

Insight 1/2015

A question of culture



teamwerk



WHY

talk about culture as a leader?

Culture is not that important. The decisive factors are hard numbers, data, facts. That's what matters when a company wants to be successful. Is that correct?

Yes, that's what matters. At least in the short distance. Without successful numbers there is no successful company. But without a supporting culture there is no sustainable business success. And thus no good numbers. This is something that is often underestimated: Corporate culture is of strategic relevance. Corporate cultures that have often developed over generations of employees determine the choice of strategies, systems, and procedures (Knut Bleicher).

What is corporate culture?

The culture of a company consists of mostly unconscious and binding basic assumptions, unspoken norms, rules, and procedures. It shapes working methods and interaction, and is both

a guarantee of success as well as its adversary. The beneficial as well as hindering effect of culture is summarized in the statement: "Culture eats strategy for lunch" (Peter Drucker).

Because culture is so deeply rooted in the organization, it is important to bring corporate strategy in line with corporate culture. A sustainable strategic alignment of the company must take into account the corporate cultural realities and potential, as well as identify and eliminate any cultural barriers.

This clearly shows the key role attributed to culture. This means "... corporate culture is a sort of catalyst in the social development of a company. It creates a bridge between tradition and innovation" (Knut Bleicher).

This text is an extract of a talk given by Klaus-Dieter Feld in the IHK Waiblingen in October 1999



„Corporate culture far from innovation“



Now the question arises: As a leader, how can I contribute to cultural development in a desired direction? Most clearly and sustainably through my leadership behavior.

Therefore, with regard to the future it is not only important to ask: “WHAT do we want to achieve?” (goals, products, operational results) but also: “HOW do we want to achieve this?” The HOW asks for the energy factors in a company, that means which values, leading behavior, communication a company needs in order to successfully shape the future. In combination with an up-to-date analysis of the current corporate culture the cultural field of development can be described.

This means in the organizational development that in development processes we start from the premise of two descriptions of culture:

1. The lived corporate culture is the totality of norms, values, and goals that shape the behavior of all employees, and thus the image of a company.

2. The defined corporate culture is the cultural description of the values and norms of a company in order to shape future strategic challenges optimally.

Why should leaders now be concerned about corporate culture? Isn't it everybody's task to care about?

Yes, sure it is. Following Paul Wazlawick: “One cannot not communicate”, also here the insight applies: There cannot be an uncultured state in a company. And as we can influence communication we also have the possibility to influence culture if we consciously recognize it.

Now, what does corporate culture mean? Corporate culture includes a number of things that are often not clearly and distinctly expressed. As a structure of specific values and attitudes, it manifests itself in routines, patterns of action and myths, and is reflected in thinking, feeling, and acting, as well as in values, expectations, and role behavior (Claudia Koring, 2012). It stands behind the questions: What rituals and symbols exist in the company? How is communication carried out? What processes are lived? What leadership guidance systems exist? What relationship is maintained with customers and suppliers?

Corporate culture becomes evident in dealing with conflict: Is its energy used for the benefit of the company, or is its squandering accepted? It manifests itself in how errors are dealt with: Are errors understood as a learning opportunity or used as reasons for termination? Other cultural dimensions are lone-wolf culture versus team spirit, object orientation versus human orientation, and the related question of whether the employee is considered as a cost factor or as human capital to be fostered. On the employee level, the orientation can move between the responsibility of others and one's own responsibility. For the future orientation of companies, it is important to analyze the culture in terms of dealing with change: Is there hostility to change and risk orientation or a change-friendly, opportunity-oriented culture? Now the question arises: As a leader, how can I contribute to cultural development in a desired direction? Most clearly and sustainably through my leadership behavior.

Claudia Koring (2012): Self-directed learning and the role of learning process support in a relationship of tension with corporate culture (page 81)



Leadership is the link and the balance function between culture, strategy, and structure.



Leadership culture is lived and experienced corporate culture.

In the last issue of Insight, we introduced the shell model with the five dimensions of leadership behavior and thereby noticed: The personal challenges in leading employees consist not only in making demands of them but also fostering them by taking the time to talk, for example. Cooperation is best organized if the common theme is made understandable. Leadership means making decisions regarding conflicts which cannot be resolved by the employees themselves. Shaping the future means ensuring the future viability of the company and not allowing oneself to be distracted from important matters by what is urgent at the moment. And finally, costs must be optimized by setting a framework for cooperation that can be directly influenced by management actions.

At that we have to be aware: In order to gain a sense of self-responsibility, self-confidence, and stability in action, employees need the security of knowing what values, standards, and objectives the company has, so they know what culture they are dealing with.

Culture emerges already in the start-up phase of a company in the "spirit" of the founder: in his or her vision, values, and goals. It shows itself in the "chemistry" between the founder and his staff: In their understanding and attitude, the implied corporate culture and the required personality structure of the employee is expressed. Over time,

the culture is influenced not only by the founder but also by the employees. Values, goals, and standards of the founder are reflected and accepted or challenged by the employees.

It is crucial that these are understandable for the employees. It is less important whether there are explicit guiding principles. The behavior of the leadership itself is perceived as of prime importance for living the culture. Each behavioral act of the leadership has a symbolic impact on the staff. Its meaning is considered very carefully and checked against the official guidelines. It is therefore vital not only that the implementation of the culture is expected of the employees but also that all managers stand clearly and consistently behind the guiding principles / guidelines and see themselves as implementers of these guidelines.



Only those who can follow can lead!

Dear reader,

many thanks for your lively feedback on our last teamwerk Insight. It has surprised us positively and gave us something to think about. After some discussion in our team we have advanced our shell model by the point of "leading yourself".

In my training as a systemic consultant one of our course leaders shaped the sentence: "Only those who can follow can lead!" In the beginning I did not accept this as a useful causality. But the more I thought about this sentence the more I understood its meaning: To lead means to follow! To follow on 3 dimensions:

1. myself as a person and my own life planning and goal definition in the private as in the occupational,
2. my executive in the job context, and
3. the challenges of today's and tomorrow's strategic positioning in the professional context.

All three dimensions are usually active at the same time and in cases of contradiction require my ability to find an optimal solution for the whole. If I cannot lead myself in this sense I will not be able to manage the next shell, to lead employees, optimally.

Keeping this in mind, again, warm thanks for your impulses combined with the plea to send them to us in future, too. I am looking forward to them!

With kind regards, your
Klaus-Dieter Feld

This first requires that managers themselves are able to follow these values and guiding principles. True to the phrase: Only those who can follow can lead. Those who are able to follow their own values and goals can also encourage and empower others to pursue them. It therefore seems logical to us that our model of leadership behavior through development of "self-management," meant as the task of living values and standards as well as setting for oneself and achieving own goals.

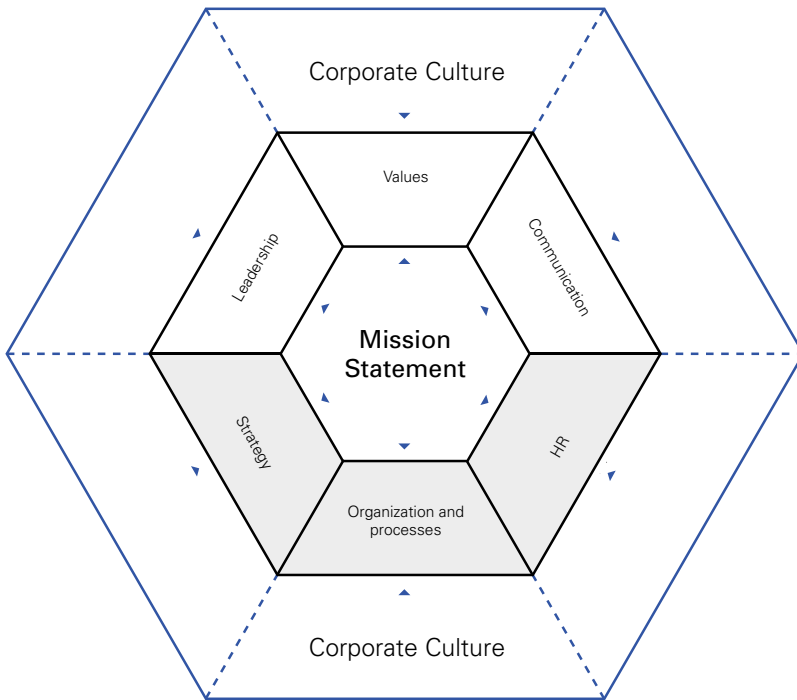
Most clearly and understandable for all this can be achieved through a communicated Mission Statement and its translation into concrete ways of beha-

avior. Thereby the values of a company get a comprehensible description and a mirror towards which employees can orient their concrete behavior.

More on this in teamwerk Insight: ["Can leadership be developed?"](#) on our homepage.



The six dimensions of leading behavior



teamwerk – our services at a glance

New teamwerk website

Surely you noticed when you visited our website: The design in which teamwerk presents itself has been completely redone. For the first time it could be viewed in September of last year to celebrate our 250-month anniversary. The appearance of our website and print media has been streamlined and reduced. We also changed our logo. It continues to include the letters “m” and “w,” but now in a deeper blue and with a pronounced upward movement. This symbolizes the basic idea of our work: accompanying development. Through sustainable concepts, we want to put your company and its employees into motion – in the direction you want.

Also new is the hexahedron, which reflects the core areas of our services: The focus is on developing guiding principles as a starting point for any realignment of companies. Around it in the upper half are the more “energizing” factors of leadership, values, and communication, and in the lower half are the “management” factors of strategy, organization, and processes, as well as personnel development. And finally, corporate culture as a breeding ground for the various areas of corporate development.

Furthermore with our new appearance we present ourselves also in the languages in which we are currently active: German, English, Spanish, and Hungarian. In these languages also teamwerk Insight will be downloadable from now on.

New Insight editor

At this point I would like to introduce myself to you. My name is Theophil Wonneberger. I’m now in charge of editing Insight. That means you will often be reading something by me in the future.

I am a qualified psychologist with a focus on social and organizational psychology and did a Masters in Public Policy at the Humboldt-Viadrina School of Governance. I was born in Berlin, where I live with my wife.

Since the summer of 2014 I have been a consultant with teamwerk GmbH. The focus of my work is the facilitation of change processes, in particular the development of guiding principles, strategy, and culture as well as the implementation of qualification and potential analyses. My interests lie in the development and support of the management team, following the principles of systemic organizational consulting.



I look forward to good cooperation with you!

Sincerely,
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