

Leading Cultural Change

In today's intricate and interconnected world, cross-boundary collaboration is becoming an essential element for success. However, most organisations find collaborative work to be challenging and not a natural process. Achieving genuine collaboration requires a shift in mindset and behavioural changes.

Traditional change management techniques have proven insufficient to transform the way we work. A cultural transformation process that incorporates leadership strategy and business strategy is necessary. Changing culture involves altering mindsets and promoting interdependent leadership.

We propose a culture change approach for organisations that is founded on five principles, four phases, and three types of leadership culture. The ultimate goal is to cultivate an interdependent leadership culture. Let's examine each of these components in detail.

Leading or managing organisational culture change?

5 Principles to Know

Transforming your organisation isn't simple, fast, or easy. But based on our experience, here's what we know about leading or managing culture change at an organisation.

- 1. Transforming organisational culture** is a guided learning process, and cannot be achieved solely through management. Change leadership is necessary to guide people towards a learning experience that includes truth-telling, admitting mistakes, and sharing emotions. To succeed in culture change, capable leaders are required.
- 2. Executives must lead by example** and actively engage in the transformation process. They should model the new behaviours and engage key leaders in the change process.
- 3. Vertical capability development is necessary** to deal with the increased complexity across organisational boundaries and market systems. Moving towards an interdependent leadership culture requires a vertical development framework.
- 4. Leadership culture changes by advancing beliefs and practices simultaneously**, as the best beliefs drive the best practices and vice versa. These beliefs and practices should be mutually reinforcing.
- 5. Managing culture change is a learn-as-you-go process** that should be embedded in the work of the organisation. Leaders should learn new beliefs and test new ways of working together. Culture development is equally important as technical systems and processes, and should not be treated as a separate "training exercise."

By following these five principles, organisations can create a culture capable of learning, changing, and succeeding together, interdependently. We have observed executives, leadership teams, and entire organisations "grow bigger minds" and achieve success through this approach.

Managing Culture Change: 4 Phases

Our approach to leading and managing organisational culture change is centered on cultivating a growth mindset and promoting innovative collective action amidst complexity. We use four overarching, interconnected phases based on the five principles mentioned earlier:

- 1. Discovery:** Evaluating the willingness to change. This is a mutual learning phase between our organisational leadership experts and our clients. We begin by assessing the current level of leadership culture and looking at the business strategy's required capability.
- 2. Readiness:** Developing an understanding of the implications of integrating a new culture into the organisation's work. It requires a commitment to participate in public learning, which can be facilitated by partnering with our expert in senior leadership team development.
- 3. Planning:** Framing the change process. This involves determining how interdependent leadership plays out in business and leadership strategies, learning processes, and organisational work targets. It requires senior leaders' understanding of the change process and engagement of other leaders.
- 4. Playing:** Building capability. This involves spreading the new culture into the broader organisation by teaching, practicing, and requiring the same beliefs and practices that moved the leadership culture at the top.

These four phases require senior leaders to engage and participate actively in the learning and change process. It involves a culture change process that considers people as complex beings with minds, imaginations, and beliefs, not merely things to be managed.

While this approach may not be suitable for everyone, fully engaged and aligned senior leadership teams can develop towards a critical mass for enterprise-wide change, leading to a learning process that creates trust, ownership, and increasing forms of interdependence throughout the organisation.

Our goal is eventually to involve everyone in the organisation in a learning process that creates trust, ownership, and increasing forms of interdependence.

Interdependent Leadership Culture

As organisations evolve, their leadership cultures also undergo transformation. There are three types of leadership cultures: dependent, independent, and interdependent. Each has distinct characteristics and values.

- 1. Dependent:** This is a leadership culture or mindset that emphasises conformity and tradition. In a dependent leadership culture, individuals follow established rules and processes, and they look to their superiors for guidance and direction. Decisions are made at the top, and there is little room for independent thinking or action.
- 2. Independent:** This is a leadership culture or mindset that emphasises individual achievement and autonomy. In an independent leadership culture, individuals are expected to take initiative and responsibility for their work. They are empowered to make decisions and take risks, and they are often rewarded for their individual contributions.
- 3. Interdependent:** This is a leadership culture or mindset that emphasises collaboration and teamwork. In an interdependent leadership culture, individuals and groups work together across boundaries to achieve common goals. Leaders are expected to be both independent and collaborative, able to work effectively within their own teams and across the organisation.

Interdependent leadership culture is the most effective in today's complex and interdependent world. It requires leaders to be skilled at building relationships, communicating effectively, and collaborating with others. They must be able to work across boundaries and navigate the complexities of a rapidly changing business environment. Interdependent leaders are capable of adapting to change, learning from mistakes, and creating new opportunities for growth and innovation.

Final Words...

From history and experience, it's become clear that traditional change management techniques are often inadequate when it comes to transforming the way we work. To achieve a truly significant and lasting change, we must implement a culture change process that integrates leadership strategy with business strategy. This requires a concerted effort to shift mindsets and foster interdependent leadership capabilities throughout the organisation.

Partner with us to make your culture change programme make a difference. Learn more about our approach to organisational culture change.