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"Simply, improvement..."



# You don't need a Culture Change Programme



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#### Is it just me?

How many times have we heard politicians, commentators and senior managers say things like "what we need to do is change the culture" in response to the latest announcement of poor performance, or some blunder that has made it into the headlines. It's usually closely followed (or preceded) by the equally common "we will conduct a review". In this article, I want to comment on some of the "culture change stuff" and the difficulty of trying to implement a "Culture Change Programme".

I read an article recently which said that in numerous surveys of businesses, "achieving the right culture" was one of the key issues. It went on to describe the key steps required to plan and implement a Culture Change Programme.

Is it just me, or is that completely missing the point? Surely, the thing that organisations need to do, almost universally, is to improve their performance continuously. To do that, all sorts of changes in processes, systems, capabilities and behaviours may be required, but it seems a bit of wishful thinking that a Culture Change Programme is going to be the answer.

For one thing, culture is an outcome, not a process. Culture is often described as "the way we do things round here". In other words, it is what you get as a result of factors such as:

- organisational structure
- leadership behaviours
- processes and systems
- measurement and performance management
- communications
- knowledge and skills
- the values and beliefs of the people in the organisation



#### **Culture is an Outcome**

So, if culture is an outcome and you think your organisation needs a different culture, that's fair enough. But, and it's a big but, you have to ask the question "why do you want to change it?". What is it about today's performance that the current culture is affecting (presumably adversely)?

If you can't identify what performance improvements are required and how they will be measured, how will you know that any Culture Change Programme has made any difference at all?

What you don't need to do is rush off and:

- carry out a Culture Audit to find out what today's culture is
- run lots of focus groups to get people talking about how the culture is now and how it needs to change
- implement a communications programme to tell everyone about the latest initiative that the senior management team has dreamt up
- set up lots of departmental improvement teams to work on whatever they think is most important to change the culture

#### What you do need to do...

We work with clients to take them from *possibilities* to *actuality*. Nobody has to "do Culture Change" (or Six Sigma, or Investors in People), or whatever the latest initiative is called. We do all have to align our organisations' efforts to achieve **outcomes** that meet, or exceed, the needs and expectations of our **Customers** and **External Stakeholders**.

And, if you are not currently achieving the levels of performance your stakeholders want, it's almost certain that the actions you will have to take to improve performance will result in a change of culture.

For example, if you need to speed up your responsiveness to customers, you will have to work on your processes, many of which will be cross-functional, and consequently you will have to reduce hierarchical structures and bureaucracy and increase team-working. Much of this is likely to happen through well-facilitated process improvement projects that focus on the improvement to be achieved and the way the team works together, to do this.

As another example, if you need to reduce costs and increase value for money, once again you will need to re-design processes, increase staff knowledge and capabilities to work flexibly and reduce the burden of excess management approval and sign-off layers. Leadership by example, such as trusting people to do the right thing and encouraging a focus on what adds value, will be essential.



### Four requirements for successful change

The well-known Transformational Change Model identifies four requirements for successful change...



#### Pressure for change

This element highlights the need for a compelling reason to make change happen. It may be the threat of defecting customers, damage to reputation, loss of business or competitors out-performing you. Your organisation may be losing staff, suffering from low morale and poor productivity, or simply lacking innovation. For many in the public sector, there are challenges to demonstrate Best Value (or Value for Money), or risk being outsourced or privatised.

Without "Pressure", the proposed changes will not be important enough for people to devote time to; they are likely to become a "Friday afternoon activity" that nobody ever gets round to (does that sound like any of your current improvement initiatives?).

#### Vision for change

The Model makes it clear that, for change to be successful, people have to have an understanding of what they are aiming for; a definition of what the future will look like as a result of the proposed change.

In many cases this will need to be more specific than a "Vision Statement"; it's more likely to be a set of well-defined goals or objectives that describe the new levels of performance required (to address the "pressures").

It may also be a well-articulated description of what working in the new world will be like: what the processes will be like, what the technology and systems will do, who people will be working with etc.

Without a clear, shared "Vision", people won't know what the change is trying to achieve. They will either go off in their own direction, or not bother going off at all.

#### **Capacity for change**

This includes the knowledge, skills and the time required to implement change. Despite years of experience of trying to "do change" many organisations still haven't equipped their people with the basic skills of continuous improvement. So, when (if) they ask staff to get involved in coming up with improved ways of doing things, the staff may not know how to do this in a way that develops viable



solutions to address the root causes of performance problems. Putting people together in a team and asking them to "brainstorm some improvement ideas" is just not good enough.

Some organisations are also feeling "change fatigue" and may simply not have the capacity for more change because of people's weariness over previous (successful or unsuccessful) attempts.

Without the skills and the time, people will become very frustrated in their attempts to implement change, however motivated they might be by the pressure and vision.

#### **Actionable first steps**

The fourth thing you need for change to be successful is a workable plan: a definition of what people need to do tomorrow, next week, next month. First steps are important to build momentum and get quick wins. These early successes can be used for positive communications about achievements and progress towards the vision and in addressing the pressures for change.

If there are no simple, clear first steps to take, nothing much will happen. Everyone will be sitting around "waiting for it to happen", as if by magic. People need to know "what do I have to do tomorrow?" and understand what the plans and actions are that will turn the vision into reality.

If any one of the four elements in the model is missing, change cannot be implemented successfully.

Some versions of the model add a fifth element; the requirement for reward, recognition and reinforcement. These, it is argued, are needed to ensure positive behaviours are encouraged and there is an incentive for supporting the change.

### Think first

So, before you decide that you need a Culture Change Programme, ask yourself what performance improvement your organisation actually needs. Then, design a programme to achieve that. Undoubtedly, if you get it right, you'll get the culture change you thought you were looking for in the first place.

What might such a programme look like? Well, on the assumption that it must improve performance <u>and</u> leave the capability to sustain further improvements, it's clearly not going to be:



short-term

 mandated by senior managers and delivered by the staff beneath them

a glitzy communications exercise

It is likely to include the following:

Key improvement process stages	Possible improvement process components
Pressure for change - Some form of diagnosis to quantify the gap between current and desired performance.	<ul> <li>Customer data collection (hard and soft data on requirements and satisfaction)</li> <li>Process data collection (errors, waste, delays, non-value)</li> <li>Stakeholder data collection (for key groups such as staff, partners, suppliers, regulators – this is where the surveys, focus groups and workshops can be really useful)</li> </ul>
Vision for change – Objective setting by senior managers to determine what must be achieved, by when.	<ul> <li>Senior management workshops to set priorities and direction, based on the data gathered</li> <li>Appointment of senior managers as "owners" of the agreed priorities</li> <li>Engagement of all other managers</li> <li>Initial communication of objectives and approach to all staff (face-to-face and led by senior managers)</li> </ul>
Capacity for change – Developing the organisational capability to "do improvement".	<ul> <li>Appointing and training improvement project teams to address the priority issues</li> <li>Developing in-house Facilitation and Coaching skills to embed improvement skills and behaviours</li> <li>Building in-house subject matter experts and improvement toolkits</li> <li>Establishing an improvement planning and review mechanism</li> <li>Coaching and developing all managers to perform their leadership and ownership role and lead by example</li> </ul>
Actionable first steps – Developing and implementing a short-term plan to get focussed improvement underway.	<ul> <li>Cross-functional and cross-hierarchy improvement teams to solve the priority problems identified by senior managers (within 3-6 months)</li> <li>A performance measurement system to</li> </ul>



	track the agreed priorities and report progress (quantitatively) against objectives  Developing improvement skills among those involved in early team activities  Establish local (within Dept.) improvement priorities and teams
Reinforcement and review – Implement a means of recognising what has been achieved, reinforcing it and driving further, sustainable, improvements.	<ul> <li>Communication of plans and progress</li> <li>Integration of improvement into business planning and performance management</li> <li>Re-aligning reward and recognition systems with improvement objectives</li> <li>Performance management of individuals against personal improvement objectives</li> <li>Re-measure customers and other stakeholders (using hard and soft date collection approaches)</li> </ul>

This isn't meant to be an exhaustive list and, clearly, it's not a definitive implementation programme. Each organisation will have different objectives and priorities that should influence what needs to be done, in what order.

Some of the factors in this approach that are likely to result in desired culture changes are:

- it is actively <u>led</u> by senior managers
- it is focussed on achieving real improvements, required by the organisation and its stakeholders
- it starts at the top, but involves staff at all levels, particularly in crossfunctional teams
- it measures progress and holds people accountable for it
- it is not a one-off "initiative"; it aims to develop sustainable performance improvement



### **Our track record**

Our consultants have been helping organisations in the private and public sectors to manage and improve their performance for nearly two decades. We have supported European Quality Award winners in their approach to continuous improvement.

We are not wedded to a particular methodology. We help clients identify their improvement goals and then develop an approach to achieve these; invariably ensuring their people develop the skills to make further improvements themselves.

Please contact us for more information about how we can help you to manage and improve your performance.



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© 2008 Improvement Skills Consulting Ltd.
204 Blind Lane, Flackwell Heath, High Wycombe HP10 9LE
Phone 07850 728506 • Fax 0871 221 5638
E info@improvement-skills.co.uk • W www.improvement-skills.co.uk