Shaping Organizational Culture

Terms:

CSR Now! [1]

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According to a 2015 study [2] released by Duke University and Columbia University, the majority of 1,800 CEOs and CFOs interviewed from around the world indicated that culture is critical to determining whether an organization will thrive and succeed in meeting its goals. However, only 15 percent of those interviewed said that their company’s culture was where it needed to be, and 92 percent believed that improving their organizational culture would increase the company’s value.

Grantmakers for Effective Organizations (GEO) recently released a booklet [3] called “Shaping Culture -- Through Key Moments,” which posits that “successful grantmaking requires more than a great strategy and execution plan; it also requires an intentional focus on culture.” GEO defines culture as “the collective behaviors and underlying assumptions of an organization,” which can include artifacts (the tangible manifestations of culture like your building or offices, your website and other publications), beliefs and values (how you aspire to do your work) and basic underlying assumptions (your operating principles).

While directed toward foundation leaders as its audience, “Shaping Culture” is relevant to corporate social responsibility professionals as well. Some key learnings in the report:

- **Culture is cultivated by everyone.** Everyone in the organization needs to understand how his or her role and behaviors either reinforce or contradict the culture that the organization is trying to create.

- **Culture change is not for the faint of heart.** Culture is about beliefs, values and assumptions that drive individual and collective behavior so intentionally trying to change it can be difficult because so much of it may be beyond our conscious awareness.

- **There’s no right culture, but there are core attributes for supporting success.** These can include strong internal and external communications, explicit organizational values, and reinforcing behaviors such as trust, inclusion, learning, humility and collaboration.

- **Organizational culture is not created in a vacuum, and it doesn’t stay within walls.** Organizational culture is transmitted in every interaction and communication, and is influenced by such things as changing technology, demographics and economic trends.

- **The trappings of power and privilege are often expressed in culture.** Organizational culture and practices can unintentionally reinforce power imbalances. Paying attention to culture means being attuned to systemic disparities and how the organization may be perpetuating them.

- **We navigate multiple cultures in organizations.** Individuals tend to cluster in groups, so it’s important to take a deeper look at how these smaller cultures (i.e., subcultures) work and the ways that they contribute to organizational effectiveness.

- **Culture is always evolving, but some moments present unique opportunities for an in-depth focus on culture.** Times of organizational change (e.g., leadership transitions or strategic planning) are opportunities to pay special attention to culture and how to align it with the organization’s values, vision and goals.

Specifically about foundations and grantmaking, the report quotes Center for Effective Philanthropy research that shows:

- When foundation staff report high levels of empowerment, grantees perceive greater clarity and consistency from that foundation.

- Foundations whose staff report deep understanding of the fields and communities in which they work tend to have grantees who perceive the foundation to have more impact on their fields and communities.

- When foundation staff strongly believe that their organization learns from past performance, their grantees tend to feel more positive about the quality of their relationships with the foundation and its staff.

The report concludes by asserting that “culture change starts with the simple act of naming culture as a priority. It is something that matters, and it has real impact on the ability of our organizations and our grantees to get better results.”

At American Express, the CSR staff strives to operate in a manner that is consistent with our American Express “Blue Box” values – which include Good Citizenship, Integrity, Teamwork and Respect for the Individual – while also promoting and embracing Diversity & Inclusion, Transparency, Sustainability, and Partnership & Collaboration as important drivers of our corporate and philanthropic work.

If you have a question or comment, please follow me on Twitter at @timmcclimon [4] and start a conversation there. Thanks for reading and sharing this blog posting with friends and colleagues.