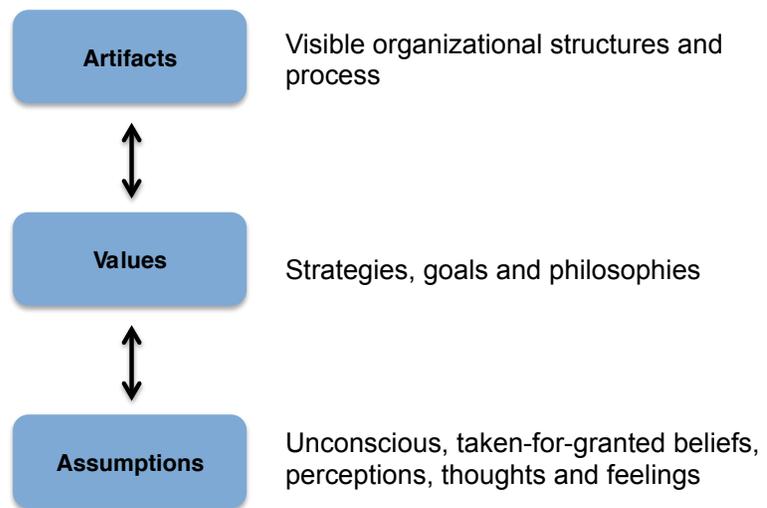# Organizational Culture and Change Management

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The field of organizational change is dense with models, each with different categorizations and varying emphasis on a set of common steps. While the general steps in managing change are well understood, studies by McKinsey and IBM show a poor, 40% or lower, success rate for change initiatives. Why do so many change efforts fail? A clear reason is that change leaders often underestimate the scale and impact of their initiatives and deemphasize critical steps such as setting clear goals, securing leadership alignment and engaging employees. A less obvious and equally important reason is the inadequate attention placed on enabling the cultural shifts necessary for adoption of new practices.

The adoption of any change is heavily influenced by how compatible it is with the existing culture. We could go so far as to say that culture regulates what structures and practices are acceptable, or even permissible in the organization. Enabling change therefore is largely dependent on establishing the appropriate context. That is, shifting the culture enough to make any proposed changes compatible with it.

To achieve a shift in culture we must work with its mechanisms for construction and maintenance. While variations exist, Edgar Schein's commonly referenced culture framework, characterizes culture into three layers, with successive levels of depth becoming less tangible, and more difficult to assess, understand and work with. For real shifts in culture to occur however, we must focus on changing basic assumptions, which is the most transparent level and what frames how we interpret all that occurs in our organizations. To do this we need to look deeper still into how culture comes into existence.

Artifacts — Visible organizational structures and process

Values — Strategies, goals and philosophies

Assumptions — Unconscious, taken-for-granted beliefs, perceptions, thoughts and feelings

Edgar Schein – Model of Organizational Culture

Culture is a social construction. That is, culture doesn't exist as an entity on its own without humans keeping it alive through our interactions. Cliff Geertz eloquently captures this in the following statement,

> "man is an animal suspended in webs of significance he himself has spun, I take culture to be those webs"

The building blocks for constructing culture are symbols and its mechanism is symbolic interaction. While symbols encompass a range of tangible structures and practices (e.g. space, branding, reward systems, rituals…), language is by far the most important. As Berger and Luckman state:
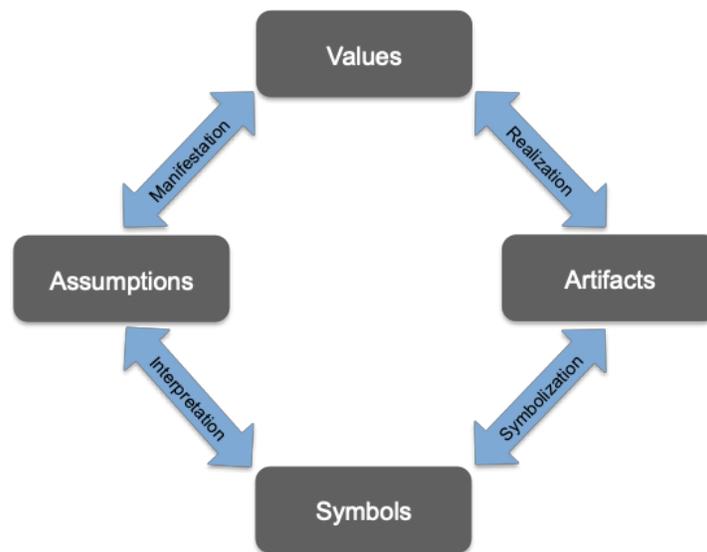
> "Everyday life is, above all, life with and by means of the language I share with my fellowmen... Language is capable of becoming the objective repository of vast accumulations of meaning and experience, which it can then preserve in time and transmit to following generations…"

Language, in the form of metaphors and narratives profoundly impact how we understand what occurs in our organizations. We use historical narratives to interpret new and existing structures and practices, thereby further reinforcing the basic assumptions at the root of our organization's culture.

Influencing interpretation through intentional use of language is also the key to shifting culture. Changing a culture becomes possible when we reframe, recast or broaden the organization's existing narrative in ways that allow more compatibility with proposed changes. Meaning we take the organization's current understanding of itself and reshape it in a way that brings it more in line with the changes being proposed.

Popular approaches to culture change focus on the tangible aspect of culture, namely its rituals, habits and processes. While critical, surface changes are unlikely to achieve intended objectives without commensurate shifts at deeper levels. Similarly, shaping a narrative for change becomes nothing more than an ineffective spin campaign if change leaders do not first gain a real understanding of the narratives that provide context for everyday action.

Mary Jo Hatch – Dynamics of Organizational Culture

Leading change therefore requires establishing a cultural context that enables adoption of new practices. This is done by first gaining a rich understanding of the narratives at work in the organization through high levels of employee engagement. With this insight, change leaders can help reshape their organization's narratives to reflect and build on the culture, thereby providing a true opportunity for adopting new work practices.