

Culture as a strategy

What happens when you align culture with strategy?

August, 2019 | Kundai Sasha Masunda



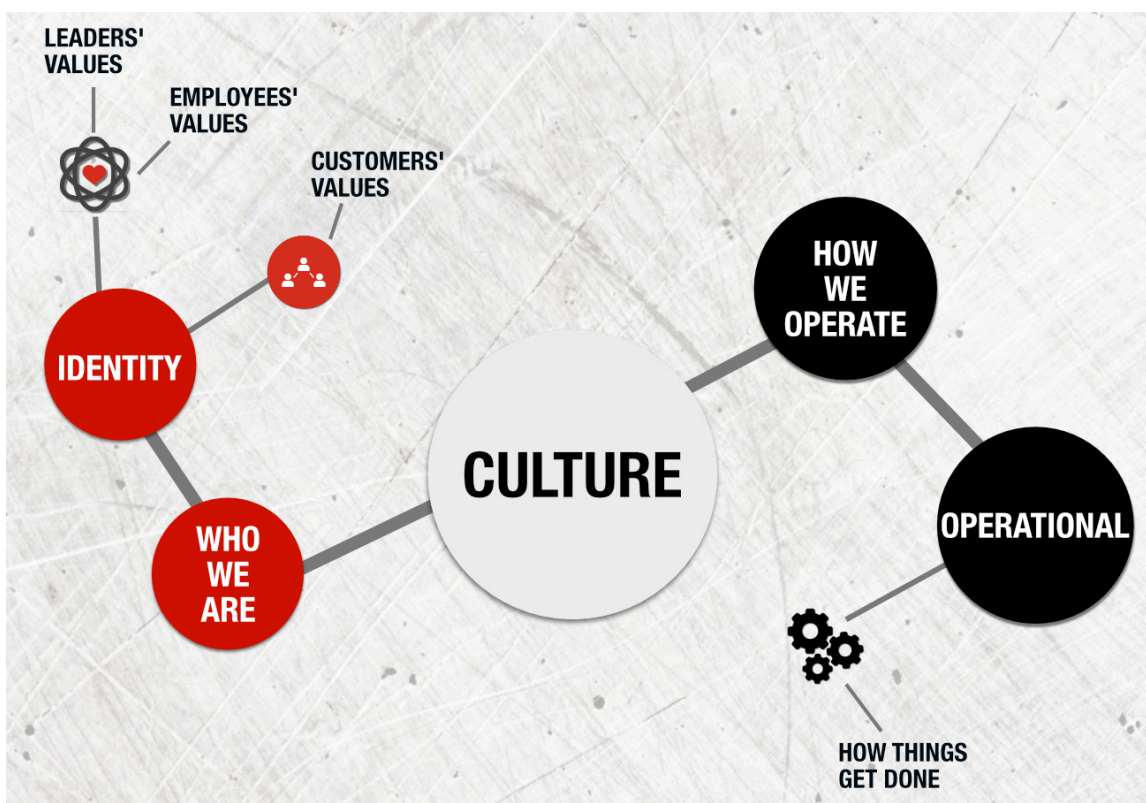
What is culture?

Culture is a difficult term to define. According to Hofstede (1994), Culture is the collective programming of the mind which distinguishes members of one group of people from another.

Everyone has their own culture, even businesses too. Culture can be taught, inherited, or communicated from one generation to another. It can also evolve flexibly and autonomously in response to changing opportunities and demands.

Corporate Culture

All companies have a culture (some know it, some don't), but not all companies have a strategic culture. Corporate or organisational culture includes shared beliefs, norms, and values within the organisation. Culture is the tacit social order of an organisation: It shapes attitudes and behaviours in wide-ranging and durable ways. It is an incredibly powerful factor in the organisation's long term success. To better understand our corporate culture we first have to answer these 2 questions: Who we are and how we operate.



Culture should fluidly blend the intentions of top leaders with the knowledge and experiences of frontline employees.

Culture and leadership are inextricably linked. To maximise the value of culture, leaders need to first become fully aware of how it works and how to minimise its risks. According to the Harvard Business Review, there are eight distinct culture styles, and these are:



This list was studied and refined by researchers at Spencer Stuart.

These styles fit into the cultural framework and each style has its advantages and disadvantages. The culture of an organisation can be defined by the absolute and relevant strengths of each of the eight styles and by the degree of employee agreement on which styles characterise their organisation.

Leaders often set new cultures in motion and imprint values and assumptions that persevere for decades. As time passes, leaders can also shape culture through both conscious and unconscious actions. The infographic on the left shows ratings of different styles of culture practised in different organisations. Results and caring appear at the top, demonstrating that most organisations build their culture on achievements and relationships and very few build their culture on fun and excitement.

Aligning culture with strategy

Strategy offers a formal logic for the company's goals and orients people around them. Culture must ripple through every act of policy and business strategy. A strategy that is at odds with a company's culture is doomed.

“Culture eats strategy for breakfast.”

- Peter Drucker

To successfully manage change, it is necessary to understand which part of the culture needs to be changed and then anchor the change into the organisation's culture. Culture expresses goals through values and beliefs and guides activity through shared assumptions and group norms. It sets the foundation for strategy. A strategy must fully align with organisational culture for it to be implemented successfully. When company strategies are clear, culture arises to fill in the gaps and push the initiatives toward breakthrough success.

A stable culture, one that will systematically support strategy implementation, is one that fosters a culture of partnership, unity, teamwork, and cooperation among employees. This type of corporate culture will enhance commitment among employees and focus on productivity within the organisation rather than resistance to rules and regulations or external factors that prohibit success.

How to align culture with strategy?

1

Understand the importance of culture.

Many businesses forget how important culture is and put strategy first. Strategy is about intent and ingenuity and culture determines and measures desire, engagement, and execution

2

Go back to your mission.

What does it define as its purpose? Bring company values to the table at every meeting and task. Let your employees and customers influence the meaning of those values and your mission to continually learn and evolve.

3

Find the heart of your company.

Think exponentially as a leader. To find what would be a strategic culture for your company, identify the values of leaders, employees, and customers. Also, take pride in your services and products.

4

Effective communication.

Communication helps to unite people with a collective cause. It helps to break down cultural barriers, reduce conflict in the workplace, and create a collaboration of colleagues. Culture is the forceful spirit and strategy is the instrument.

5

Manage and sustain your progress.

Keep tabs on how you are managing performance, communications, personnel, resources and all the moving parts that make your company tick. Culture is a clear competitive advantage.

When aligned with strategy and leadership, a strong culture drives positive organisational outcomes. According to Smith (2019), Culture does two things for you; it dictates the kind of strategies you can execute on and it also, should align with what your marketplace looks like. “If you don’t have the right culture, it doesn’t matter if you have the right strategy— you won’t be able to execute on it” (Smith, 2019). Culture is a strong differentiator because it is strongly aligned with strategy and leadership.

Reference List:

Culture IQ. (2019). How Strategic Is Your Corporate Culture? The What, Why & How of a Strategic Corporate Culture. Retrieved from <https://cultureiq.com/blog/strategic-company-culture/>

Forbes. (2018). What Happens When You Align Culture With Strategy? Retrieved from <https://www.forbes.com/sites/williamcraig/2018/05/29/what-happens-when-you-align-culture-with-strategy/#437218437f26>

GothamCulture. (2019). What is Organisational Culture? Retrieved from <https://gothamculture.com/what-is-organizational-culture-definition/>

Harvard Business Review. (2013). What is Organisational Culture? And Why Should We Care? Retrieved from: <https://hbr.org/2013/05/what-is-organizational-culture>

Harvard Business Review. (2018). The Leader's Guide to Corporate Culture. Retrieved from <https://hbr.org/2018/01/the-culture-factor>

Spencer-Oatey, H. (2012). What is Culture? A Compilation of Quotations. GlobalPAD Core Concepts. Available at GlobalPAD Open House. Retrieved from: <http://www.warwick.ac.uk/globalpadintercultural>