

# Culture Change... A Soft Issue?

By Mark Samuel

The biggest mistake made by organizations as they restructure is thinking that by restructuring they will create a new organizational culture. This is especially true when organizations move from a functional organization to a business unit structure. Some will support this illusion of a new culture by providing the people affected by the change with awareness and skill-building training. Sometimes, the processes involved in the change will give the appearance of a new culture, but this hardly the case.

What is the culture?

Some might say that the culture is simply represented by the values or attitudes of the people in the organization. However, culture represents something much more tangible and impacting on the performance of the organization. Without getting boxed in by a formal definition, the organization's culture describes how the organization functions to achieve its objectives. This includes how decisions are made and the flow of communications. It includes what gets communicated and how fast, and the effectiveness of cross-functional relationships between departments and levels within the organization.

Ultimately, the organization's culture determines how quickly people respond to change, share resources to maximize output and minimize costs, and how quickly improvements can be implemented to make the organization more competitive.

Culture is not a soft issue; it's the foundation for measuring operational effectiveness in a way that relates to operating costs and quality of performance. Your organization's culture will not assist you in developing a new market or make sure that your funds are invested properly. It will assure, if managed well, that you are maximizing the utilization of your resources and performing effectively and efficiently, given the values and business goals of your organization.

When asked to assess the culture of an organization, we assess the barriers that have arisen over time preventing efficient and quality output. One key factor we assess is the organization's ability to surface a problem and resolve it effectively and quickly, using the appropriate people so that new problems aren't created from the new solution.

How strong and healthy is your organization? Is it becoming frail by the way it responds to problems, reacts to change or misses improvement opportunities? Is your organization's culture plagued by fear, negativity and destructive competition, which would destroy any top athletic performer or team? These are the questions that true culture assessment and change can address. Ultimately the organization's culture represents the overall health and potential of the organization. The role of leadership in the future is to manage and lead the development of the culture to optimize its strength as the needs of organization change.