



How to Assess Your Company's Culture

Are you happy with your current organizational culture, the environment you provide for employees in your workplace? Does your culture support your employees in producing results for your business or does it impede your business progress? Is your culture yielding the results you desire from your workforce, or is it limiting your success?

You can answer these questions by assessing the status of your current culture for employees. Your assessment will lead you to the steps necessary to define the culture most appropriate to accomplish your organization's goals.

What Is Culture?

Organizational culture includes all aspects of an organization's environment. Each employee's total life experience combines with that of all your other employees to create part of the corporate culture. Your culture is an amalgamation of these life experiences, combined with the enormous impact of executive influence on the corporate culture. Your culture definition, then, includes:

- the leadership style that permeates your workplace;
- the values that people have from their life experiences that they embrace in your workplace;
- those workplace procedures, customary behaviors, policies, relationships, and expectations that organize your workplace;
- all the company stories and interactions that people regularly exchange, that they tell new employees in powerful employee integration messages, and that they share with their families to reinforce the type of support they receive at home for their work;
- the language, symbols, and surroundings that characterize the everyday behavior of your colleagues; and
- those actions implemented to assess and recognize success in your workplace.

If you want to assess and understand your current organization's culture, each of these areas deserves scrutiny.

Why Conduct a Culture Audit?

There are two primary reasons to look at your current culture:

1. Your current culture seems positive, but you want to create a culture that will best support the accomplishment of your business goals; understanding the current culture is the first step to determine what to keep and what to change. As an example of a cultural component an

organization might want to change: your organization may feel like a family, but employees choose relationships over the need for legitimate conflict about ideas and direction to serve customers.

2. You already believe your current culture is damaged and hurting your success, and you want to take steps to understand why. Damaged cultures are characterized by negativity, complaining, underachievement, less-than-positive relationships, leadership that fails to respect people, low levels of trust, a lack of volunteerism, low contribution of discretionary energy, and usually, in reasonable economic times, high turnover.

How to Perform a Culture Audit

A culture audit normally requires several different methods to assess the current state of the culture in your organization. To assess your culture, you can use, in this order:

- culture walks, observation in the workplace;
- culture interviews or focus groups of employees;
- individual employee culture interviews;
- culture surveys, often developed internally based on collected information; and
- commercially available instruments.

All require listening—carefully and with commitment—with both your eyes and your ears.

You can contract the services of a consultant or your internal staff can carry out the audit. Determine the appropriate approach and components for your organization based on discussion with your team and prior experiences in your workplace. More damaged cultures may call for outside intervention, especially if the internal employees have little trust in their leaders. But even a positive culture may benefit from an outsider's outlook and observations. In every organization, it is possible to overlook important cultural components because you are too close to your situation.

Are you ready to take a look at the culture that exists in your organization? If so, these are the steps to consciously assess your culture and the procedure necessary to evaluate the results of your assessment. When you act on these results, you can consciously shape the organizational culture that will help you achieve your business objectives.

Steps in a Culture Audit: Assess Your Organizational Culture

Form a cross-functional team to plan the process and the methods for assessing the culture.

In a large organization, organizations with multiple locations, and global organizations, one team alone cannot plan and carry out an audit. You will defeat local ownership of the results and any perceived need for or commitment to analysis and conscious change.

Far-flung organizations may have cultural characteristics in common corporation-wide, but the local culture is the key culture for employee groups. Direction, vision, goals, recommendations, and requirements may come from senior management or a senior cross-functional corporate leadership team, but culture should be assessed and determined locally.

For example, in a large worldwide automotive company, senior executives at headquarters usually mandated corporate culture change. Local organizations learned about the desired change when a key executive jetted in to hold training sessions about the new expectations.

Rarely having anything to do with the culture of the local organizations, the corporate-wide ventures experienced little success. Indeed, the culture audit most frequently performed was a corporation-wide survey that failed to consider local, even product and customer, differences. While the different cultures had some commonalities, the culture differed fundamentally from location to location. So many dollars spent—so many defeats.

Implement the plan that the cross-functional team designed

You need to assess the answers you gave regarding the components of the culture definition provided earlier in this article, including leadership style; values; customary behaviors; employee interaction; and the language, symbols, and surroundings that create your workplace culture. Include these steps:

Participate in a Culture Walk: One way to observe the culture in your organization is to take a walk around the building—alone. You are looking for some of the physical signs of your culture, which will require a culture walk at different times of the day and on different days. Take a serious look at the obvious organizational culture that surrounds you, which you have probably never noticed; this would be normal, by the way, and is most frequently remarked upon by people who take their first culture walk.

Listen to employees; watch patterns; observe employee working spaces; listen to customers; and when you get back to your office, increasingly listen to the news media and the blogosphere to hear the buzz from other people. These sources are your key culture inputs. Listen especially to the seemingly innocuous statements that are made by employees every day at work: memes. These are powerful statements of the belief system in your organization. An example of a meme is, "The customer's needs are our first and foremost concern." Another is, "Our people are our most important asset." If organizational actions match the meme, then it is a powerful component of your culture.

It is often difficult for people to assess and understand their own culture. When people are at work on a daily basis, many of the manifestations of culture become almost invisible. Assessing your organizational culture is a lot like trying to tell someone how to tie their shoes. Once you've been doing it every day for years, it is hard to describe the process to another person. These guidelines will help.

On your walk, these are the questions to answer and the factors to observe:

- How is the space allocated? Where are the offices located? How much space is assigned for meetings and other opportunities for employee interaction? Are seating areas, kitchens, lunchrooms, and restrooms conducive to employee comfort and relationship building? How are these common areas used?
- How much individual space is given to whom? Where are people located? Do all employees have cubicles or is a management position required for an office? Are offices signs of status, meaning the more senior the role, the larger the office? Or are offices assigned to positions that require confidentiality or quiet? What else do you notice about the space use?
- Look at the furniture. Is it similar, or is status or level demonstrated by the type and kind of furniture? Do employees look comfortable in their space?
- What is posted on bulletin boards or displayed on walls? Is it personal, announcing upcoming events, or family pictures? Or are the postings limited to government regulations and corporate announcements?
- Is there visible evidence that employees have been rewarded or recognized for their contributions? (Most employees will display a handwritten card from a supervisor on their desk forever, as an example.)

- What is displayed on desks or in other areas of the building? In the work groups? On lockers or closets? Do employees look as if they have made themselves at home in the workplace? Or do personal items overwhelm the work space?
- Do all employees enter the workplace through the same doors? Is parking reserved or unreserved? Are smoking places provided? Are employees able to congregate outdoors in good weather?

Additionally, you will want to examine other aspects of your work environment.

- What do people write to one another in memos or e-mail? What is the tone of the messages (formal or informal, pleasant or hostile, etc.)? How often do people communicate with one another? Is all communication written, or do people express themselves verbally? Do they send e-mail to the next cubicle? Or do they actually pick up the phone or visit another employee's office for a face-to-face engagement?
- What interaction between employees do you see? How much emotion is expressed during the interaction? Emotions are indications of values. People do not get excited or upset about things that are unimportant to them. Examine conflicts closely, for the same reason. Look at the employees in your organization and their dealings with one another with the eye of an outsider. Pretend you are an anthropologist observing a group that you have never seen before.
- When you watch and interact with employees, **look for things that are not there**. On my culture walk in a small manufacturing company in Detroit, I noticed a lack of personal belongings: no family photos, no plants, nothing hanging on walls, and no employees talking in common areas. I asked the CEO privately when the company was closing and whether the employees had been told. He responded that it was closing in about two months and that the employees had not been informed yet. Right. Employees are smart; they had already moved out. Additionally, if nobody mentions something that you think is important (like the customers), that is interesting information. It will help you understand your organization's culture.

These are just a few of the questions to answer when you observe and assess your organizational culture. You may have additional questions you believe are necessary to identify important aspects of your culture.

Culture Interviews: Another way to understand the culture of your organization is to interview your employees in small groups, often called focus groups. Or you can interview employees alone, but, depending on your culture, employees may be reticent to share honestly in a one-on-one meeting. It is just as important, during these interviews, to observe the behaviors and interaction patterns of people as it is to hear what they say about the culture.

Since it is usually difficult for people to put into words their experience or a description of your culture, indirect questions will solicit the most information. The following are examples of indirect questions you can ask during a culture interview. Take careful notes.

- What would you tell a friend about your organization if he or she were about to start working here?
- What barriers do you experience as you try to accomplish your work?
- What is the one thing you would most like to change about this organization?
- Who is a hero around here? Why?
- What is your favorite quality that is present in your company?
- Who succeeds in your company?
- What kinds of people fail in your organization?
- What is your favorite question to ask a candidate for a job in your company?
- What are the goals of your organization?

- What is the vision your organization is seeking to achieve?
- Do the organization's policies and procedures support your efforts to accomplish work or do they impede your progress?
- What stories do current employees tell new employees about your organization when they join the organization?
- What is your favorite story, the story you share most frequently, about your organization?

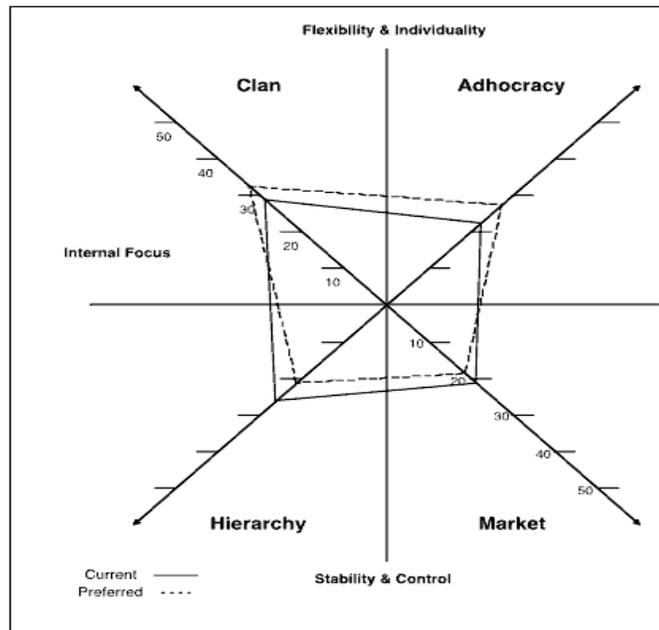
Culture Surveys: Written surveys completed by people in the organization can also provide information about the organizational culture. It is important to create or select the survey using the information collected during the culture walk and the culture interviews. I am a proponent of administering an annual or biannual employee survey so you have a snapshot of employee beliefs about your organization over time.

You can either purchase or custom design a survey. An off-the-shelf survey may have interesting questions on it; it may also have questions that are not relevant to your organization. But it has been used in a number of other organizations, so the questions may be reliable and validated.

I have used the Organizational Culture Assessment Instrument (OCAI) successfully with organizations. Employees find the graphical representation of the data to be helpful, as is done in this example from Ohio State University Extension. The instrument is simple to understand and administer. For more information on OCAI, go to <http://www.uwec.edu/Sampsow/Measures/Culture-OCAI.htm> . To read about OSU's use of OCAI and its graphical representation, go to <http://www.joe.org/joe/2003april/a3.shtml>

Figure 1.

Graphical Representation of the Highest Mean Scores in the Four Culture Types for Both Actual and Preferred Situations of OSU Extension Personnel



You do not need to survey employees to assess your organization culture, but in a large organization, the survey may be your only option for an overall culture assessment.

Final Analysis of the Results of Your Culture Assessment

Depending on the steps you took, the collected data from your observations, interviews, and instruments, you have amassed a great deal of information about your culture. The cross-functional team that is leading the audit can combine data using the same questions recommended earlier in the culture walk and the culture interviews. Team members should answer the questions using the information obtained, not their personal opinions. The resulting answers should provide you a picture of your current culture.

The final step is to write a report that can be widely shared. Comments and input must be anonymous, so no remarks should be attributed. The purpose of the report is to share what your team learned about the culture. If the team has been empowered to make recommendations, they may include their suggestions, but the final action plan and leadership for change will generally come from the executive leadership team. These executive leaders need to consult with their culture audit team to share the richness of their experience.

Make sure that both positive aspects of the culture audit and more challenging aspects of the culture audit are shared. And recognize that the audit is a snapshot in time. It represents the state of your organizational culture only during the time period audited.

Depending on the organization, these are some of the areas the report should address:

- Management and leadership style
- Values
- Communication
- Shared goals, mission, vision
- Employee involvement and empowerment
- Employee morale and motivation
- Performance management and measurement
- Customer focus
- Innovation and creativity
- Company policies and procedures
- Teamwork and team effectiveness
- Training and new employee orientation or onboarding
- Interpersonal relationships
- Problem solving and conflict resolution
- Workplace organization and ease of accomplishing work
- Employee recognition and rewards

In each of these areas, you can establish a simple 10-point scale and rank your organization's experience on the scale. As an example, management style can range from hierarchical and controlling to free-for-all. Shared goals, mission, and vision can range from integrated and lived daily to nonexistent. Opinion cannot be removed from the process, but if you have followed these guidelines, the opinion should be educated and informed.

Consider where your organization is in relationship to where you'd like to be in each area observed. The results from your organizational culture assessment will either confirm the efficacy of the culture you have or provide the encouragement and information you need to change your organizational culture.

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<http://humanresources.about.com/od/employeesatisfaction/a/surveys.htm>