



The Hidden Life of Organizations: Where the Action Is

VERITAS

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Organizational Culture and the Secret Life

Culture influences everything we do and think within the organization.

Culture extends out to the farthest reaches of the organization surmounting geographic and social barriers, and it is amazingly resistant to change.

*Culture is the social container in which everything in an organization takes place. **Ignore it at your own risk!***



The Life of Organizations

Today we'll focus on...

- Understanding culture
 - Visible life
 - Secret life
- Figuring out/assessing the secret life
- Cultures in conflict
- Transforming the secret life



Why is there culture and how did it evolve?

Culture happens!

- To maintain order and the status quo;
to contain the sum of organizational experience.
- To transmit knowledge
- To contain group anxiety



What makes up culture: **visible life.**

- Tangible artifacts: everything we can see, touch, hear, taste, smell
- Expressed rules of the Game: espoused norms, standards and values
- Conscious/ expressed behavior, language, customs, traditions, shared assumptions
- Mission and vision statements

To write down, frame, and publish your corporate values is all about self-deceit and ego. It is almost certainly bullshit.

Barry Gibbons former CEO and Chairman of Burger king.



What makes up culture: **visible life.** *(cont)*

- Expressed metaphors and symbols
- Organizational knowledge, stories and expressed history
- Sanctioned channels and content of communication
- Formal performance plans and measures, rewards and punishment
- Formal distribution of power and expressed leadership norms



The secret life.

A company's culture is often buried so deeply inside rituals, assumptions, attitudes and values that it becomes transparent to an organization's members only when ... it changes.

Rob Goffee



What makes up culture: **secret life**.

- Unexpressed rules of the Game: actual norms, standards and values
- Shared unexpressed basic assumptions, meanings, and metaphors and symbols
- Latent knowledge, unofficial stories/history
- Communication: unsanctioned channels /content including **gossip**, **un-discussables**, and social media



What makes up culture: **secret life.** (cont)

- *De facto* rewards and punishment
- How we actually think, solve problems, handle conflict, and make decisions
- Creativity
- Climate and practice of leadership; distribution of power
- What really motivates and de-motivates *
- Hidden individual and group dynamics *



What really motivates.

- Fairness

- Trust

- Creativity

- Personal responsibility

- Meaning



Hidden individual and group dynamics.

- Leadership
- Groupthink and the like: mega-cultures
- Un-discussables
- Organizational learning
 - Can only take place in the space of no-blame
 - Requires critical and double-loop thinking



Mission Critical

- **Mission critical** elements of any organization or those elements that if removed or changed would change the nature of the organization..
- Before initiating change you must understand what is **mission critical** to the organization.



Figuring Out the Secret Life

- Realize/acknowledge that **you don't know** what's going on
- Decide what it is you want to know and why
- Choose a methodology that fits what you're trying to learn.
 - Off-the-shelf vs. custom assessments
- Sleuth out the situation
 - observables
 - analysis: building the plot

Exercise: Hermes Insurance

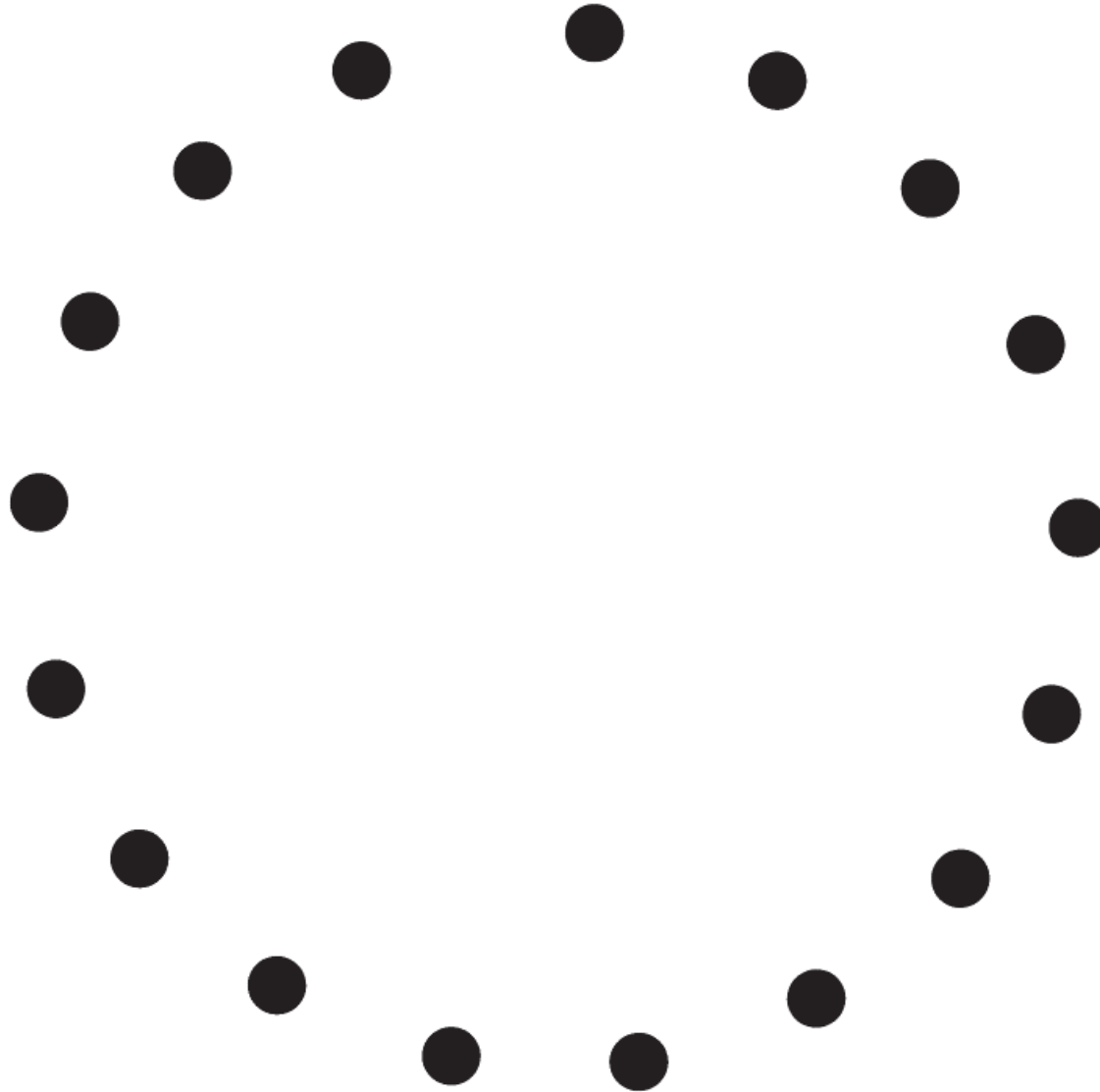


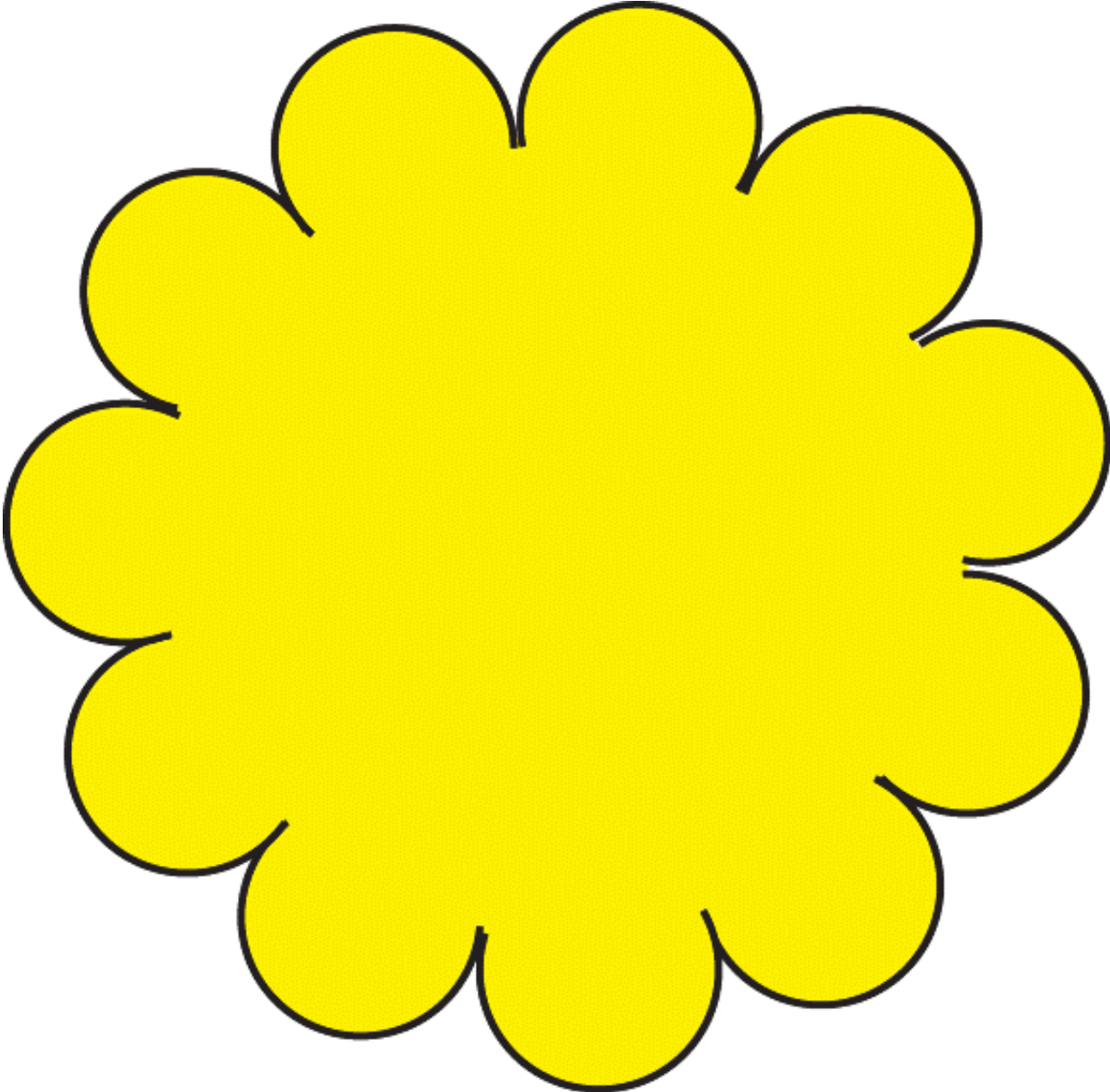
Crash of the Titans: cultures in conflict.

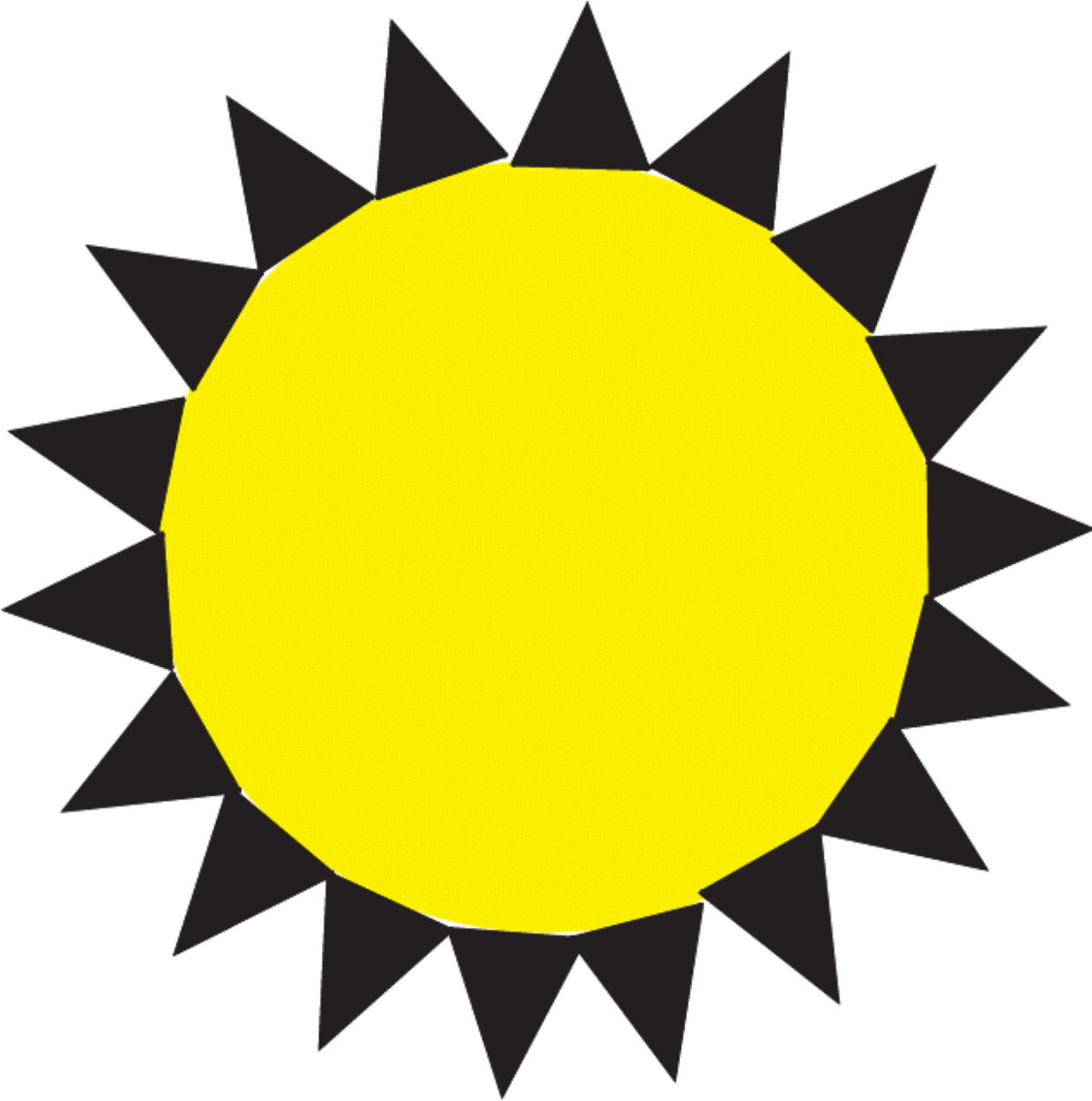
- M&A
- Culture change
- Reorganization/large scale change

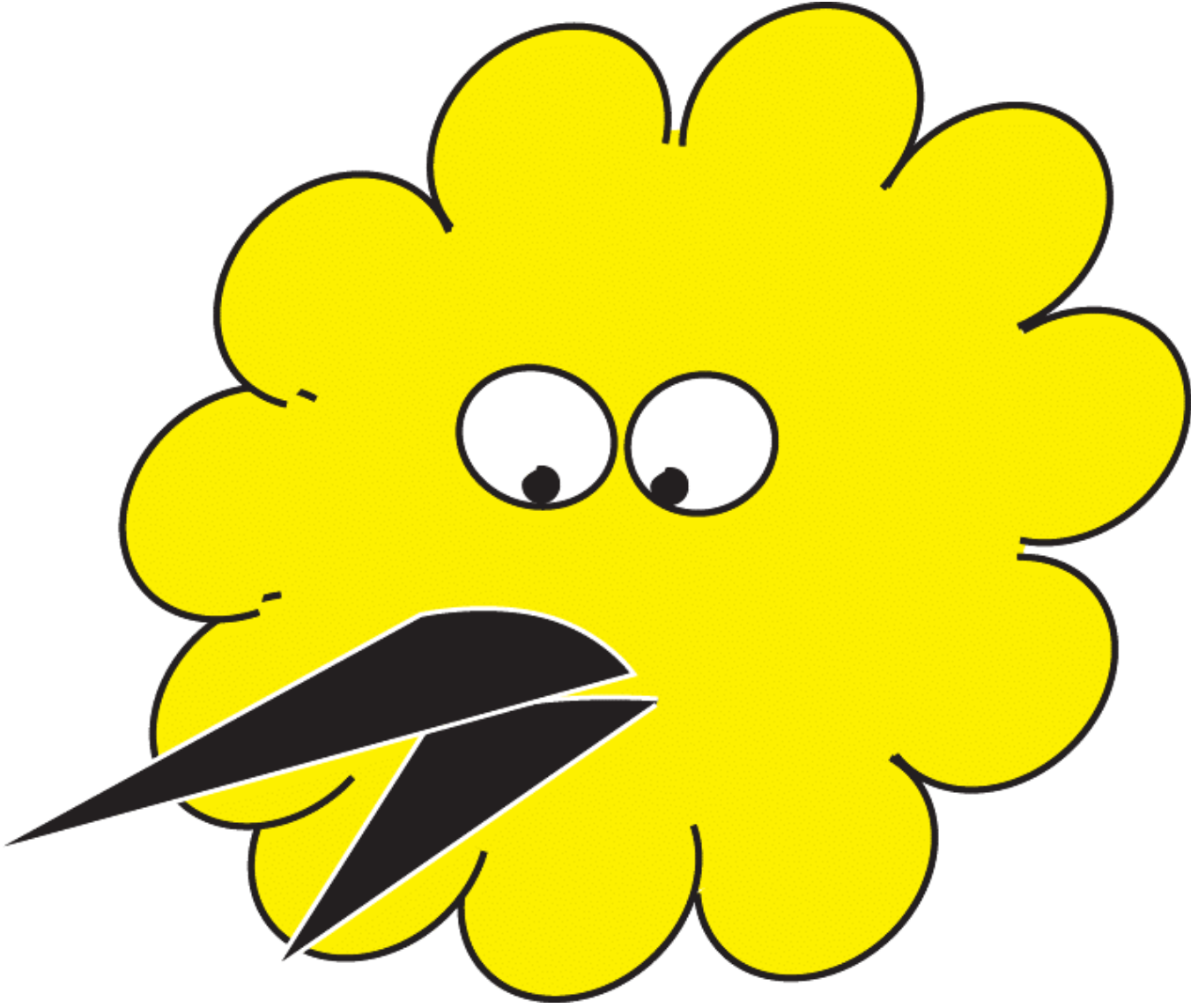
NEWS FLASH:

People DO NOT fear of change or unknown











Changing organizations by transforming the secret life.

- If you want to create permanent change you need to **transform the culture to support it.**
- Culture transformation can be **intentional** or **unintentional**.



Changing organizations by transforming the secret life.

Intentional culture transformation

- driven by organizational vision and mission
- focuses on desired outcomes
- tends to yield the intended outcomes (vision exercise)

Unintentional culture changes

- are reactive and always late
- have unpredictable and negative effects on the organization

Exercise: Lorenzo and Spiegel



The work of transforming the secret life.

- Clearly define where you are now
 - Figure out the culture
 - Uncover the secret life
- Define what is **mission critical** to who you are
- For each change that you want to introduce, ask
 - What cultural “habits” are needed to support them?
 - What cultural “habits” need to change?
 - What are the behaviors associated with these “habits” and how can we minimize them?
 - How can we strengthen the behaviors we want or change those we don’t?



The work of transforming the secret life.

- Define a strategy for the entire change including how to overcome obstacles and reinforce allies
- Design a strategy to engage people
 - Communication: up and down
 - Find out what people need
 - Find out what really motivates them
- Be consistent in upholding changes



In any culture, subculture, or family in which belief is valued above thought, and self-surrender is valued above self-expression, and conformity is valued above integrity, those who preserve their self-esteem are likely to be heroic exceptions.

Nathaniel Brandon



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Questions/Comments/Feedback

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Additional Information

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