



## DOES CULTURE REALLY EAT STRATEGY FOR BREAKFAST?

### Place culture 'front and center'

1. Culture is 'the way we do things around here'. How readily are you able to articulate current organisational or team culture? A great test is to ask a few people to write down their thoughts and see how they compare.

2. Organisational values or principles should underpin organisational culture. All too often they're developed for the website and the annual report and are aspirational rather than lived.

How accurately do your organisational values (principles) describe 'how we do things around here'? If they're not well aligned, perhaps you need new values or clear statements of what each value looks like in behavioural terms? "What will see if a particular behaviour is lived?"

3. If nurturing a culture is like tending a garden, how much time do you allocate to 'growing' your culture? Most people are likely to be persuaded of a greater need for intentional focus on culture if they run a quick cost-benefit analysis of attending to culture.

If the cost-benefit analysis isn't sufficiently influential, run a risk analysis. What impact might cultural neglect have on short term results and also on long term sustainability?

### *Truth or urban myth?*

"Culture eats strategy for breakfast". Is this a sentiment expressed by management guru Peter Drucker? Searches of Drucker's work don't yield a shred of evidence in support of the attribution. Yet, those same searches return literally thousands of articles making this claim. Closer scrutiny shows that none reference their attribution. It seems that enough people have repeated this unsupported suggestion for it to become 'truth' through urban legend.

Far more important though than 'Who said it first?' is the question 'How accurate is it?' While its source may be in doubt, repeated research shows there is little uncertainty that it is accurate. The assertion would be worthy of attribution to Drucker. And those are key reasons why it's so often attributed to one of the most insightful and influential management thinkers to have lived. Culture does eat strategy for breakfast. No question!

### *A question of focus*

Why is it then that, in so many organisations, strategy breathes easily, without fear of being eaten for breakfast? One reason is because strategy is apparently much more tangible and directly linked to performance. Performance, in turn, is ultimately converted into financial terms in our economy. Although these are quite blunt instruments in the context of all organisational outputs, financials deliver a 'bottom line' allowing for direct comparisons of 'apples with apples' between completely different types of organisation.

As an example, analysis of the Enron collapse points to cultural and financial failings. However, although company culture contributed directly to closure, it was actually closed for financial (failing to meet legally binding financial requirements) reasons.

You could presumably name at least a few organisations with toxic cultures, some with a long history of being awful places to work. But, can you name even one that has been closed primarily because of cultures declared 'unfit for human occupation'?

The lot of culture versus finance is also tied closely with the skill sets that people develop as they climb the organisational ladder. Financial reporting is a mandatory requirement in all organisations. No such requirements exist in relation to culture. People at the top must therefore, at minimum, possess some financial acumen. It follows that a lot of time is devoted to learning the skills the market prioritises.

### *Poor cousin to finance*

Despite its profound impact on organisational success, culture is much less visible. It's not the elephant room. If it were, when 'discovered' it might

receive more attention. Rather, it's a much more subtle set of interconnections and interrelationships between all elements in an organisational context.

'How we do things around here' is hard to identify and even more challenging to measure. Human behaviour is complex and it's especially difficult to control the interconnections and interrelationships between behaviours. Ignoring them is the easy option and that's what many choose to do, often at great cost.

### *What is culture?*

One of the most powerful definitions of culture is, 'the way we do things around here'. Very often though, people see culture only as a descriptor. For example, they speak of having a 'creative', 'innovative' or a 'competitive' culture. Such labels can be useful, but only if there is a deeper appreciation of what it takes to generate and sustain (or change) the particular culture they're naming.

More astute cultural practitioners move quickly beyond the high-level label to an understanding of key components of the culture and how these interact with one another. They're also wise enough to know that culture is like a garden. It's requires constant attention or it quickly becomes overgrown and full of weeds. Alternatively, it dries up and underperforms or dies off. Like gardens, cultures need time to grow and develop to reach their potential. They're also vulnerable to shocks, and resilience in the face of severe challenges is closely associated with the general, ongoing level of organisational health and fitness.

### *Culture isn't really a focus for us...*

Remember, even though you don't focus on culture, perhaps never even mention it, your organisation or team still has one. Ignoring culture, or attending to it only when there is a crisis, doesn't make it go away. Any level of neglect could make it a lot worse. Ask yourself this question, "What would happen to our financial situation (including legal liability) if we paid only as much attention to our finances as we do to our culture?"

Another question which, if frankly answered, may return an uncomfortable reply: "Do we avoid culture because it's in our too hard basket?" The human tendency to seek out the easier options may provide an explanation for why culture is so neglected, but it doesn't change the fact that culture matters.

### *Culture is a shared responsibility*

Culture involves everyone and permeates everything you do in an organisation. For this reason, nurturing and developing your culture should be everyone's responsibility. Is this how it is in your organisation?