"Often we are invited into organizations that have initiated a change process, done it quickly, and are asking 'where are the results?' The sustainability they desired did not exist. While speed is crucial for effective change, so is sustainability."

Leveraging Culture for Strategic Success

By Mary Eggers and Lorri Johnson

THE PURPOSE OF this article is to share our learnings about creating whole system change by harnessing diversity in ways that allow people to fully contribute to business results. It presents the models and principles that we have developed and used successfully around the world to build change roadmaps. We offer examples of when and why organizations would want and need to build cultural competency skills. Our learnings apply to any organization comprised of people from diverse backgrounds, cultures, and ethnicities.

MAPPING THE CHANGE JOURNEY

Our approach to building change roadmaps is based on the principles and practices of *Whole-Scale™* change, a dynamic methodology that engages the knowledge, wisdom and hearts of people to create organizations of their own choosing. Through a series of small and/or large group interactive sessions called convergence/divergence, the approach enables people to respond quickly to the demands of today's rapidly changing environment by building shared understanding of their current reality and strategic direction. These interactive sessions are used in a variety of applications including strategy development and deployment, mergers and acquisitions, organization and work design and community organizing.

Once the client is clear about the purpose of the change effort (i.e., "what will be different in the world because we've done this"), building a roadmap for a change journey *(see Figure 1),* in its simplest form, requires determining what critical conversations need to take place, the right sequence of those conversations and who needs to be involved. In the generic roadmap in this first figure, the circles represent small group work; triangles represent planning teams *(microcosms);* and the rectangles represent large-scale events (accelerators for creating alignment and building shared understanding). It is this powerful combination of large and small group work *(convergence/divergence)* that accelerates the speed of change by

Roadmap for Change
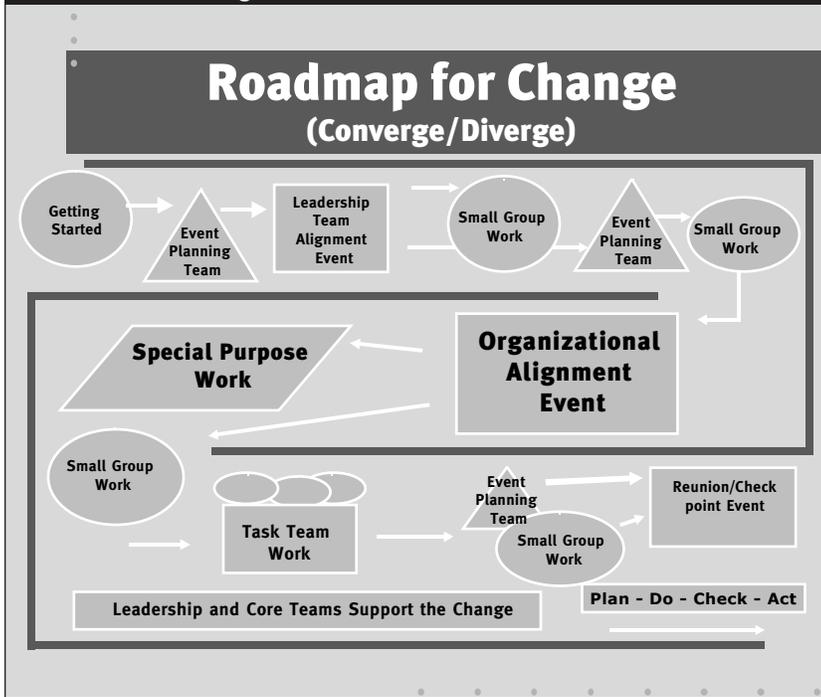### (Converge/Diverge)

Getting Started

Event Planning Team

Leadership Team Alignment Event

Small Group Work

Event Planning Team

Small Group Work

Special Purpose Work

Organizational Alignment Event

Small Group Work

Task Team Work

Event Planning Team

Small Group Work

Reunion/Check point Event

Leadership and Core Teams Support the Change

Plan - Do - Check - Act

driving the change deep into the organization. We believe it is important to view change as a journey and roadmaps as valuable tools that enable an organization to "stay the course." The momentum of any change initiative can be better sustained by viewing the process in its totality and not just as a series of events.

People can be brought together at critical points to evaluate their progress, share new information, and determine how to best proceed.

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DEFINING THE CONVERSATIONS

The roadmap provides a visual depiction of what the change journey could look like. It is important to first identify the critical conversations that must occur at each step, and define which stakeholders should be engaged and at what point. These steps enable an organization to determine the points of convergence and divergence on the roadmap, i.e., large and small group work that occurs alternately throughout the process.

The Star of Success *(see Figure 2)* is a valuable model for diagnosis and planning that enables an organization to identify and prioritize its issues and set its strategic direction. The Star provides multiples lenses for viewing all aspects of an organization: strategic direction, function, form, resources and shared information. Allan Gates, who developed this model for

Dannemiller Tyson, says: "For an organization to be successful… it needs to figure out how to make all the star points twinkle at the same time." When things are going well, all points of the Star are in balance and support one another. When things become imbalanced, the organization's Pattern of Success (the ability to consistently keep all the star points twinkling over the long haul) is disrupted and change becomes necessary. An issue at one point of the Star often has its root cause at another point. In any whole system, what happens, or doesn't happen, at any point of the Star inevitably impacts the rest of the organization.

This is not to say that all points of the Star must be worked at the same time, only that we maintain a whole system view to fully understand the impact of current or future change initiatives. This model is relevant to change of any magnitude, including more complex change initiatives around aligning multinational locations, mergers and acquisitions, and international joint ventures and alliances.

UNDERSTANDING THE PATTERN OF SUCCESS

Strategic Direction—drives everything in the Star. This star point answers the most important questions – organization identity, purpose and direction. It includes Mission, Vision, Values, Goals and Objectives.

We've been working with a hospital in a major metropolitan city that is implementing two very different major initiatives hospital-wide. Both of these issues are strategic in nature and both needed to be included in their strategic direction because they set the stage for the work in the rest of the star points. One

The Star of Success

Strategic Direction

Shared Information

Function

Pattern of Success

Resources
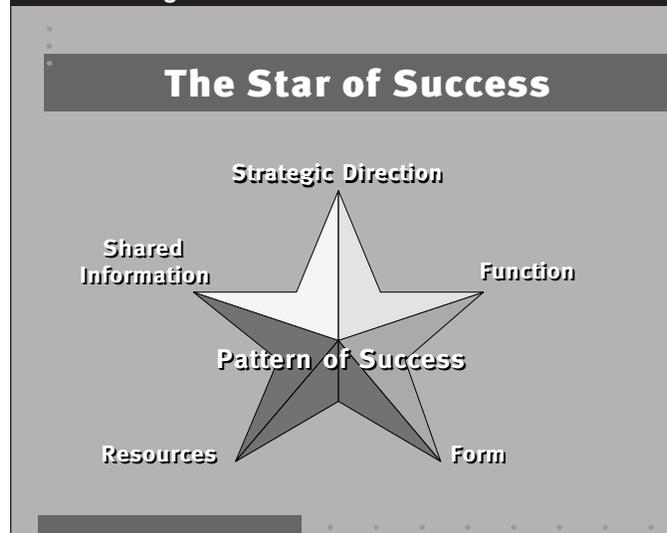
Form

is a new 40 million dollar information technology system that is expected to take two to three years to integrate into the hospital's way of life. The second is to create a culture where every employee feels valued and is empowered through education and training to better respond to the changing face of their culturally diverse patient base. It was easy for leaders to see the 40 million dollar IT implementation as strategic and not so easy to see the empowered employees as such. Leaders had to be reminded by 300 participants in a recent hospital-wide strategy alignment meeting that missing in the strategy was any mention of employees! In both cases, the next question is to ask what's the work to be done that will create an IT system that everyone uses and an empowered workforce.

Function—refers to the systems and processes used to accomplish the work required by our strategy. Are we doing the right work? Is it being done in the best way? Do we have the right systems (e.g., information, rewards, hiring, training systems) to support the work?

A US-based high tech company with 30 locations around the world had a vision of becoming a high-growth, high-performance company with a performance-driven culture. A critical component of this transformation was a worldwide launch of new management practices for acquiring, developing and managing talent. Our work with them to design this initiative began with convening a representative planning team of about 20 people from locations around the world reflecting the far-reaching diversity of the company. Team members came from a variety of cultures with different beliefs, values, norms, and communication styles.

This planning team helped to design the generic rollout event that became a template for a series of large-scale events around the world *(see Figure 3)*. Each event was customized for cultural and social appropriateness by an "on the ground" planning team at each locale. Each event began with building the business case and aligning the leaders around the strategic objectives and priorities. The original "global" planning team believed it was important to share the strategy at these events so that worldwide company leaders would have a shared vision

Figure 3 ROADMAP XXX ORG
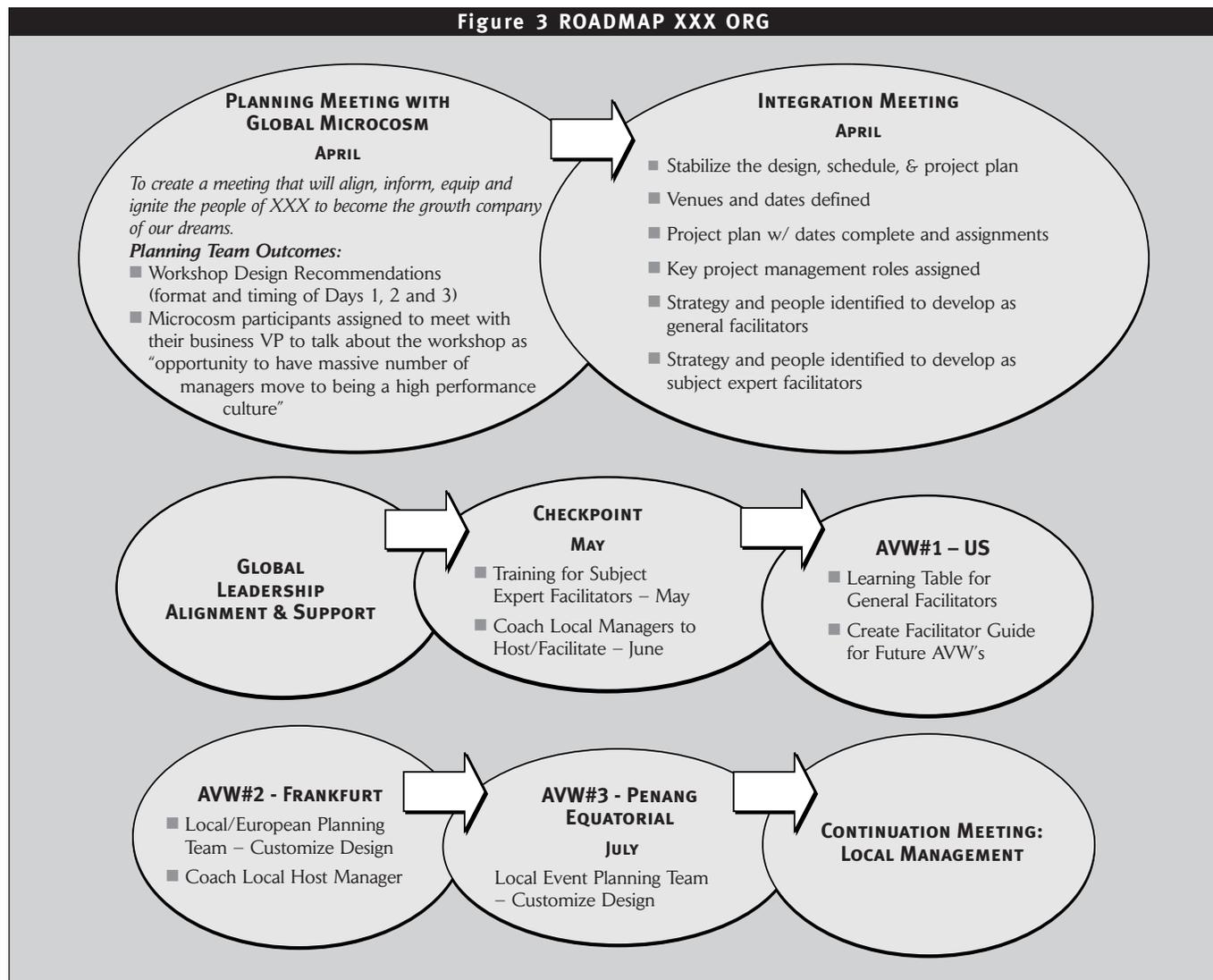
of the company's future. It was important that they better understand their individual and collective roles in helping to achieve success. The rollout of the generic management processes and the action planning for "back home" implementation continued after the large-scale events at the local level, and included a check to ensure compliance with national labor laws in each country.

The overarching purpose of this initiative was to jumpstart the organization's transformation into a high-performance company. The desired outcomes were to:

- Build a compelling case for change as viewed through the eyes of the marketplace, competitors, and the company's stakeholders
- Create worldwide alignment around the company's business goals and priorities
- Define the manager's role in building and sustaining a performance-driven culture
- Inform and equip managers with a new set of practices designed to attract and retain the talent needs to meet growth objectives

AUTHORS

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- Gain management's commitment to collectively lead the transformation process through specific behavioral changes and actions.

Form—really does follow function! More than organization charts and job descriptions, decision-making and distribution of power resides with the structure. This star point encompasses the organization's culture, i.e. norms and behaviors that guide relationships.

The merger between Daimler Benz and Chrysler resulted in the creation of one of the largest transnational companies in the world. We observed with great interest as the marriage of these two automotive giants brought into sharp contrast the differences between the German and American cultures. The influence of culture affected the merging process on every level. These differences manifested themselves in many ways including communication styles, decision-making processes and management philosophies. As the newly formed DaimlerChrysler struggled to implement its merger strategy and create the new organization, the importance of developing culturally appropriate processes and policies that were inclusive of both cultures became increasingly apparent. In his keynote address to the 2003 ODN conference, Roosevelt Thomas talked about making "quality decisions in the midst of differences, similarities and tensions." This can best be achieved through the sharing of knowledge and the exchange of ideas. Developing cultural competencies enhances an organization's ability to do just that.

Resources, in addition to people, facilities, technology, equipment and materials, encompass the skills, knowledge and competencies that people must possess in order to help an organization achieve its goals.

A large hospital system established an internal leadership development academy to introduce the future leaders of the organization to different leadership philosophies and practices. Throughout the yearlong program participants were given the opportunity to work with a senior leader to help plan strategies for the system and its business units. In a recent session of the academy, the COO of the hospital system spoke about the changing demographics makeup of the neighboring communities and the increasing diversity within the patient population and the hospital's own workforce. He discussed the effect of these changing trends on the hospital's overall strategy. He stressed the importance for leaders as health care professionals to understand, respect and embrace differences in cultures, customs, beliefs, values, and religious practices so that their patients and families would feel comfortable, valued, and respected.

Equally as important, it became clear that these future leaders would also be held accountable for tapping into and developing the talent and intellectual capital of their employees including those individuals that were not necessarily like them. As with any new skill, developing cultural competencies takes time and work, but the investment of time and money is repaid many times over, resulting in more productive, harmonious workplaces and contributions to the organization's overall success.

Shared Information – *is the glue that holds it all together. It is about bringing forth a common world where to the extent possible everyone knows what everyone knows. This star point answers the questions: What common data and information do we need? How are we going to create the data and information?*

A Silicon Valley-based client, faced with a serious financial crisis in January 2001, hired a new CEO with a commitment to rapid strategic and behavioral change. He decided to use Whole-Scale processes, beginning with a 3-day meeting of a significant 400-person microcosm of the 650-person company. His goal was to align the entire system into an integrated view of the challenges facing them. The results began to emerge from their time together, followed by large and small group gatherings focused on new processes, new relationships, and new commitments around collaboration.

They pulled together a microcosm team from all continents to plan the agenda for their first meeting of 500 participants. The planning team, with members from Australia, Europe, and the United States, met first in person and later by phone. They quickly became cognizant of the challenges and sensitivities of scheduling their calls across international time zones. In the large group meeting itself, one final activity was to identify organizational norms that support and hinder how we need to be in order to execute on the new strategy. When one table reported out in Japanese, the entire room of 500 people applauded vigorously. "Wait, I'm not through!" the spokesperson said in clear English… and then continued in Japanese. The moment was a magical breakthrough for everyone.

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SOME PRINCIPLES FOR CREATING CHANGE ROADMAPS

Regardless of whom the client is or what their issues are, the principles that guide us as we work with our clients to create their roadmap are:

Strategy Drives Change: Think Global but Act Local – without a link to strategy, the change will be seen as the flavor of the month.

Understand the Dynamics of Converge and Diverge – it is important to understand when to go whole and when to go detailed and smaller. The key here is staying whole and continually engaging microcosms. A microcosm is a DNA slice of the organization — and the best tool we've found for ensuring that the conversations reflect the rich diverse nature of the entire organization.

Critical Mass Is Enough (to Make the Change Unstoppable) – constantly look for ways to widen the circle of involvement throughout a change effort. Every single person can't always be involved; however, it takes a critical mass to take the change deep into the organization.

Robust Theory and Models Underlie the Work – models like the Star of Success and a solid change model are critical. The change model we use to design a Whole-Scale event is inspired by Dick Beckhard. The formula, $D \times V \times F > R$, says that if an organization wants to bring about system-wide change, it will need to work with a critical mass of the organization to uncover the people's **D**issatisfaction (**D**) with the current situation. The next step will be to uncover the yearnings for the organization they truly want to become – their combined **V**ision of the future (**V**). If real, sustainable, change is going to take place, the third design element needs to be **F**irst steps (**F**). First steps are a series of tasks that all in the organization believe are the right ones needed to achieve their vision. Simple algebra suggests that if the D, the V, or F is missing, the product will be zero and the effort will not be able to overcome the **R**esistance (**R**) to change. Using DVF as a design model for a change effort creates a paradigm shift in the organization. The process of collectively uncovering and combining the three elements creates a positive shift in how individuals view the potential of the organization.

Life is an Action Research Project: Live It In the Work – only through continuous re-examination throughout the process can we adjust our approach to ensure reaching our vision of success.

CONCLUSION

"What lies behind us and what lies before us are small matters compared to what lies within us."
–R. W. Emerson

Successful change journeys include a roadmap to guide the process, someone to pay attention to the road signs along the way, and processes and policies that enable you to tap the wisdom that "lies within" every employee. Emerson's quote has never been truer than in today's smaller world. Organizations must learn to embrace and leverage the differences and diversity that make up the brilliant tapestry of today's workforce and customer/supplier bases. ■