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A THRIVING ORGANISATIONAL CULTURE DRIVES EMPLOYEE ENGAGEMENT

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Culture shapes the wellness of individuals, businesses, communities and nations. Although it is not static and can change, it generally manifests itself in the behaviour of a group of people at any given point in time. Culture is a collective identity that is based on a set of unspoken rules that underpin personal values and interpersonal relationships. It distinguishes the members of one group from those of another, and typically informs society's behaviour. Culture is best described as a set of values, beliefs, attitudes and behaviours that are shared by individuals and sub-groups. It is a strong hidden force that positively or negatively affects individuals, businesses, communities and, indeed, South Africa as a nation. Just as a person who is healthy may not necessarily be flourishing as an individual, similarly an organisation (or a nation) could be functioning adequately, but not necessarily thriving as a business.

With heightened racial tension still very prevalent in South Africa, South Africans are realising that the virtuous intent, moral goodness, social betterment and ethical leadership that was envisioned for the "New South Africa", appears beyond our current grasp. Since 1994 the "Rainbow Nation" has been tested by various socio-political and relentless economic challenges, and the recent Bell Pottinger scandal has only made these matters much worse. To this end, social issues such as inequality, infighting, bribery, corruption, cruelty, crime and poverty often come to mind for most individuals when asked to describe the existing national culture. Sadly, negative and often traumatic experiences are slowly eroding our hope, optimism, resilience, pride and patriotism. More than ever, individuals need to bounce back from adversities while at the same time rethink their expenditures, emotional responses, interpersonal relationships and lifestyle choices. Once again, as individuals and as a nation, we are being forced to learn, adapt, endure and change.

"Ubuntu speaks particularly about the fact that you can't exist as a human being in isolation. It speaks about our interconnectedness. You can't be human all by yourself, and when you have this quality – Ubuntu – you are known for your generosity."

Source: Archbishop Desmond Tutu (2008)

Moreover, the degree to which the current socio-political and economic climate fosters the needs, desires, values and conduct of an autonomous group of individuals over those of the nation; is also affecting South African businesses. Organisations are expected to implement 'radical economic transformation' strategies while at the same time managing social, environmental, legal and even political risks. The by-gone era when organisations would only focus on maximising profit, at the expense of ignoring the needs of its people and the environment, are long forgotten. Fortunately, business philosophies are changing and organisations are increasingly adopting a more sustainable stakeholder-inclusive approach to creating value. This approach is supported by international governance best practice guidelines such as those contained in the King IV™



ARTICLE

Report* and those issued by the International Integrated Reporting Council (IIRC). These guidelines advocate a holistic and integrated approach to business and recognise the connectivity and interdependencies between the economy, society and the environment. In line with this ethos, organisations are expected to balance “the legitimate and reasonable needs, interests and expectations” of all material stakeholders in the best interests of the organisation over the long term.

Organisational culture change

If organisations want to transform their business operations to be in line with the above-mentioned business ethos, they need to start by changing their leadership and organisational culture. According to a recent Harvard Business Review, the failure rate for mergers and acquisitions (‘M&A’) is between 70% and 90%. One of the most common reasons for these failures is the inability to transform and merge organisational cultures. M&A’s frequently result in high levels of uncertainty and stress amongst employees which in turn germinate a resistance to change and a decrease in productivity. This negative behaviour is unintentionally reinforced by leaders wanting to ‘take charge’ and control and manage the organisational culture. Whilst the introduction of rules, policies, and processes may be effective in communicating boundaries and providing guidelines on acceptable behaviour, they often inadvertently restrict employee engagement. Such a rules-based approach to organisational culture assumes that successful change management can only be achieved by anticipating and resolving problems and criticisms. There is often little to no involvement of the employees in establishing the desired organisational culture and instead, a strong emphasis is placed on analysing, designing and controlling employee behaviour with varying degrees of success. In these circumstances, it makes more sense for leaders to let go of the illusion of control, and rather focus on the positive aspects of organisational change which promote enhancement and growth by developing a shared set of beliefs, values, norms and strengths.

A values-based approach to organisational change, encourages employees to align their personal values with those of the organisation. Indeed, a values-based approach, addresses and challenges the belief systems within the organisation and at same time recognises that employees need to be equipped with positive coping skills to be able to adapt to changing circumstances. Whilst a unified message sent from the “top” and a transparent project plan gives direction to employees, it is *capacity development* and *change enablement* that must take centre stage during the merger or change process. Positive transformational leaders develop purpose and meaning, translate strategic objectives into daily operations and develop interpersonal relationships that add value to the human and social capital of the organisation. They understand that there is no substitute for high-quality connections. Through supportive collaboration and alliance building, positive leaders work directly with employees to develop new belief systems, behavioural norms and the desired organisational culture. They enable change through conversations, dialogue and coaching interactions that inspire employees. As more employees engage in the process, so the impetus towards positive change becomes stronger.

Thriving organisational culture

High-performing organisations invest considerable resources in fostering their core organisational values, purpose and desired culture. In fact, high-performing organisations consider a thriving organisational culture as a strong competitive advantage. These organisations intentionally develop individual and group strengths

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through collaboration, collective efforts, effective communication and cohesive interpersonal relationships at multiple levels, and in different contexts.

A thriving organisational culture manifests in the individual expressions, language, teamwork, relationships and positive experiences of employees which in turn translates into improved innovation and productivity. In addition, thriving organisational cultures are characterised by predictable behaviour requirements, the ability to develop and respond to change effectively as well as an environment where employees can meaningfully engage on an individual and a collective level. In these environments, relationships are built on trust and positive feedback is provided in the spirit of personal and professional growth and development. Essentially, employees in these positive circumstances generally tend to value their quality of life, and contribute positively to those around them.

Similarly, high performing organisations with thriving organisational cultures are further distinguished by the existence of truly cohesive executive leadership teams. The vision and mission of the organisation is clearly articulated and the organisational values are translated into practical behavioural norms (personal conduct). High organisational commitment and job satisfaction, low incidence of sickness and employee absenteeism, positive industrial relations and fewer strikes, are the main attributes of thriving organisations. These organisations adopt a strength-based approach, and assign tangible value to high quality relationships and a collective identity that engages employees and develops its human and social capital.

Employees working in a thriving organisational culture are generally less insular, and they are more able to give and receive support from others. These employees tend to work in ways that excite, absorb and engage them. Generally, they tend to be more self-directed and autonomous, while at the same time they also feel more committed to the organisation. These employees spontaneously create social networks and form positive interpersonal relationships that enable the collective organisation to set goals, work with vigour, and solve problems with resilience. Not surprisingly, these interconnected employees enjoy authentic relationships and communicate openly and across multiple reporting structures. On a daily basis, employees experience personal autonomy, self-efficacy, meaningful work, self-actualisation and social acceptance that entices them to contribute with excellence.

Considering the racial strife and political undertones many South Africans are experiencing at this point in time -- particularly in the workplace -- more organisations and their leadership should pay greater attention to nurturing their organisational culture. In doing so, the organisation may become an important catalyst for a far greater change that is not limited to the workplace itself; the positive effects may well also affect the organisation's social responsibility, extended supply chains and South Africa as a whole. This being said, the ripple effect of embracing culture and its diversity requires ethical and authentic leaders to drive this change, and this is possibly one of South Africa's greatest challenges in present times.

* King IV™ Report on Corporate Governance for South Africa 2016 (The Institute of Directors in Southern Africa - <http://www.iodsa.co.za/?page=AboutKingIV>) ('King IV™').

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Should you wish to participate in our *Thriving Organisation Culture Survey* or attend one of our *Positive Coping Breakfast Seminars*, please feel free to contact CGF's Workplace Wellness Consultant, Dr Dicky Els for more information on 082 4967960 or send an email to dicky@bewell.org.za



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