Scic**PG**
Science Publishing Group

Designing a Leader-like Culture: The Role of Corporate Soul Searching

Matthew James Painter

Department of Leadership Development, University of Alabama Birmingham, Birmingham, USA

Email address:

mpainter@uabmc.edu, mpainter@live.com

Abstract: Many organizations unknowingly struggle with performance because of the incongruence between espoused and actual corporate values. When this occurs, the culture is underdeveloped and perpetuates misaligned actions. This is often a root cause of performance issues. Therefore, investments in culture analysis and development can reap profound rewards in achieving systemic change that leads to organizational success. Backed by leadership and organizational theory, the article outlines how executives and key partners can embark on an intentional process of defining and fostering the right culture. Culture should be embedded into any corporate strategic planning endeavor as it requires ongoing intentionality. It is recommended that external partners be engaged to provide guidance in this process because the needed structure and objectivity is less likely to occur when executed by internal stakeholders who are influenced by organizational power dynamics and politics. Executives however, are the key stakeholders of any culture-forming process as they are responsible for defining, role-modeling, and rewarding key behaviors. The process also includes Corporate Soul Searching (CSS) whereby values and actions are defined, followed by reinforcing structures, accountability systems, and ongoing cultural assessment. All of these elements must be aligned to yield a leader-like culture. Outcomes of this process include strong employee engagement and a clear values system synchronized with mission and strategy.

Keywords: Corporate Culture, Leadership, Corporate Soul Searching (CSS), Values, Performance Management, Executives, Strategic Planning

1. Introduction

Does culture really eat strategy for breakfast? If culture is so important to our success, we should be intentionally managing our corporate culture instead of letting the culture manage us. To get to the culture we want and need to survive requires ongoing intentionality. Organizational culture is a powerful framework that impacts employee engagement, satisfaction, and commitment and in healthcare patient safety, quality of care, medical errors, patients' and families' experience of care, physician satisfaction and burnout [23, 28, 34].

While we can argue that one culture type is better than another, it is up to executives to define the culture [32]. Designing a leader-like corporate culture make sense to pursue since it should exemplify leadership behaviors throughout the organization. At the same time, a leader-like culture encompassing other cultural types that we may need (i.e. innovative, visionary, transparent).

A leadership culture "has a certain interplay of mission, values, actions, structure, and accountability at every level" [25]. When synchronized carefully, the interplay results in higher levels of employee engagement and organizational performance. Our outcomes are almost exclusively driven by people. Interventions aimed at achieving higher levels of performance often fall short because organizations do not synchronize or align their talent systems. To mitigate this problem, there is a roadmap that can help us foster a culture of leadership, one that should be prioritized before other organizational initiatives take place.

2. Defining Culture

Organizational culture is probably best understood by MIT Professor Emeritus, Edgar Schein [29], who once defined culture as:

A pattern of shared basic assumptions ..., which has

worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think, and feel...

What if that isn't the way we want or need people to perceive, think or feel? Because culture is the tacit social order of beliefs, attitudes and behavioral norms of an organization in far-reaching sustainable ways [7, 8, 34] it is hard to change. Culture dictates what is accepted and encouraged, or rejected or discouraged and essentially how works gets accomplished, priorities set, and how people work with one another [8].

This social order of norms is a reinforcing mechanism - whether it's good or bad [25]. For example, we act in tandem with the culture in order to survive because that's what is acceptable and rewarded. Efforts to change an organization's culture must include an evaluation of our beliefs and corresponding values which determine our actions. These values should be congruent with the mission or purpose of the organization, not what it says its values are (i.e. espoused values). Real values, not espoused ones, drive behaviors. For example, an organization may say it values strategy, but fails to support efforts to pause, reflect, and plan.

We must be intentional about aligning these to our values. When properly aligned with personal values, drivers, and needs, culture can unleash tremendous amounts of energy toward a shared purpose and foster an organization's capacity to thrive [7, 9, 34].

3. Executives' Role in Culture Formation

Since culture is reinforcing it is extremely difficult to change, which is why ongoing intentionality is critical. Whose responsibility is it to foster culture? While everyone does have a role to play in culture formation, it is the senior or executive leaders who have the largest capacity to influence culture. Many business leaders subscribe to the notion that Human Resources (HR) Departments are responsible for it, or Learning and Development. However, HR cannot foster culture any more than a new training program or quality initiative. Appeals for employees to change their values and routines will not change culture [10]. This is why the involvement of executives is so critical.

The success of the organization research has largely been from the performance of its leaders [6, 18, 22]. Managers account for 70% of team success [18, 33]. Thus, the effectiveness of organizational culture is dependent on the CEO's leadership behavior [9] with the role of senior leaders' role-modelling and support to be paramount [4, 20]. For example, when it comes to change processes, it is the executives who are the change leaders and employees will not support change if executives are not supportive themselves [17]. Conversely, if executives help to define the new vision, are hungry to change, and take deliberate action, great strides toward the new culture can be made in a short time [24]. Executive leaders are chiefly responsible for driving transformation, including culture [8], and must be humble as opposed to narcissistic to strengthen the relationship of leader-member-exchange (LMX) [18].

Therefore, senior managers need to actively manage culture by thoughtfully determining rewards and consequences, and exemplify what is acceptable or not in the organization. Unfortunately, many leaders think they are being leader-like and fostering the right culture. When this occurs, it is artificial leadership. Artificial leadership is a state of delusion that occurs when a person believes they are a good leader when in fact they are not [24]. Instead, we need authentic leaders who are humble enough to relentlessly serve and support the culture-building process. When managers exhibit authentic leadership there are positive outcomes such as increases in innovative behavior, engagement, and initiative [16]. This distinction between authentic and artificial leadership further highlights the difference between management and leadership as these two are not synonymous.

Senior-level involvement in culture formation is not a one-time event or even an annual one. Top level leaders must drive and remain deeply involved in culture work to sponsor, support, or supply cover for the various initiatives that will arise with the different parts and levels of the organization [11, 31]. Simply put, executives are the culture. Managers at every level only represent that culture to their teams.

This process is even more vital today than it has ever been. Intentionally managing culture may be one of the only sources of sustainable competitive advantage available to companies today. Executives should approach culture as a fundamental management tool [7].

4. Engage in Corporate Soul Searching

The soul of an organization is comprised of mission and values. Therefore, in order to understand these elements, we must engage in corporate soul searching. Corporate Soul Searching (CSS) is an objective, facilitated process that helps bring clarity to an organization's purpose, beliefs, and its values. Our corporate soul answers the question, why do we exist? A grounding in our purpose or our mission can set the stage for defining the culture we need and the culture we want.

Each organization must define for itself what type of culture they wish to have [32]. It is leaders who enable this process to work and any efforts to delegate this to HR or solely to a consultant will not be optimal. Instead, partner with an external consultant with experience in corporate soul searching and culture transformation. External partnership brings needed objectivity to this process. An executive-level retreat should be a core component. The retreat can come in a variety of forms, but the goal is having an intentional period to objectively pause and reflect whereby corporate soul searching can occur.

From the corporate soul comes our organizational vision -the lofty goal we hope to achieve as the result of our purpose (mission) and values (i.e. our soul). Understanding how all the elements of business work together is strategy and the roadmap we follow to execute it is the strategic plan. The corporate culture is a symptom or an outcome of how this entire process is orchestrated. This is why we cannot attempt to change culture without going to the root cause: the corporate soul.

4.1. Identify Values

Identifying our real values is not an easy process, yet it is a profound exercise. Each person brings values that may conflict with others on the team. However, a consultant can facilitate a process where a values system can emerge. No process will be perfect and all values will never be accounted for, but the discussion promotes a vital part of creating a shared mental model or values system. The stronger the fit between the organization and the individual the more organizational commitment, job satisfaction, and loyalty occur, as well as, reduction in burnout and stress [12]. Sometimes, the values of individual members will be incongruent with the newly formed corporate values system. This is where some staff may choose to exit. This is healthy attrition and helps to form cultural cohesion. "Cultures thrive and evolve when they are cohesive, meaning that even divergent actions stem from common beliefs but devolve when they allow unmitigated variety" [13].

Key questions:
a. What is our plan for ongoing corporate soul searching?
b. Are our espoused and actual values aligned?
c. Do our values support how outcomes are achieved?
d. Have we thoughtfully engaged external partners?

4.2. Describe the Actions

Values represent what is important and are reflected in our actions. To design a leader-like culture, an organization not only needs to define its values, but also how these are put into practice. It is useless to define values if we do not understand what they mean when we live them out. Trust and respect are the cornerstones identified as the basis from which a healthy and positive culture can thrive [23], yet stakeholders may not know what that means in practice. For example, what actions result in trust? Has that been defined? "The best organizations define, with specificity, the behaviors they expect from employees at every level of the organization. It doesn't help to state that you want nurses to be "patient-focused" if you don't define the specific behaviors you expect from them" [27]. If an organization values high performance, this may be reflected in reciprocity of assistance [26]. When there is a value of innovation in an organization, how is it reflected in action? Are staff empowered and encouraged to share ideas or experiment without fear of failure or discipline? If innovation is espoused but innovators are punished, then status quo is the true value. Values and actions have to be sufficiently defined. Then values will play a pervasive, executive role in culture, serving as defining criteria for making decisions, setting priorities, and behavioral expectations [14].

Culture means creating consistency and alignment in thinking and behaviors [32]. In other words, we can't think one way and behave in another. This creates misalignment with the organization. In the absence of clearly defined values and behaviors, each person interprets values differently based on cues from the top. This creates confusion, cultural disparities, and promotes clashing micro-cultures. If we say we value an open culture where transparency, participation and feedback are encouraged, they must be addressed [19]. All organizational members must know what the expectation is regarding each value. Executives must clearly articulate an expectation to follow to have a cohesive culture of leadership.

Key questions:
a. What does each value specifically look like when practiced?
b. Do stakeholders agree on these actions?
c. Are executives willing to role-model the behaviors?

While it might be tempting, we cannot possibly dictate or express every behavioural norm [24]. Focus on a few critical behaviors [15]. The goal is to provide sufficient understanding or detail to consistently execute on our values without confusion. However, members must also remember that there are occasions where our values may seem to compete. For example, at times we may need to be entrepreneurial, but in other situations it is important to avoid risk [13]; explaining that both are important and the reasons behind these positions are needed. It is tempting to adopt a competing values attitude in these situations, but the values are not in competition so much as they are being leveraged differently to best position the business. Sometimes our need to be innovative, for example, comes due to our need to comply. These do not have to be mutually exclusive.

5. Create Structure

Once we have specifically identified the future state in specific behavioral terms, we must remove learning barriers by creating a psychological safety environment for stakeholders [30]. Additionally, senior managers must also devise a strategy to communicate the values and accountabilities, consistently. Communicating new standards should be replicated at every level through detailed, top-down workshops. Everyone would receive training in the new cultural expectations, and on-going efforts would be made to foster continuous improvement [14].

Additional long-term reinforcing mechanisms to hardwire or "culturalize" behaviors is also needed. By doing this, values and behaviors are communicated to all stakeholders consistently. The types of structures or reinforcing mechanism vary. This may mean a particular recruitment strategy where values in action are on display clearly. It may mean a robust orientation program, an informal or formal mentoring plan, part of formal communications, or embedded into leadership development programs or workshops.

New systems, structures, controls, rewards, and processes consistent with desired changes, including cultural transformation will be needed [30, 31]. Additional supports such as the principles of change management should not be overlooked [5]. Organizational leaders should ensure that the structure are in place to support, reward, and reinforce the desired values [10]. During this process opportunities to practice and fail safely will promote success [30, 31].

One such reinforcing mechanism and practice opportunity is in formal leadership development programs. The critical elements of a strong leadership development plan include cross-organizational communication, developing cross-silo

networks, teambuilding skills, conflict resolution, and customer service [3]. Each of these provides a robust opportunity to showcase our values and how they are put into practice. However, leadership development programs are only successful if reinforced by focused action from executive leaders down through the ranks in conjunction with messaging from both learning and development as well as divisional leaders [11]. This gives further credence to the need for executive support.

Key questions:

a. Is our recruiting, onboarding, and promotion practices congruent with our values?
b. Are we consistently communicating the same messages to all stakeholders?
c. Do stakeholders have clear examples to follow?
d. Do we regularly explain the why?
e. Does the organizational hierarchy reflect our values?

6. Hold People Accountable

Creating a culture of accountability must start at the top [8]. Therefore, once the values, actions and structures have been implemented it is a crucial part of culture transformation that executives role model the desired behaviors. Managers should also call attention to and acknowledge which aspects of culture are on display and why [13]. A company's leadership team will enhance the work culture and further build trust, gain influence, and inspire others as they master their behavior [23]. Likewise, it is imperative that leaders set the tone and standards to lead by example because they are under the strong performance demonstrated by the top communication leader in the organization affects professionals' engagement and trust [21]. Thus, if leaders do not role model behaviors and hold others accountable, trust and respect may be eroded [23]. Likewise, if managers support an environment of corruption, employees implement work tasks directly in a corrupt manner [1]. Not to mention that it may be perceived as incompetence, which demotivates, demoralizes, and stresses out teams [2].

Accountability includes a willingness and diligence in having difficult performance conversations up to and including termination. Without these conversations, stakeholders will quickly learn that senior leaders are not serious about behavior and all traction towards a new culture will be lost. This is the reason that culture formation requires daily intentionality.

Key questions:

a. Does every employee have an appropriate role-model?
b. Are employees empowered and have psychological safety to act in accordance with the value system?
c. Is accountability of values-based actions a standard practice throughout the organization?
d. Do senior leaders and managers have the skills to have performance conversations that promote relationship building and behavioral clarity?

7. Assess

When leadership and strategy are aligned, the culture drives positive organizational outcomes. Conversely, when it is not aligned, culture may become an acute liability [7]. Value conflicts emerging from contrasting beliefs, priorities, and demographics can be disruptive factors [14]. Therefore, take the time to assess the culture periodically because evaluation is an important part of any intervention. Furthermore, values are not always static, but often dynamic variables subject to change. If corporate success is made in a way that is contrary to its values, outcomes are at risk for being short-term [25]. Ultimately, the misalignment of values, actions, structure, and accountability may lead to cultural dysfunction as evidenced in silos and competing microcultures, not to mention poor performance. Conversely, the alignment of the priorities of senior leaders, frontline managers, and staff through respectful conversation and a visible, real-time talent system reap performance improvements [5].

8. Conclusion

Leading with culture may be among the few sources of sustainable competitive advantage left to companies today [7]. Executives have an essential role in culture formation as they determine what is acceptable or not in an organization. When executives realize that culture is a competitive advantage [7] and authentically desire cultural change they should partner with Organization Development practitioners to engage in Corporate Soul Searching. This process is the vital catalyst in defining the cultural vision and the value system on which we want to operate. Then the behavioral norms, reinforcing structures, and accountability structures that align to the desired culture can then be created.

When our corporate values are well-aligned to goals and behaviors, a cohesive high-performing culture emerges. Culture should be a priority topic for executives and it is recommended that this be part of the strategic planning process. The actual culture-forming process however, occurs daily. Either you are intentionally managing culture or the culture is managing you. Without intentionality, culture will eat your strategy for breakfast.

References

[1] Campbell, J. & Göritz, A. (2014). Culture corrupts! A Qualitative Study of Organizational Culture in Corrupt Organizations. *Journal of Business Ethics, 120* (3), 291-311.

[2] Chamorro-Premuzie, T. (2019). To prevent burnout, hire better bosses. HBR. Retrieved from https://hbr.org/2019/08/to-prevent-burnout-hire-better-bosses

[3] Elkington, R., Pearse, N. J., Moss, J., Van, d. S., & Martin, S. (2017). Global leaders' perceptions of elements required for effective leadership development in the twenty-first century. *Leadership & Organization Development Journal, 38* (8), 1038-1056.

[4] Ellison, C. (2019). Time and Change: The Importance of Innovation and Leadership to the Future of Surgery. *Annals of Surgery*, *270* (3), 391–399. https://doi.org/10.1097/SLA.0000000000003457

[5]   Featherall,, Chaitoff, &Simonetti (2018). Creating a culture of continuous improvement in outpatient laboratories: Effects on wait times, employee engagement, and efficiency. *American Journal of Medical Quality*. https://doi.org/10.1177/1062860618808383

[6]   Gorringe, G., Swensen, S., Peters, D., & Caviness, J. (2016). Leadership by design: intentional organization development of physician leaders. Journal of Management Development, 35 (4), 549–570. https://doi.org/10.1108/JMD-08-2014-0080

[7]   Groysberg, B., Lee, J., Price, J. & Yo-Jud, J. (2018). The Leader's guide to corporate culture: Changing your organization's culture can improve its performance. Here's how to do that. *Harvard Business Review*.

[8]   Haid, M. (2019). Organizational culture: The real reason transformation fails. Lee Hecht Harrison. Retrieved from https://www.lhh.com/us/en/organizations/our-insights/organizational-culture-the-real-reason-transformation-fails

[9]   Hartnell, C. A., Kinicki, A. J., Schurer Lambert, L., Fugate, M., and Doyle Corner, P. (2016). Do similarities or differences between CEO leadership and organizational culture have a more positive effect on firm performance? A test of competing predictions. J. Appl. Psychol. 101, 846–861. doi: 10.1037/apl0000083.

[10]   Hartnell, C., Ou, A., Kinicki, A., Choi, D., & Karam, E. (2019). A meta-analytic test of organizational culture's association with elements of an organization's system and its relative predictive validity on organizational outcomes. *Journal of Applied Psychology*, *104* (6), 832–850. https://doi.org/10.1037/apl0000380

[11]   Harvard Business Publishing (2018). The 2018 state of leadership development, Meeting the transformation imperative. Retrieved from https://www.harvardbusiness.org/insight/the-state-of-leadership-development-report/

[12]   Herkes J, Churruca K, Ellis LA, et al. (2019). How people fit in at work: Systematic review of the association between person–organisation and person–group fit with staff outcomes in healthcare. *BMJ Open*; 9: e026266. doi: 10.1136/bmjopen-2018-026266.

[13]   Howard-Grenville, J. (2020). How to sustain your organization's culture when everyone is remote. *MIT Sloan Management Review, 61* (4), 1-4. Retrieved from https://proxy2.ncu.edu/login?url=https://search-proquest-com.proxy2.ncu.edu/docview/2427312143?accountid=139631

[14]   Hultman, K., (2020). Building a culture of employee optimization. *Organization Development Journal, 38* (2), 35-48. Retrieved from https://proxy2.ncu.edu/login?url=https://search-proquest-com.proxy2.ncu.edu/docview/2399869453?accountid=139631

[15]   Katzenbach, J., Oelschlegel, C., & Thomas J. (2016) 10 principles of organizational culture. Strategy + Business. Retrieved from https://www.strategy-business.com/feature/10-Principles-of-Organizational-Culture?gko=1f9d7

[16]   Laguna, M.; Walachowska, K.; Gorgievski-Duijvesteijn, M. J.; Moriano, J. A. (2019). Authentic leadership and employees' innovative behaviour: a multilevel investigation in three countries. *Int. J. Environ. Res. Public Health*, 16, 4201. Retrieved from https://www.mdpi.com/1660-4601/16/21/4201/htm

[17]   Larson, J. A. (2015). Organizational and process reengineering: Approaches for health care transformation. Boston, MA: CRC Press.

[18]   Liao, S., Zhou, X., Guo, Z., & Li, Z. (2019). How Does Leader Narcissism Influence Employee Voice: The Attribution of Leader Impression Management and Leader-Member Exchange. *International Journal of Environmental Research and Public Health*, *16* (10), 1819. doi: 10.3390/ijerph16101819.

[19]   Mannion, R., Davies, H. (2019). Raising and responding to frontline concerns in healthcare *BMJ; 366*: l4944. Retrieved from https://www.bmj.com/content/366/bmj.l4944.long

[20]   Metz, D., Ilieş, L., & Nistor, R. (2020). The impact of organizational culture on customer service effectiveness from a sustainability perspective. Sustainability, 12 (15), 6240.

[21]   Meng, & Berger. (2019). The impact of organizational culture and leadership performance on PR professionals' job satisfaction: Testing the joint mediating effects of engagement and trust. *Public Relations Review, 45* (1), 64-75.

[22]   Mullen, J., Fiset, J., & Rhéaume, A. (2018). Destructive forms of leadership: The effects of abusive supervision and incivility on employee health and safety. *Leadership and Organization Development Journal, 39* (8), 946-961.

[23]   Page, L., Boyson, B. & Arya, T. (2019), Creating a Culture that thrives: Fostering respect, trust, and psychological safety in the workplace. *Organization Development Review*. Vol. 51. No. 1. Retrieved from <https://www.odnetwork.org/general/custom.asp?page=odr-current>

[24]   Painter, M. (2014). Artificial Versus Authentic Leadership. *T+D*.

[25]   Painter, M. (2019). Leadership culture by design. *Organization Development Review*. Vol. 51. No. 2.

[26]   Park, K. (2019). The Relationship between Power Type, Work Engagement, and Organizational Citizenship Behaviors. *International Journal of Environmental Research and Public Health*, *16* (6), 1015. doi: 10.3390/ijerph16061015.

[27]   PSI (2019) Building a high-performance healthcare culture. Why is it so hard? Retrieved from www.psionline.com/talent

[28]   Rider, E., Gilligan, M., Osterberg, L., Litzelman, D., Plews-Ogan, M., Weil, A., … Branch, W. (2018). Healthcare at the crossroads: The need to shape an organizational culture of humanistic teaching and practice. *Journal of General Internal Medicine*, *33* (7), 1092–1099. https://doi.org/10.1007/s11606-018-4470-2

[29]   Schein, E. (2004). Organizational culture and leadership (3rd ed., Jossey-Bass business & management series). San Francisco: Jossey-Bass.

[30]   Schein, E., Schein, P. (2019). Corporate Culture Survival Guide (3rd ed.), John Wiley & Sons, Inc, Hoboken, NJ.

[31]   Shanafelt, T., Schein, E., Minor, L., Trockel, M., Schein, P., & Kirch, D. (2019). Healing the Professional Culture of Medicine. *Mayo Clinic Proceedings*, *94* (8), 1556–1566. https://doi.org/10.1016/j.mayocp.2019.03.026

[32]   Studer, Q. (2013). A culture of high performance: Achieving higher quality at a lower cost. Fire Starter Publishing.

[33] Walker, S. (2019). The economy's last best hope: Superstar middle managers. *The Wall Street Journal*. Retrieved from https://www.wsj.com/articles/the-economys-last-best-hope-su perstar-middle-managers-11553313606

[34] Yanti, S., & Dahlan, J. (2017). The effects of organizational culture, leadership behavior, and job satisfaction on employee organizational commitment. *Journal of Positive Management, 8* (4), 80-96.