

Organizational Culture: It's in the Walk, Not Just the Talk



Your organization's culture has never been more important. How well do you understand it?

By Paul Sturm, Denice Hinden, & Paige Teegarden

A nonprofit faith-based organization once proclaimed one of its core values as “treating all people with dignity and respect.” Who wouldn’t want to work for an organization committed to this manifestation of the golden rule?

Well...not the majority of this organization’s employees who were leaving their jobs at an alarming rate several years ago. Why? Because as one staff member put it, “they forgot to add ‘except the staff’ at the end of the values statement.” And therein lies one of the most important discoveries on our seven year journey to understand organizational culture and what it means for all of us in the nonprofit sector.

To truly understand the culture of a nonprofit organization, it’s necessary to look beyond the official pronouncements of mission, vision, and values; past the platitudes in annual reports and Web content; far below the visible tip of the iceberg. It’s here where the truths that serve as the backdrop for day-to-day organizational life are hidden. Often unspoken or unseen, but nonetheless un-

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mistakable, these truths impact organizational performance in profound ways. These assumptions are conveyed every day by the way staff act and the stories they tell.

We believe Edgar Schein, Professor Emeritus at MIT’s Sloan School of Management, expressed the best definition of organizational culture when he described it as “a pattern of basic assumptions—invented, discovered or developed by a given group as it learns to cope with problems of external adaptation and internal integration—that has worked well enough to be considered valid and, therefore, to be taught as the correct way to perceive, think and feel in relation to those problems.” Think about any group or community you’ve belonged to—family, school, state, ethnicity, and so on. Were there correct ways to perceive, think, and feel if you wanted to fit in? Were there consequences of not seeing the world, or your small part of it, as the group did? Who was rewarded and who was not? Who became the group’s leaders? What dif-

ferentiated them from others not rewarded in this way?

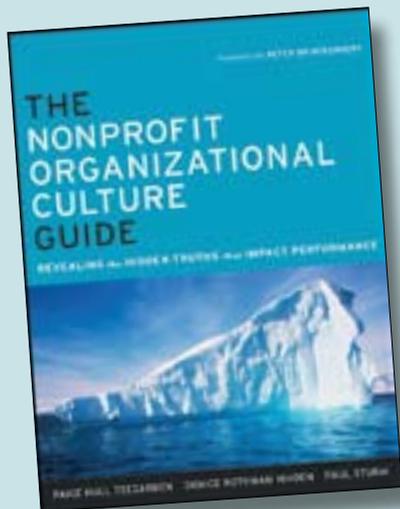
Culture conveys what people assume about the world and their place in it. Often, they’re not even aware of these assumptions.

Understanding the unique aspects of your organization’s culture has never been more important. As we saw time and again in our research and the case studies that informed *The Nonprofit Organizational Culture Guide: Revealing the Hidden Truths that Impact Performance*, successful nonprofit leaders and change agents were the ones who took time to understand, then make use of organizational culture to facilitate change and enhance their organization’s effectiveness. Those who didn’t were likely to fail in their change efforts. Culture is an organization’s DNA. Try to fight it, and the culture wins almost every time.

The Best Way to Understand Culture

So how do you begin to understand your culture? While ideally you begin before a crisis, sometimes transitions or stress due to external pressures, internal conflict, or change in the environment can be the catalyst for understanding cul-

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Culture Matters

The Nonprofit Organizational Culture Guide provides the tools you need not only to understand your organization's culture but to change and manage it. The book provides many concrete details, narratives, and examples. Here's a quick rundown of one way to use your culture to fulfill your goals:

- **Begin** by pinpointing a specific objective you want to meet.
- **Gather** a cross-section of people from your organization to discuss your organization's values and gather stories. Analyze the meanings of the stories, identify common themes, ferret out hidden assumptions, and pinpoint risks and benefits inherent in your culture.
- **Discuss** how your culture will help or hinder fulfillment of your objective. Create an action plan that makes use of what you've learned about your culture. You may want to make certain aspects of your culture more dominant, create new stories to support your plan, and use the culture to motivate others.

Culture needn't be a hidden, mysterious force. It's an engine you can harness for your organization's good. This book will show you how.

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ture. Is a long-time executive director getting ready to leave? Is staff turning over at a high rate? Did a key funder fail to renew a major grant? Take advantage of such situations, for at these times people are especially open to learning about the organizational culture.

Begin by telling stories. Not just any stories: Have someone tell the organization's creation story. If it predates current staff and board members, research the archives to learn who the founders were, what they most valued, what was in the air when the organization began. Find out what stories staff tell about that critical time.

Why is this important? Because the people who founded the organization created its DNA and, therefore, must be appreciated by anyone wishing to bring about change. That DNA sets the stage for how the organization interacts and reacts.

A good example is an association of community-based nonprofits founded in the 1960s by leaders sympathetic to the anti-establishment movements of the time. Many years later, the association was seeking corporate and philanthropic support while distributing material referring to capitalism as the "enemy." When asked about this, the executive director said, "We need to remain faithful to those who came before us." Needless to say, any successful effort to bring about significant change within that organization must start with understanding and acknowledging this critical component of its organizational culture.

This parallels the pioneering work in adaptive leadership by Ron Heifetz and Martin Linsky at Harvard. In *Leadership on the Line: Staying Alive Through the Dangers of Leading*, they maintain it's not change that people resist as much as loss. Understand what's most precious; what people most want to preserve. If you preserve these items when fa-

Begin by telling stories.

ilitating change, people are likely to buy in. If you can't, you'll face a steep up-hill climb.

Other stories that help reveal your organizational culture are what we call survival stories and hero stories. Survival stories speak to what happened when the organization faced a crisis—especially one that threatened its continued existence. For example, a young arts organization found one of its programs the subject of a feature story in the local newspaper—with a more established arts organization taking credit for it. The other organization's CEO used his contacts to place the story, believing the "new kid on the block" wouldn't have the wherewithal or clout to fight back.

After conferring with the board, the organization's executive director was assured that board members would take action to rectify the situation—which included a face-to-face meeting between the two board presidents. Within a week, an apology was forthcoming and the newspaper ran a more prominent story about the young organization's innovative programs.

What does this story mean for the organization's culture? It means that board members are willing to use their own relationships and clout on behalf of the organization. It means that future executive directors know they can count on the board to step up when necessary to assure the organization's survival. It also means there's an assumption about the role of confrontation, even public confrontation, within the organization.

Hero stories speak about someone who is or was especially successful or beloved within the organization. Magical or mythical qualities are often attributed to this person. For example, a trainer in a national organization was remembered as someone who would "plan no training before its time"—meaning he'd design it the night before with spectacular results.

And although the story isn't literally true—the trainer always did at least some preparation prior to the

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night before—this is the story that lives in organizational lore and is handed down to new trainers. Was the organization's policy to plan training programs at the last minute? Of course not. But did its organizational culture allow trainers to put off their preparation at least a bit? You bet!

Although there are additional steps necessary to fully reveal your organizational culture, taking time to listen to these stories will get you off to a great start. And starting is the key. Being intentional about calling attention to organizational culture will help everyone begin to see what's been invisible, hear what's been unspoken, and name what's been in the air all along. For these are the hidden truths that impact your organization's performance and ability to carry out its mission each and every day.

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The Difference Culture Makes

The nonprofit sector's role in American society has never been more important. At a time when nonprofit organizations need every edge they can muster while facing the challenge of meeting more needs with fewer resources, taking time to reveal your organization's unique culture will make a real difference. You can use what you learn to hire and train staff more effectively, recruit and orient new board members, engage in strategic partnerships and collaborations, align mission, vision and values, and get the most out of your resources. As a result, you'll have the opportunity to enhance your organization's ability to make a difference in the quality of human and community life.

As a sector and society, we must not settle for anything less. ■

Paul Sturm, Denise Hinden, and Paige Teegarden (www.revealorganizationalculture.com, authors@revealorganizationalculture.com) are the authors of The Nonprofit Organizational Culture Guide: Revealing the Hidden Truths that Impact Performance (Jossey-Bass, www.josseybass.com).

Your Weather Vane

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- **Is Your Organization Culturally Competent?** (Vol. 26, No. 6)
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<http://www.snpo.org/social/>
(free Yahoo login required)

or send a blank e-mail to:

snpo-subscribe@yahoogroups.com

If you have any questions, contact Jason Chmura at jchmura@snpo.org.