Dawson Consulting Group

Culture as a Competitive Advantage

OVERVIEW

Culture is a key ingredient in your ability to become and remain competitive. It is a fundamental capability required for successful execution of your business strategy.   There are many successful cultures, but current research tells us that:

- Clearly defined cultures based on strongly-held values are more effective than those less well articulated.
- Not all cultures fit well with every business strategy. Some strategies require very specific kinds of culture to be effectively executed.
- No one 'changes the culture', but a culture may evolve in certain directions over time and be maintained, with strong leadership in possession of the right tools and methods.

The culture of your company is that consistent pattern of beliefs, attitudes and behaviors shared by members of the organization. Like the 'air that we breathe' culture is largely invisible to members of the organization, while powerfully shaping all decisions, attitudes, and actions.   Some elements of your culture are set into the fabric of your company's industry and history: these may be difficult to change. Other elements of your culture – how agile and responsive you are, what you reward or punish, how disciplined you are, just to name a few of the myriad other elements – are indeed amenable to change.

Effective and conscientious executive leaders should be asking themselves these questions:

- Given our forward vision, and the business strategy that will take us there, what kind of culture do we need to successfully execute that strategy?
- What kind of culture do we have today? And how big are the gaps between the current 'as is' and the required 'to be'?
- In light of answers to these questions, how big a change must be undertaken? How deep is my own and my team's commitment to leading and modeling that change from the top?

Why focus on culture?
- You have overhauled or refreshed your business strategy – how well does the existing culture support and align this new strategy?
- The leadership of the company has changed - new values and direction from the top are needed.
- Changes in ownership, merger or acquisition draw attention to fragmented cultures that need to be integrated and unified.
- Internal employee attitudes or evidence from external competitors draw attention to a culture that is out of alignment or unsuccessful as a medium for executing the business strategy.

APPROACH AND FRAMEWORK

Like visiting an exotic foreign land, a company's cultural characteristics are dramatically visible to the new arrival. There are two challenges that make changing organizational culture exceptionally difficult: First, you have to recognize what elements of the culture need to change. Second, having done that, you must change the way people think, believe, and finally, act.   There are many organizational transformation activities that can be successfully accomplished from inside the company – recognizing and then changing your culture is one of the few activities that require external perspective and expertise.

METHOD

Like all travel from a starting point to a destination, culture change begins with an assessment and roadmap to guide the way. There are many motives for shifting a culture, successful efforts invariably have three essential elements:

1. A **destination vision** with accompanying roadmap detailing the journey.

2. Executive leadership fully committed to **consistent modeling** of new behaviors and open to course corrections when the talk fails to line up with the walk.

3. A fully functioning **human resources capability**. After the destination vision and leadership examples, the primary levers of culture change are all human resources processes: performance management, competency-based leadership development and training, and well-tuned reward systems.

Destination Roadmap

Consistent Leadership Example

Human Resource Levers
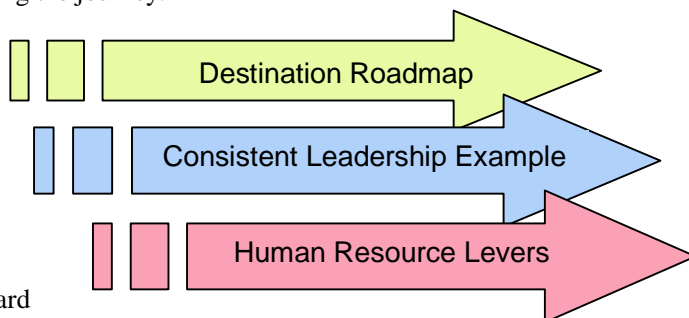
EXPECTED OUTCOMES AND RESULTS

Our research-based, online culture assessment tools allow us to establish the baseline against which you can measure progress and make necessary course corrections. Where you are missing fundamental building blocks, Dawson Consulting Group will help you quickly develop.

NEXT STEPS

1. Check the pulse of your culture with our *High Performance Culture Assessment Tool*.
2. Complete a *Human Capital Capabilities Audit*.
3. Ask your leadership team and board whether you have the right culture to successfully execute your business strategy.