

CHAPTER 1 CREATING THE CULTURE

Balzac, S.R. (2011). *Organizational Development*. NY: McGraw Hill.

Most courses don't cover organizational culture, or just briefly describe it as "the way we do things around here." Unfortunately, this cavalier attitude only creates difficult, expensive problems. Your organization's culture is not something to take lightly.

All attempts at organizational development will both be influenced by the culture of the organization and will influence that culture. Everything, from how you recruit and hire employees to how you handle rewards and punishments to how you build teams, conduct meetings, manage conflict, deal with competition, and so on, will both reflect and affect your culture.

WHAT IS CULTURE?

So if culture is not "the way we do things around here," what is it? Culture is the frame within which we operate and the lens through which we view the organization. If we view an organization as a system of interacting and interrelated parts, culture defines, creates, and supports that system. But this definition is only the tip of the iceberg.

The Taboo of the Bananas

There is an oft-told, albeit probably apocryphal, study involving four gorillas. The gorillas are placed in a cage with a ramp at the top of which is a bunch of bananas. As soon as one of the gorillas starts to go after the bananas, high-pressure water hoses are turned on, knocking the gorilla off the ramp and soaking all of them. This happens until no gorilla will go near those bananas. At this point, the hoses are removed, and one of the gorillas is replaced by a new gorilla. When the new gorilla tries to get the bananas, the other gorillas all jump on him and drag him back. This continues until that gorilla has learned to not go after the bananas. Eventually, the cage contains four gorillas, none of whom has ever been hosed but none of whom will go near the bananas. Whether or not this story is true, it does accurately capture some fundamental concepts of culture.

At only the most superficial level, culture is "the way we do things around here." As MIT professor Ed Schein, expert on organizational culture and father of organizational psychology, points out, it is extremely dangerous to assume that's all there is to culture. Focusing only on the "what we do" yields a superficial understanding that all too frequently leads to costly, painful problems for the organization later. Cultural change efforts that focus only on the "what are doomed to failure before they've even begun, the more significant questions are, why is that the way we do things? In what way does it benefit us to do things in a particular fashion? In the case of the first set of gorillas, the Taboo of the Bananas meant not getting hosed. However, that's no longer the case for successive generations. For them, passing on the Taboo of the Bananas means that they don't get beaten up by their fellow gorillas. The hoses are gone, and all that remains is the tradition that the bananas are forbidden.

Ultimately, what culture is doing is providing us with a map of how the world works. As such, culture serves to tell us how we fit into the world and teaches us how to behave, be successful, be happy, and so forth. Culture is what Schein describes as an "anxiety-reducing agent." As such, culture is extremely resistant to change. Changing a culture means changing our fundamental view of how the world works. IBM ran into serious financial difficulties in the late 1980s and early 1990s in large part because it was unwilling to change the ways in which it was approaching the market, even though the market was rapidly changing around it. Think about your own organization: when has the organization resisted change because that meant breaking with tradition?

The Residue of Success

The question still remains, what is culture? Ed Schein defines culture as "the residue of success," the accumulated wisdom of what does and does not work in dealing with the world. Although this seems like a simple, straightforward definition, it requires some explanation. Success is not always what it appears to be. Our gorillas, for example, have achieved success in learning how not to get hosed. They, at least, have created a cultural tradition that has its roots in an actual causal relationship. That is not always the case.

A significant force in cultural development is post hoc ergo propter hoc. That is, people assume that the success of a particular action is due entirely to how that action was performed or what they did immediately before the action, and not to external forces or even actions performed weeks or months ago. Thus, a rain dance is believed to bring rain or the wearing of a particular outfit will bring success in battle.

What we see is that the perception of cause and effect is enough to cause a behavior to become a cultural value. Assuming that the behavior and the result occur together often enough, the behavior will come to be taken for granted. Members of the culture will no longer question the behavior because, within that culture, it is now a basic tenet of how the world works. Other cultural values will arise to support and enable the behavior. In the end, a simple behavior leads to an interlocking network of beliefs, assumptions, and values. Attempting to change any piece is extremely difficult because every other piece attempts to pull it back into place. Cultures, whether at the familial, organizational, or societal levels, do not change easily.

HOW IS CULTURE CREATED?

Modern cultures do not spring forth out of nothing. Cultures build on existing cultures. A new business may create its own unique corporate culture, but that business is not starting with a blank slate; rather, it is inheriting its initial culture from the dominant culture in which it is located and the cultural values brought by the founders and early employees. It is thus possible for a culture to inherit from multiple parent cultures.

Forming Subcultures

Cultures also differentiate, or form subcultures, based on specific situational needs. Ed Schein observes that all businesses form three distinct subcultures: executives, engineers, and operators. The executive subculture is concerned with making; the organization run, the engineers with solving the problems faced by the organization, and the operators with actually implementing the solutions and dealing with the outside world. Executives create rules and mechanisms to make the organization

function smoothly—we call it bureaucracy. Engineers seek to develop elegant solutions that cannot be screwed up by people. (As evidence, despite all the complaints and problems with batteries in Apple's iPods, the iPhone still does not have a user-replaceable battery. To design a product with one would violate a cultural belief about making the device elegant and hard to damage. As a further example along those lines, Apple now sells a new laptop that does not have a user-replaceable battery.)

On a larger scale, subcultures form in response to organizational needs, geographical constraints, and anything else that requires adapting to various environmental conditions. A large corporation, such as IBM, has subcultures broken out by country and task. Countercultures also form within the larger culture. A counterculture in this context is a subculture that deliberately rejects certain aspects of the parent culture while still remaining committed to the parent culture's goals. For example, during IBM's blue suit and tie heyday, the research division was determinedly informal. Unlike the rest of IBM, jeans and T-shirts were common, and ties were rare.

How Leaders Shape Culture

Within an organization, leaders have tremendous power to shape the culture through a variety of means. At the most basic level, the example a leader sets will form the basis for much of the culture. The culture of the once mighty Digital Equipment Corporation (DEC) reflected the beliefs and attitudes of its founder, Ken Olsen. DEC was once the darling of the computer industry, an incredibly successful company during the 1960s, '70s, and into the '80s. It was, in many ways, the Microsoft of its day, the company that many believed would destroy IBM. Today it no longer exists. Olsen, an MIT-educated engineer, believed that all ideas should be tested through argument and debate; if the idea couldn't be proved wrong, the developers had the right to go ahead with the idea and let the market decide. This approach served DEC very well in its early days. However, because Olsen never really believed in the PC, the culture at DEC was to not take the PC seriously. As a result, and because no one group could convince the other groups they were wrong, DEC ended up producing three different, incompatible versions of the PC. The net result was that the market decided not to support any of DEC's PCs. What a leader pays

attention to and how a leader respond to a crisis, deals with disagreement, treats those around him, and behaves in general will all feed into the culture of the organization.

If, as I've often seen, a leader treats every unexpected problem or unanticipated roadblock as a major crisis, so will the employees. If a leader takes the view that every problem could have been avoided and therefore when something goes wrong, heads must roll, the resulting culture will usually be one of blame and finger-pointing. If a leader views mistakes as a natural part of learning, exploring, and experimenting, the resulting culture is likely going to be one that supports innovation.

Beyond actions, leaders shape the culture through the stories that they tell and the stories that are told about them. The stories a leader tells help to inform employees about what the leader considers important. At one start-up I worked for many years ago, the CEO used to talk disparagingly about his interactions with the customers. Every customer was an idiot, an incompetent, or both. It wasn't long before this attitude permeated the company. The effects could be seen in every area, from the engineers writing the software, to tech support, to marketing, and so on. Sloppy design decisions were made because, after all, the customers were "too stupid" to know the difference.

Even when the founder, or other influential leader, is no longer around, his or her legacy lives on, reinforcing the values of the culture. When I worked for IBM many years ago, there were countless stories about Tom Watson: how when an IBM employee was badly injured and his family killed in a car accident, Watson was there at the hospital when the man woke up, promising to cover the medical bills and do whatever he could; how, when a train derailment injured a large number of IBMers on their way to the World's Fair, Watson drove out in the middle of the night to organize the rescue effort; and other such anecdotes. These stories underscored the cultural meme that IBM took care of its employees no matter what. Stories like these, whether told at one of the largest companies in the world or at a small nonprofit, serve to reinforce and transmit the organization's culture.

HOW IS CULTURE TRANSMITTED?

Culture is transmitted in a variety of ways. For our gorillas, the transmission is through being beaten up by other gorillas if you happen to go after those bananas. More generally, though, cultures are transmitted through formal and informal means. Formal methods include education, religion, and family values. Informal methods include stories, songs, artifacts, and social signals.

Education is a fundamental tool of cultural transmission, be it societal or organizational culture. What American students are taught in school shapes their understanding of American culture; what employees are taught on the job shapes their understanding of their corporate culture. Sometimes, these may be in contradiction to aspects of the larger culture.

The artifacts of our culture include stories, songs, institutions, symbols, and buildings. Artifacts can also include how we use time, where we park, how we address others, where people live, and any other choice that might be made within the domain of the culture. The artifacts are constant reminders of how culture works and what it stands for. The meanings of those artifacts, however, may change or may be viewed differently by different groups within the culture. One of the most difficult tasks for a newcomer to a culture is to determine what meanings the artifacts have; it doesn't matter whether the culture in question is a foreign country or a new corporation. For example, having a parking spot near the doors might be a sign of high status in one company, meaningless in another and low status in a third. Offices on higher floors of a building sometimes indicate higher status.

WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF CULTURE?

To digress briefly, the concept of automaticity is extremely familiar to athletes and teachers. A skill is said to be automatized when one can perform that skill with little or no conscious effort. Think of a basketball player dribbling a ball, or a student reciting a poem from memory. In each case, the actions are so ingrained that they are executed automatically when the appropriate stimulus is presented. Relatively complex series of

actions can be practiced and automatized, a process sometimes referred to as "chunking." The advantage is that the chunk can be performed without calling upon cognitive resources. The disadvantage is that an automatized chunk is very hard to change; it's even difficult to interrupt yourself once the chunk is triggered. If you are interrupted, it's often extremely disorienting and virtually impossible to pick up where you left off. Instead, you usually have to start again at the beginning. Cultures operate in an analogous fashion: sequences of behavior come to be taken for granted, and once started, cannot easily be stopped. The advantage of this is that resources are not constantly expended reanalyzing the same situation. The disadvantage is that the situation may be more nuanced than the chunked behavior can handle.

Cultures also provide members with common ground in a set of shared and agreed-upon values and beliefs. The stronger and more prevalent these values are, the easier it is for members of the culture to work together and form strong bonds among one another. Culture thus acts as a unifying force among people who are steeped in the culture but can be a repulsive force for those who are not. Thus, new members to the organization, that is, new members of the culture, need to be educated as to the cultural values and how those values are manifest.

What makes understanding culture particularly difficult is that two cultures can develop completely different ways of manifesting the same stated values. For instance, both the PC and the Mac claim to be easy to use. They both are, but in very different ways, and for very different audiences. PC hardware and software can be easily customized by the user, provided that user is reasonably knowledgeable about the technology. The PC user can do almost anything but can also screw up the system quite thoroughly. The Mac, on the other hand, provides a very slick, clean interface that may limit what you can do but also prevents major disasters. Similar cultural values, very different results.

Ultimately, a culture can be thought of as an encapsulation of concepts, values, and behaviors. Members of a culture will default to the culturally determined heuristics if they haven't developed a more specific version or

override of their own. The reasons behind the values and behaviors are hidden within the encapsulation and become "it's just how we do things."

WHAT MAKES A SUCCESSFUL CULTURE?

A culture is successful if it is in harmony with its environment and unsuccessful if it is unable to function in its environment. The environment is the world in which the culture operates. Here's the catch: environments change faster than cultures. When the environment changes, the mechanisms of the culture may no longer be valid. As we've already discussed, a culture is an encapsulation of information and procedures for dealing with the world. The advent of the PC changed the business environment for IBM, and the company found it difficult indeed to adjust. The bursting of the tech bubble in 2000 turned Sun Microsystems from one of the world's top companies to one that could not function in the brave new post-bubble world. Today, with the accelerating shift from desktop computers to mobile devices and the Internet, Microsoft is still, in many ways, playing catch-up. Just because those procedures are no longer working doesn't mean that they immediately fall out of favor. First, the procedures are chunked, so they are carried out at an almost reflexive level. Second, the prospect of change can, and often does, engender more fear and anxiety than the actual failure of the outmoded procedures. Acknowledging that these fundamental cultural lessons are wrong is tantamount to admitting that the world does not work the way we thought it did. Some cultures can adjust; others cannot. A third, and potentially more serious, issue is that the world, and human behavior, is not digital: it is not either 1 or 0. In other words, rarely does a behavior go from working 100 percent of the time to not working 100 percent of the time.

Rapid environmental change is not instantaneous. Rather, the change occurs over a period of time. A behavior that worked most of the time in the old environment starts failing more and more frequently. Initially, this is hard to distinguish from the normal, occasional failures. The initial reaction is to "try harder" while doing the same thing. So long as the behavior still works sometimes, periodically these increased efforts, these "sales drives" or what have you, will appear to be making a difference. This is a phenomenon known as intermittent reinforcement, and, in this

context, it creates an illusion of success. A set of behaviors that are reinforced intermittently can become even more ingrained than they were before the intermittent reinforcement began!

Thus, as the environment moves away from the culture, the culture's reflexive efforts to apply the lessons of success can actually lock the culture into increasingly nonfunctional behaviors! In general, the best way to change a culture as the environment changes is not to introduce something new but to strengthen an existing aspect of the culture.

In 1992, IBM imploded. The company posted a loss for the first time in its history, closed down numerous divisions, and even instituted layoffs. IBM's survival was in serious question. However, IBM's culture contained a very strong ethic of "analyze the problem, determine the solution, and execute the solution even if it's unpleasant." IBM realized that it needed a fresh perspective, so it brought in Lou Gerstner, the first non-IBMer to become CEO. As Ed Schein points out, Gerstner came from a very similar marketing background to IBM's founder; Tom Watson, Sr. Gerstner didn't so much change IBM's culture as revitalize an aspect of it that had become dormant. Over the years, IBM's engineering culture had become dominant, and the marketing culture had faded into the background. In restoring the latter, Gerstner also restored the company's fortunes.

WHERE IS CULTURE?

Culture is in the minds of the people who comprise the culture. When a culture is threatened by something in its environment, be that a new idea or another culture, it becomes more itself. In other words, those cultural elements that appear to be most appropriate to reducing the anxiety are triggered to deal with the threat. More diverse cultures are likely to attempt multiple simultaneous solutions, while more monolithic cultures are more likely to view all problems as nails for which they are the hammers.

For example, let's look at a company called "Shrinks-R-Us," or SRU for short. (The company and example are real, but the name and various descriptive details have been changed to preserve anonymity.) SRU provides mental health services and is paid primarily through insurance.

Over the years, SRU developed a system of paperwork that is the envy of bureaucrats everywhere. Why? No one seems to know, and it no longer matters. What matters is that today paperwork is seen as the answer to every problem. If employees make too many mistakes or attempt to streamline the process, the company adds another layer of paperwork. One therapist commented that the paperwork is so complex they have to use checklists—meta-paperwork—to make sure that they've done it all. There is even a quality-assurance committee that reviews the internal paperwork with a fine-toothed comb, sends back anything with an error, and puts out weekly reports that people are expected to read. The bulk of therapists' time is controlled by the need to do the paperwork. Quality is no longer about the success of therapy, but the accuracy of the paperwork. Fundamentally, the culture has developed the organizational equivalent of obsessive-compulsive disorder (OCD).

Now, compare SRU to "ShrinkWrap," another company in the same mental health industry and in the same broad geographic area. (Again, the company's name and various identifying details have been changed where necessary to preserve anonymity.) Both SRU and ShrinkWrap host a number of psychology interns at their sites. Both are required to provide supervision and training for the interns, which includes reviewing their notes and treatment plans and monitoring their work with patients.

ShrinkWrap requires that interns keep notes, as does SRU. However, that is about the limit of the paperwork at ShrinkWrap. At SRU, in the words of one intern, "I couldn't sneeze without running it by my supervisor." At Shrink-Wrap, on the other hand, interns sometimes wonder if anyone even knows what they are doing. However, as one intern observed, "Any time something came up, my supervisor was clearly familiar with the case." At SRU, no one is trusted to do anything right; everything must be documented, checked, and rechecked. Mistakes are not tolerated and result in an immediate decrease in autonomy through the imposition of more paperwork. At ShrinkWrap, the assumption appears to be that if you bring in competent people and educate them about what is expected, you can trust them to get it right. The inevitable mistakes will be treated as part of the learning process, and people will be quietly educated as to the correct course of action in the future.

As these examples illustrate, similar companies in similar businesses and similar geographic areas can produce extremely different cultures, but both cultures respond to stress by becoming more themselves. SRU, being more monolithic, has one response to every problem. ShrinkWrap, with its more diverse culture, tends to attempt multiple solutions simultaneously.

HOW CAN CULTURE BE CHANGED?

SRU and ShrinkWrap have developed very different ways of responding to their very similar environments. In both of these organizations, it is highly likely that the original beliefs of the founders shaped the culture into what it is today. However, when the founders move on, it is equally likely that nothing will change. Neither organization will easily tolerate a new CEO who seeks to change the existing culture too radically or too quickly.

The Cultural Immune Response

One of the problems DEC had in its later years, as did Atari, and Apple under John Sculley, was a CEO who didn't share the culture's fundamental culture. In general, the leader of a cultural entity, be that entity company or country, has tremendous power to influence the entity. However, the degree to which the leader meshes with the existing culture will determine his success. When there is a mismatch, the culture will reject the interloper in much the same way as the immune system will respond to a virus. The ideas of the leader are actively or passively opposed, and the members of the culture may leave, become discouraged, or experience other signs of stress and depression. The leader may be forced out, as happened to John Sculley, or the organization may be destroyed, as happened to DEC. There is a great deal of truth to the old belief that the health of the king is the health of the land, or at least of the organization.

Remember that culture is a road map of how the world works. The longer that culture has been in place, the more successful the organization has been, and the more people like the way things are working and are happy with the current situation, the stronger the culture will be. The stronger the culture, the more the road map is trusted. The more the road map is trusted, the harder it is to change.

When a new leader comes in who clashes with the culture, problems will immediately arise. It doesn't matter whether we're talking about a group leader or a CEO, although, in general, the smaller the group, the weaker the culture—simply because it is not distributed over as many people. What the new leader is effectively doing is saying, "Everything you know, everything you believe in, is wrong. Trust me. Follow me. I have the truth."

Now, I suspect that many of you reading that last paragraph are rolling your eyes and thinking, "Yeah, right. It can't be that big a deal!"

Let's consider the situation. For the members of the culture, this road map—this view of the world—is their common bond. It's the thing that holds the organization together. By providing structure and predictability, culture reduces anxiety and promotes a feeling of security. Remember also that culture quickly becomes largely unconscious. Behaviors are chunked, no longer thought about on a conscious level.

Then someone comes along and says, "No, no, that's all wrong." Imagine being in that position. How- would you feel? How did you feel the last time your company announced major changes or restructuring?

When a new leader's approach contradicts the fundamental, underlying values of the culture, employees are caught in a state of cognitive dissonance. Very briefly, cognitive dissonance is a state in which people are forced to hold two or more contradictory ideas in their heads at one time. When at least some of the ideas that they are holding are not even at a conscious level, it makes the situation worse. People will seek to move away from a situation that induces cognitive dissonance. The problem is, they may not move to where you want them to go.

In this case, the new CEO is telling them to do things that they "know" in their hearts are wrong. Moreover, most CEOs will make the situation worse by engaging in logical arguments. This is a situation that is less about logic than emotion, a topic we'll cover in more depth in Chapter 7. When logic fails, as it usually will in a cultural mismatch, the CEO will often resort to threats and punishment. The employees feel increasingly trapped

and resentful. Some will reluctantly comply, despite feeling guilty that they are betraying their inner beliefs and exposing themselves to the anxiety of their cultural road map not being correct. Others will try to quietly or openly undermine the CEO. Others might try keeping their heads down and hoping that the situation gets better. Some will go along and may well be seen as traitors by the rest. Some will leave. In short, the organization becomes ill.

Fortunately, there are ways to change a culture successfully!

Strategies for Successful Change

Although it is possible for the CEO or senior management to ram through changes in the culture, this will often have unanticipated consequences. Because cultural values are tightly linked, the more central the value being altered or removed, the more pressure there is to restore the preexisting cultural norm. Remember, cultures are self-reinforcing. Cultural values and beliefs support one another, and when an attempt is made to alter a cultural belief, the existing network of ideas pulls back.

The management team, however, does have the power to simply change a policy. If that policy reflects a cultural value in the company, then the change may be far-reaching and unpredictable. For example, in the mid-1990s, IBM abandoned Tom Watson's long-held policy of full employment for life: you took care of the company and the company took care of you. It was a mutually beneficial, symbiotic relationship. IBM was a rock that employees knew would always be there for them. Then it all changed. In response to changing economic conditions, IBM decided that it could no longer afford to maintain full employment. The end of full employment was the psychological equivalent of an earthquake.

In October 2009, the Wall Street Journal reported that IBM executive Robert Moffat, "a senior vice president and a close confidant of IBM Chief Executive Samuel Palmisano," was arrested for insider trading. While it's impossible to fully identify all the ramifications and permutations in such a complex system, when Robert Moffat was arrested, IBM discussion groups on the Net brought up the point over and over that when full employment was removed, so was the source of a great deal of loyalty to the company.

The two values had become intimately tied together. While no one condoned Moffat's behavior, there was also a strong sense of "what did you expect?"

Since my approach to changing the culture is strongly influenced by Ed Schein, I'll be drawing heavily on material from Ed Schein's work, in particular *The Corporate Culture Survival Guide*.

Let's start by recognizing that cultures are constantly changing and adapting. The process, however, is generally extremely slow and usually undirected. New lessons are learned over time and incorporated into different aspects of the culture. At the same time, old lessons may fall into disuse. They are not so much forgotten as become dormant, waiting for an appropriate trigger to activate them. It can take a very long time for a behavior to be completely lost to institutional memory; it's the reason for the behavior that is forgotten quickly. Remember our gorillas: the Taboo of the Bananas persists for generations after the original reason for the "taboo" is lost.

As members of the organization work their way up through the hierarchy to positions of power and leadership, they bring with them their own particular spin on organizational culture based on their own experiences. Generally this won't be too far from the mainstream. If they appear too "out of touch" with the culture, they will not be accepted or promoted.

Promote and Recruit Hybrids

This process of gradual change can become more intentional through a conscious effort to shape the culture on the part of the existing leadership. Recall our earlier discussion on subcultures. People who spend their careers in a particular subculture will partake of both the main organizational culture and the specific subculture. By promoting people from a subculture that represents the direction the leader wants to take the organization in, the organization will, in time, move in that direction. Schein refers to such people as "hybrids."

Sometimes people will leave an organization only to be eventually lured back. These are, again, people who have "grown up" in the company but

have also absorbed and become part of external organizational cultures. These external hybrids fit within the culture and also bring in new ideas and ways of approaching problems. Their background in the culture makes them acceptable to the people still there and also provides credibility for their new ideas. They are often recruited back when the original company realizes that it needs a fresh perspective and simultaneously the security of having an insider. It is, therefore, a very effective strategy to draw these external hybrids back.

Tell a New Story

A leader can also change the direction of a culture by gradually changing the stories. Stories always change and become embellished over time, and new stories are constantly being created. By taking an active role in this process, the leader or leaders can slowly shift the culture in a new direction.

Practice Management Jujitsu in the Face of

Inertia Sometimes, though, the culture needs to respond rapidly to a very real external threat that can destroy the organization. In this case, the leader needs to make radical changes very quickly. The danger lies in moving too quickly. Reacting without taking time to think or plan is a very bad idea unless you've developed a trained, practiced reaction to just the situation that you're now facing. Even after you've stopped to think about what you're doing and carefully considered and determined the correct course of action, you still have a limit to the speed of your reaction: the organization itself. Consider what happened in organizational change initiatives that you've experienced or observed. What events played out?

In physics, inertia is the property of an object in motion to remain in motion and an object at rest to remain at rest. Cultures have psychological inertia. Just as it is difficult to shift the course of a massive object, it is also difficult to shift the course of a large organization. Unfortunately, even a fairly small organization possesses a great deal of psychological inertia. Unlike physics, the way to shift psychological inertia is not through the application of pure force. When dealing with people, the more force you

use, the more suspicious they become. Fighting through resistance wastes both time and energy when neither is precisely abundant.

In the practice of the Japanese martial art of jujitsu, an attacker is dealt with by blending with his motion and then gently redirecting him into the nearest wall. One does not oppose, because opposition only prolongs the conflict. Rather, one joins the attacker where he or she is. By the same token, you do not try to force your employees to change. Unless your organization is tiny, you will spend far more time and energy fighting the same battles over and over again, possibly for years, than you will ever save. Instead, you need to join your employees where they are.

While we'll go into the processes and how-tos of these steps in more detail in subsequent chapters, there are a few key points to think about now:

- The first step is to perform what Schein refers to as "unfreezing" the situation. In other words, you must set the stage for what is to follow. Remember that people will cling to the existing culture because it makes them feel safe. Therefore, you need to do two things: first, highlight the dangers the organization faces. Lay out the situation. Be intense, but not panicky. Your goal is not to scare people, and if you come across as panicked, they will panic as well. Your goal is enable people to recognize the risks of the status quo. Your next step is to provide the solution: describe the desired results of the proposed changes, and then talk about how you'll get there. While you may not get everyone on board immediately, repeating the message frequently will enable you to start building critical mass.
- Once you gauge that you've built a receptive audience, you can start making changes. This step is very much like the slow approach in that you'll be promoting people into positions of power, changing stories and creating new ones, redefining existing symbols or eliminating them entirely, teaching people new skills and new ways of working, and so forth. The biggest difference is the speed: it'll be happening over the course of weeks or months, not years. In the event that you must eliminate some cherished company artifact or symbol, be that a slogan, a way of doing

business, traditional images, company policies, etc., it is best to symbolically mark the end of that artifact. Think of it as the moral equivalent of a wake. You are celebrating the success that the artifact brought to the company and the place it holds in people's hearts, but also saying good-bye to it as well. Finally, replace it with something else.

Part of moving quickly is making sure you don't have to circle back too often to pick up the stragglers or those who got lost along the way. That means make it easy for people to learn the new skills. Provide examples, coaching, and practice, and make it possible for them to experiment and make mistakes without fear of punishment. The more you move people as a cohort, the more they will reinforce each other as the training takes hold.

The key is to make the transition as easy as possible for your employees. In the long run, the easier it is for them, the easier it will be for you and the more effective it will be for the company. Focus on positive examples whenever possible. Constantly show people where they are going and, whenever possible, recruit those who are successful to help bring others along. Should there be those who cannot adjust, who simply cannot or will not adapt to the new world order, that's OK. If they leave, either voluntarily or because you are forced to fire them, you give them a generous severance and help them find a new job somewhere else. You are investing in goodwill and your next generation of potential hybrids. Just because they couldn't adapt today doesn't mean that they won't learn to adapt somewhere else and become a valuable ally or employee again in the future.

- Finally, once the changes are complete, you must refreeze the situation. Highlight the successes and make sure people know that you've arrived. Celebrate! Again, the goal is to make it easy for your employees to feel good about the new culture.

Remember, Culture Is a Habit

It's well known that there's nothing harder to do than to break a habit. Cultural behaviors are habitual behaviors, and cultural change is breaking old habits.

In sports, athletes deal with bad habits by creating good habits. They don't try to get rid of the old habit. Instead, they practice something new until it becomes stronger than the old habit. In cultural terms, that means finding an existing aspect of the culture that you can build upon and strengthen until it overwhelms the parts that are no longer adaptive. The more you can ground your changes in existing culture, the easier it will be to gain acceptance of them. You've transformed something new and frightening into something old and familiar. You still have to make it easy for people to practice the new ways of doing things, and you still need to make it easy for people to experiment and make mistakes, but you've created a sense of security from the start.

PUTTING CULTURE IN PERSPECTIVE

Culture is the biggest, most powerful, and least understood piece of organizational development. It is often ignored or minimized even as it influences every decision the organization makes. As you read through the rest of this book, consider how the various pieces fit into the culture of your organization. Whenever you find yourself thinking, "That'll never work!" ask yourself, "Why not? What would stop it?" You may have just tripped over a cultural iceberg waiting to sink your company.