take on a 'so why bother' mentality, and this has a negative impact on engagement, retention and productivity.

To achieve a high performing culture, you should recognize and embrace all facets of diversity, gender, race, ethnicity, and sexual orientation. Implement Affinity Groups, put forth diversity initiatives, change up the organization chart and add diversity to your leadership mix; sponsor events or corporate matching programs and give back to communities. When employees can see the organization values them for who they are, and not just the work they can do, engagement, commitment, and retention will increase and so will productivity and performance.

**Evaluation**- High-performing organizations remain successful by measuring results, evaluating activities or projects, and creating clear expectations with regard to the desired performance. *Organizations with a high performing culture manage individual performance and help others reach their potential.*Additionally, they effectively measure, analyze, and review performance data to drive improvement and organizational competitiveness. Continuous improvement and innovation is imperative to success, and can only occur through evaluation and a culture of continuous learning. High performing organizations have a distinctive strategy; processes are continuously measured and evaluated. The more relevant and correct information is reported; the more core competencies and products are continuously updated and improved.

To achieve a high performing culture, it's important to proactively decide what you're going to measure and evaluate. Tools such as balanced score cards, strategic management systems, talent and performance management systems, and other project management tools can be helpful in achieving this. Measuring individual performance as it relates to organizational goals is an important step in aligning behavior, structure, processes, and strategy. In creating performance management processes and systems, emphasizing 'real-time' feedback is a key component in effectively managing performance. At the core of a high-performing organization is a strong organizational culture. Organizations with a high performing culture tend to be much more adept at recruiting and retaining top talent. They benefit from higher employee engagement and retention, and lower turnover with increased productivity and from higher revenues.

So in essence, to create a high performing culture, give thought to, and create initiatives and action plans around:

Strategy

Adaptability

Leadership

Communication



- Structure
- Processes
- Diversity

- People
- Technology
- Evaluation

As no one organization is the same, no one size fits all solution exists. The exploration, design and action planning of these activities may vary from organization to organization; however, addressing all of them is critically important to achieving a high performing culture. A skilled organizational change expert will know how to do this well and can assist your organization through design and execution of the various steps in the process to achieving a high performing culture and becoming a high performance organization.

"Great things are not done by impulse, but by a series of small things brought together." -Vincent Van Gogh



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