

Culture & Leadership Development: Aligning Strategy & People

Do troubled times mean organizations

automatically forgo their organizational and leadership development plans? Often training and development programs are the first on the chopping block when organizations face financial belt tightening. A Midwest based global manufacturer met this challenge head on: taking a different approach to developing their organization and their leaders for the future.

The economic challenges and business conditions that dominated the early 2000's had this \$7 Billion company firmly entrenched in short-term thinking. However, top leaders realized such thinking had unintended consequences and decided it was important to align leadership development with organizational strategies to get everyone moving in the same direction. With the planning process for the coming fiscal year fast approaching, they wanted to devise a development program that would inform the coming year's strategic objectives and build goal setting and accountability into the process. With support from the Executive Committee, the Chief Operating Officer partnered with the HR team to develop a program that would not only provide professional development but do so in a way that would align the development activities with the long-term strategic direction of the organization.

The focus on finding a solution with a strong link to business metrics and a solid foundation in research led the organization to Denison Consulting. The HR team, in conjunction with the COO, designed a two-pronged approach to their development efforts. First, they used the Denison Organizational Culture Survey to assess the organization through the eyes of the top 180 leaders. Next, they used the Denison Leadership Development Survey with the same leaders for individualized development. The timing

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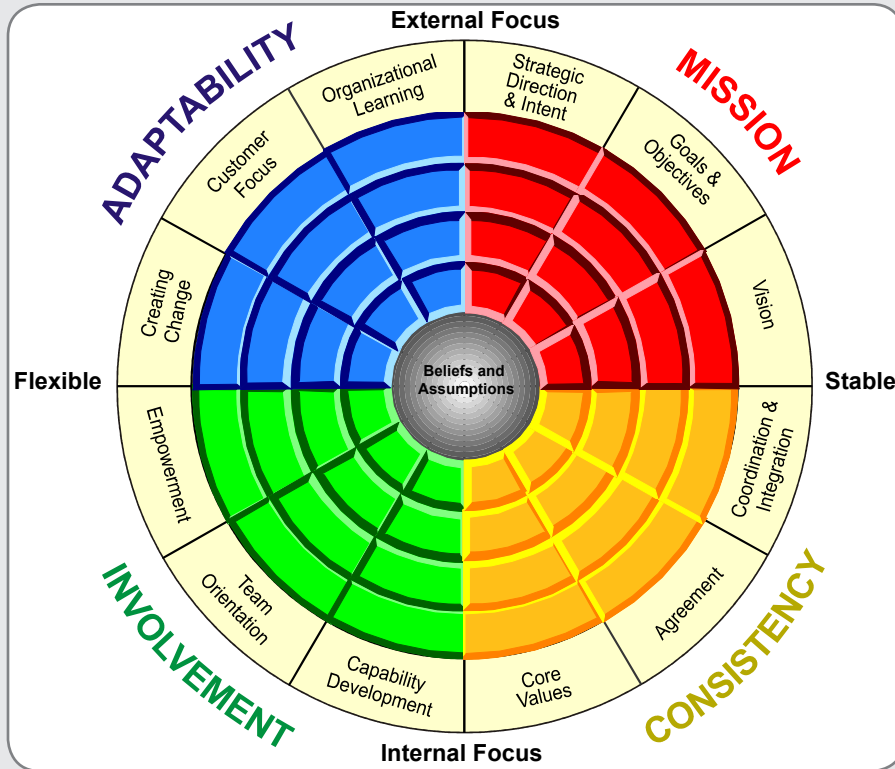
for this initiative tied directly into the yearly planning cycle for the organization, allowing them to connect their organizational and individual development initiatives to the overall strategic plans. This proved to be critical to the success of the program.

The Denison Organizational Culture Survey

The culture survey was administered in a phased approach. The Executive Committee completed a pilot of the Denison Organizational Culture Survey first. The goal of the pilot was to provide these top managers with a clear understanding of the benefits of the Denison model and gain buy-in from everyone on the team. A Senior Denison Consultant conducted a workshop for the Executive Committee to familiarize them with the Denison model and to debrief the team's results. With that process completed, the survey was then rolled out through the officer level of the organization. Through the discussions that ensued, these top leaders recognized some key challenges: first, they were losing sight of the market place and second, some real work was needed to develop their top employees. Therefore, Customer Focus and Capability Development were identified as key areas of focus for the coming year.

The Denison Model: Aligning Culture and Leadership

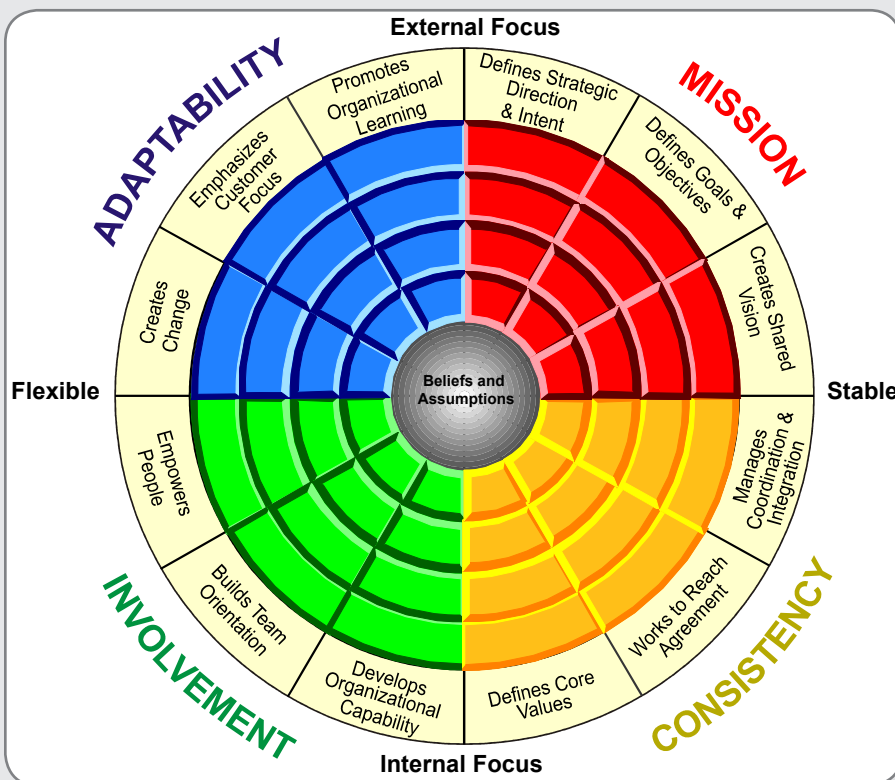
The Denison Culture Model



The Denison model is one of the only models that aligns leadership behavior with a high performing culture that improves performance in organizations. The Denison model provides a common framework and language for organizational culture and leadership development.

Our leadership surveys measure an individual's leadership skills and practices as they relate to the key traits of Mission, Adaptability, Involvement and Consistency. These traits are further broken down into three indexes measuring specific behaviors in each area. This provides leaders a way to link their own leadership development to key cultural traits that are linked to tangible bottom-line performance measures such as profitability, quality, innovation, market share, sales growth, customer and employee satisfaction.

The Denison Leadership Model



Having a common model ensures that the culture and leadership initiatives within an organization are:

- based on the same performance-linked concepts
- using the same language and terminology
- using reports that provide information in consistent and easily interpreted formats

Aligning culture and leadership goals avoids the disconnects that often occurs between unrelated initiatives. The circumplex models at left illustrate the connection between the culture and leadership models.

The Business Case for Leadership Development

Once the culture survey had been completed, top leaders agreed to follow through and create meaningful action plans, especially in the area of Capability Development. The goals of the newly designed leadership development program were to improve:

- the skills of their top teams
- the awareness of individual strengths and weaknesses
- each leader's awareness of his/her impact on the organizational culture

As part of the leadership development program, the Denison Leadership Development Survey was used to examine strengths and challenges on an individual level. Leadership surveys were conducted for the top 180 leaders. The COO and HR team took the lead in coordination by creating a robust communication plan for the process, with the data collected for all of the leaders in less than three months. With support from top management and clear expectations, they asked for full participation and they got it. They monitored each step of the process to ensure each survey was completed in a timely fashion.

With the logistics covered, the HR team also understood that ensuring the success of the leadership development program would depend on the coaching and action planning that followed. "We wanted to make sure people understood their results and what their next steps could be. We also didn't want to leave anyone without the support they would need," said the HR team lead. In partnership with the Executive Committee, the HR team designed a follow-through plan that included a Leadership workshop to help leaders understand their survey results and provided one-to-one coaching sessions to support leaders through the action planning process. Each leader received a confidential one-hour coaching session with a Denison Senior Consultant or a strategic HR partner. Each HR team member had received extensive training on the Denison Leadership model, as well as training on how to conduct one-on-one coaching sessions. Creating an internal team that was trained on the Denison tools strengthened the effectiveness of the leadership development process ensuring that resources for leaders were never too far away. This

also helped elevate the role of HR as a strategic business partner within the organization.

Tying Culture and Leadership Together

It was easy for the Executive Committee members and the Officers to see the synergy between the work they had done with the Denison Organizational Culture Survey and the individual feedback from the Denison Leadership Development Survey. The Denison model offered them a common framework and language that enabled them to hit the ground running. A key objective of the program was to tie together their culture results and their leadership results to the annual goal setting process for the organization. Looking at the organizational culture and leadership together helped the individual leaders compare their own strengths and challenges with those of their department and the organization as a whole. They asked themselves the hard question: What can I do from a professional development standpoint to help both myself and the company achieve our goals? To build accountability into the process, each leader was required to dedicate 10% of their individual and department goals to development related activities. This allowed them to directly align their feedback with their business strategies and goals for the coming year.

The Executive Committee Sets the Example

One of the most significant practices in implementing this development process was that the Executive Committee served as a role model for others in the organization. They went through the Leadership Development process first and set the goals that they would be held accountable for in the coming year. Due to the success of the program, the process spread to other parts of the organization as well. Additional locations and departments at various levels of the company adopted the model of culture analysis and leadership development to help keep their area aligned with the top.

The leaders in the organization recognize that they still have work ahead of them. They are still operating in a tough market but are confident that they are taking steps to impact their future success. They are optimistic that the actions they are implementing will help them stay ahead of the curve and come out on top instead of simply weathering the storm.

Best Practices for Aligning Culture and Leadership

Gain Support from the Top

The initial results of the Denison Organizational Culture Survey completed by the Executive Committee helped the very top of the organization not only understand the issues the organization was facing, but also develop buy-in for the process. This support was leveraged throughout the process to get the rest of the leaders onboard. The Executive Committee also served as a role model in the process, sending a strong message that organizational and leadership development is important for the organization.

Clear Communication Strategies

Moving 180 participants through a Leadership Development Survey and feedback process takes careful planning, communication and follow through. A well-thought-out communication strategy with a clear message of support from the top management is crucial to the success of such a program.

Provide Leadership Coaching and Support

We know from experience that most leadership development programs fail because of lack of support once people get their assessment results. Providing one-to-one feedback and coaching to each leader allows them to understand their results and create a customized action plan to further their development.

Tying Results to Organizational Business Planning Processes

One of the most successful parts of this program was that it was all designed to feed into the annual strategic planning and goal setting process for the coming year. Culture and Leadership development were integrated into the existing business planning processes rather than positioned as stand-alone initiatives.

Using HR as a Strategic Partner

In this program, a group of HR team members was trained on the Denison model, debriefing results and providing coaching to the 180 leaders. This positioned the HR team as strategic partners and created onsite experts in culture and leadership.

Related Resources

Denison Consulting. (2005). *Research Notes: Overview of the Denison Model*. Ann Arbor, MI: Author

Denison Consulting. (2009). *Research Notes: Executive Coaching: Does leader behavior change with feedback and coaching*. Ann Arbor, MI: Author

Denison Consulting. (2006). *CaseStudy: JetBlue Airways: Developing Leaders in a Fast-growing Start-up*. Ann Arbor, MI: Author

Denison Consulting. (2007). *CaseStudy: JetBlue Airways & Organizational Development: Partners for Change*. Ann Arbor, MI: Author.

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