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From The Work-Life Clearinghouse

Culture change

Turning a culture around is “not a journey for the faint of heart,” says one who’s in the process, but more and more organizations are attempting it, finding ways to measure their efforts and loving the outcome.

Defining a culture in measurable ways

For years we’ve known that it barely matters what you offer to help people handle their lives if the organizational culture says don’t use it. But what is a culture, really, and how does it get changed? We put out a request this month for those with experience in the matter, and ended up with a dozen people who were happy to share their culture change progress. We asked them to describe their ideal culture, and got back some delightful fantasies (“employees will come to work with a spring in their step,” “staff will all be entrepreneurs,” “everyone will treat each other with respect.”) But we were surprised at how many have defined their vision in ways that can be measured, have actually created step-by-step, highly replicable, business-like plans to make change happen, and will know if and when their goals are reached.

Four values express their vision

“In 1997,” says **JFK Medical Center** VP Beth Brill, “we had programs. Now we have a culture.” The transformation was born in a Board meeting, when a trustee’s call for a strategic people plan “really gave us permission,” says Brill, “to move from programs to this is who we are.” Their plan focused on customer service, but defined “customer” to include not only patients but employees, physicians and communities. They chose four values to express their visionary culture – results, respect, responsiveness and caring – and began to communicate them to staff every way they could think of, including printing them on the wrappers of Valentine’s Day candy and on employees’ birthday cards. Employees signed a pledge with a dozen reminders on it about ways to

express the four values in real time. Now all managers and potential managers are trained in the use of flexible work arrangements. JFK uses both carrots and sticks to encourage managers, and employee satisfaction and turnover are weighted heavily on their performance evaluations, along with patient satisfaction. The result has been a steady increase in satisfaction reported by employees, patients and physicians, a place on several “Best Company” lists, and national recognition in the field for offering high quality care while improving financial performance.

“We won’t accept less than supportive”

“Health care is late to the party,” says Brill. That may be, but no sector is working harder on it now. Three of our volunteer interviewees were from hospitals, where culture has an immediate and powerful impact on customers, since they breathe the same air as staff. For **Bronson Healthcare Group** in Kalamazoo, the impetus for change was an exciting new hospital. “Our vision was a healing environment so unique,” says HR VP Susan Ulshafer, “that it would be like nothing anyone had ever seen, more like a hotel than a hospital.” They accomplished that goal and felt compelled to change their culture to match. Like JFK, they focused on service, and began to “change everything.”

New staff is now hired for service and emotional competencies as well as skills and licensure. “Significant” resources, time and energy has gone into developing and training leaders to be acknowledging and supportive. One assignment after each training is to write thank-you notes to staff, and it’s been contagious; employees now thank colleagues in writing for picking up a shift or helping out with a difficult patient. The entire staff is aware of patient satisfaction targets and is rewarded when they’re reached. There’s more fun in the culture, and more monetary rewards. Turnover is way down, employee satisfaction up “dramatically,” and surveys show employees are now highly supportive of one another. “We won’t accept less,” says Ulshafer. “They can’t give our customers the best care if they’re all tied up in finger pointing.”

Each office has a culture of its own

KPMG LLP has been working on culture change since 1999, says Barbara Wankoff. The challenge is unique; each of the firm's 94 U.S. offices has a culture of its own. But chairman Gene O'Kelly has made becoming an employer of choice a top priority, and that support, says Wankoff, "is one of the most important things we have going for us." There's both a firm-wide strategy and local efforts; 33 local action councils have been created, and in every office either the council or managing partner looks at their own issues, develops their own initiatives and their own metrics. But the mandate is clear, goals are turned in to headquarters and progress is managed with monthly national phone calls. Local leadership will be held accountable for insuring that everyone takes the personal time they have coming, and (still in the planning stage) for an increase in the use of flex options. "We estimate it will be three to five years before we see a major impact," says Wankoff, "but we're definitely making progress."

Moving from programs to center stage

Two of our interviewees were academic institutions, where, like health care, work-life interest seems to have surged in the past two years. At the **University of Texas Health Sciences Center at Houston**, a massive reorganization "gave us a chance to move work-life from programs to center stage," says Sam Hester, and a very supportive COO gave the culture change effort a jump start. Their focus has been on leadership development; 800 administrators have been trained in how to handle change. "Most came kicking and screaming," says Hester, "but 88% rated the training good or excellent, and it's made a big difference, helping them be more flexible, empathetic, open, communicative. Whether or not you grow here is now tied to how well you treat employees." Climate surveys measure progress twice yearly. "Out of unfortunate situations," says Hester, "good things can happen."

The **University of Iowa** recently moved work-life into organizational effectiveness and is doing a superb job of evaluating results. "Everything we do," says OE director Laura Reed, "has its own built-in evaluative component – everything we implement has a measure, even flexible work arrangements, with a link back to its impact on our mission. Did your participation in this program result in your feeling more committed? Did it leave you feeling that this is a workplace of choice? Each set of questions differs depending on the initiative." Reed's staff stands ready to help managers with work redesign efforts, flexibility or conflict resolution,

and the number of consult requests have soared since the focus on culture change. To combat resistance they make sure everyone's needs are considered before implementing a program, and showcase internal best practices. "I can't say we started out with a lot of support," says Reed. "But our circle of influence has grown over the years. We're here to stay."

Explaining the link to loyalty, one by one

Seven years ago **BlueCross BlueShield of Massachusetts** was losing members and struggling financially. "We had a siloed kind of organization," says Teresa Ireton, "with everyone off doing their own thing." The company transformed itself with a "huge" commitment to putting customers first; 18 months later, surveys showed they had reached world class service levels. Last year a new HR chief, a firm believer in the profit chain model (satisfied employees = satisfied customers = profit = growth) called for a people strategy and "we spent the better part of 2003 developing it," says Ireton. They ended up with five "buckets" – values, culture and community, work-life balance, communication and engagement, total rewards, and talent/performance management – and began a campaign to meet face-to-face with everyone, from board members on down. "Discovery center" stations were set up and "tour guides" helped associates move from table to table while HR staff did short presentations about the importance of each factor in attaining employee loyalty. "We got fabulous feedback," says Ireton. "People began to engage around values, and the culture began to change." How are they to one another now? "Like a small family," she says. "People are ready to help each other. This is the sum of all culture change."

"You know what morale is? It's you"

"If employees are really stressed," says **Motorola's** Nancy Lesch, "it doesn't matter what you change." She leads her company's wellness effort, and is working hard on teaching resilience, helping employees minimize stressors so they can get their power back. "When someone comes to me and says morale is bad, I want to say to them, 'You know what morale is? It's you. If you're just reporting what's bad, you're not making a difference.'" And, says Bronson's Ulshafer, "you have to be willing to say 'do we have the right people in the right places?' If not, you have to be ready to help them find opportunities elsewhere. They're not bad people, just not a fit with culture change. Every time we hit a target," she adds, "we raise the bar, and employees catch the spirit. They want to work for a winner."