



## **ORGANIZATIONAL CULTURAL STRATEGIC TRANSFORMATION INFORMATION “B”:**

*What has the Barrett Values Centre (BVC) discovered about values as a diagnostic tool?*

The context for a BVC cultural assessment is to indicate the relative health or weakness of an organization. It is about culture and for many it is an amorphous topic. Even as the importance of culture has risen on the agenda of Board of Directors, executive teams and management, tangible measures of the culture remain a struggle in the minds of many leaders.

There is an agreement among many leaders that culture is important. However, many admit that they don't know how to accurately measure their culture and how to make the most of this central asset to their organization.

The Barrett Value Centre agrees and has identified that the cultural puzzle piece, which is missing is measurement.

This measurement includes a deeper understanding of what motivates people, an objective diagnosis of what is and isn't working, a clear impactful path forward, and most importantly how to support leaders in recognizing their true cultural impact in the community.

This requires leaders having tangible data to gain clarity and consensus about what differentiates your organization from others, what attracts people to your organization, and most importantly that you can put your culture into action to enhance your uniqueness in the community.

The question being asked is how are we doing on culture and what kind of measure can we identify in order to be as clear as possible?

Measuring culture allows leaders to “manage it”. The right **leading indicators** remove the guesswork in forging a targeted path towards creating a strong sustainable culture.

In clearly measuring the culture’s current and optimal states, leaders can work more effectively to create the one needed to support the organization strategy to fulfill its purpose.

In 1997, the Barrett Value Center created a methodology and framework to measure a culture using three simple questions that reveal a plethora of meaningful perspectives on the culture of any organization.

In its 23 years of experience, it has collaborated with its trained consultants ( I am one) to assess over 6,000 organizations, in 94 countries, in 68 languages and across many different types of organizations from profit to nonprofit.

More and more organizations care about their culture. Through this process they have developed the **discipline of identifying**

**and discerning its drivers** within their organizational ecosystem.

Over the years there has been much confusion about what to measure. It is important to know that culture is not the **WHY**, which is the purpose for the vision. It is also not the **WHAT**, which is the strategy, mission and/or goals.

### **Culture is the HOW!**

Culture is the organizational-wide construct based on shared values, beliefs, norms and assumptions that shape “good or bad” behaviour within the organization

### **What do you we know about culture?**

- It is important to understand the current dynamics of an organizations culture, the good, bad and possibly ugly;
- There are positive elements of any culture worth keeping and aspects that may not be serving the organization at all;

### **CORE VALUES:**

- Core values are the words that describe who the organization is and what it collectively stands for. They connect people energetically to each other and to the organization, providing a sense of pride and purpose.
- Core values aren't just “nice to haves” as they offer real and tangible organizational impacts in their community;
- Research shows that organizations that fully live their stated values have higher productivity and impact, and

more easily attract those who would like to work or support the organization;

- There is often a considerable difference between the core values which are affixed to the wall, and the values which are **actually experienced** by employees in the organization;
- BVC researched 631 organizations, from 36 industrial areas, and from 54 countries and found not a single espoused core value was recognized by **employees in 28%** of the organization surveyed. This indicated that these organizations are missing out on the positive benefit, deeply embedded core values which have a direct bearing on the organizational staff and membership in the community;
- It was also found that **only 3%** of organizations have a complete set of espoused core values fully present in their current culture;

### **ORGANIZATIONAL LEADERSHIP:**

- Value's alignment for leadership is an essential part of cultural measurement;
- IN BVC's research over 20 years, they identified that often undermining cultural entropy is organizational leadership;
- It is expressed through potentially limiting values or negative behaviors such as avoiding conflict, being manipulative or micromanaging or even being disassociated and disengaged from their most important responsibilities;

- We know that when leaders are fully aware of how people experience them and how this level of awareness aligns with their own view of themselves, they are better able to accelerate their most powerful contributions to the organization's success;
- Employees learn what is acceptable and not acceptable by observing the behaviors of those around them; your culture can easily become a reflection of the worst tolerated behaviors, especially when those behaviors are exhibited at the **very top of the organization**;
- BVC conducted a study of 44 organizations with a total of 10,000 respondents and found that when the cultural entropy in organization **is low**, leaders' and employees' have experiences within the culture **that are similar**;
- They also found the greater the degree of dysfunction in the organization, the more disparate their perceptions become, and that leaders **are more likely to be out of touch** (their blind spots) with the rest of their organization's workforce;

### **CULTURAL ENTROPY:**

- The most **powerful metric** for diagnosing the current state of the culture is to measure the degree of dysfunction in the system which is called "cultural entropy";
- Healthy cultures have low cultural entropy; in the Barrett Model, this score is based on the number of negative behaviors;

## **CURRENT TO FUTURE CULTURE PERSPECTIVES:**

- Meaningful culture measurement is not just measuring where your culture is now, but is aware that it needs to be moving forward;
- The connection between what employees currently experience within the culture, and what they believe is the best for their organization, is the insight they will provide to establish the future direction needed. Within the Barrett Model this direction setting for the organizational culture is strongly connected to the wisdom of the collective;

## **ALIGNMENT:**

- There is alignment required between the current and desired cultures; this highlight how much employees and/or communities believe their organization is on the right track or not;
- While both cultural entropy and this degree of alignment between current and desired cultures are both telling metrics on their own, they also have a strong inverse relationship;
- Organizations with high cultural entropy are **6 times less** likely to be viewed by employees or communities as being on track as compared to organizations with low levels;
- Focusing on 3,220 cultural assessments, the BVC found that organizations with **6 or more** matching values between current and desired cultures have an average complementary score of 13%;

- Those with only **0 to 1 match** have an average cultural entropy of 33%; this 33% is tantamount to the idea of a third not showing up for work on a daily basis!

### **FOCUS ON EMPLOYEES:**

- Many cultural measurement approaches focus on employees having to focus only on the organizational core values; however, we know that employees have their own values that they cherish when they walk through the doors of the workplace;
- It is well-known that employee engagement and organizational culture are strongly related but are not the same thing; employee **engagement** relays how much **personal energy an individual** is willing to invest in their work in this organization and their **degree of commitment felt** towards the organization;
- The relationship between the employee's personal values in the current culture **influences the degree** to which they're able to bring their full selves to work; the greater this relationship, the more connected they feel to the organization;
- The **congruence** between personal and organizational values has been shown to impact employee commitment, satisfaction, and motivation; this interconnection is an important step in building a healthy culture, both individually and collectively;
- When we compare personal and current values alignment with employee engagement in more than 450

organizations, with 120,000 responses, BVC found that organizations that have high alignment also have high engagement and vice versa; **organizations which value** this will **foster added degrees** of employee engagement;

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*Martin Itzkow, FRSA is an executive neurobiological coach, and a certified Barrett consultant with a vision to help organizations capture their strategic challenges and the opportunities, which leads to many organizational change processes. Ultimately, the focus of a cultural assessment is for the organization and its employees to seek to be aligned, moving forward together and answering the question of what is working well now, and what will be better in the future for all as a strategic alignment of past, current and future?*

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