

kha Newsletter

Spring 2003

kha - 3 YEARS ON

In the three years since we set up kha what changes have we noticed?

Greater awareness of coaching among corporate sponsors - but also some confusion caused by the very wide spectrum of coaching on offer - from performance-based to 'life coaching'.

More specific 'tailoring' to meet individual needs - which influences the length of programmes. One-year programmes are still important, but 6-month ones have grown significantly. A number of these are renewed for a further 6 months - but with fresh objectives.

Short, sharp programmes based around external 360° feedback and psychometrics - used to help re-orient executives' development or tackle very specific issues.

Coaching to accelerate high potential people - relatively young and tackling step changes in responsibility.

More executives taking on international responsibilities - where we can zero in on cross-cultural competencies with our own diagnostics.

Much more flexibility in the way our clients want to work: our offices or their offices; by phone or email; even meetings at hotels or airports!

3 years on...

Coaching is now a familiar part of the development 'toolkit' for senior people and the number of providers has increased dramatically. Which makes it all the more important to take great care when selecting

Do they:

- specialise - or is coaching an 'add on' activity?
- have a robust process?
- talk about performance and outputs?
- encourage evaluation?
- spell out their policies on confidentiality and avoiding dependency?
- know where coaching ends and counselling begins?
- approach coaching as business people or psychologists?
- offer corporate references?
- possess a broad range of experience and clients?

- have the ability to handle international issues or assignments?



Corporate culture - chasing the rainbow?

For a couple of years we have been holding regular private dinners and using them to have a relaxed debate about management issues. Last autumn, we decided to ask the question: *should* corporate culture be *managed* - and can it be? At the back of our minds was all the accumulated experience of loudly trumpeted culture change programmes in the 80s and 90s, and the debris of such projects left on the high tide of acquisitions and mergers, failed heroic chief executives and - post Enron - cynicism about the motives and integrity of corporate leaders. Could the 21st century organisation possibly be a genuine coalition of interests and its culture the natural outcome of shared beliefs and assumptions?

Little did we realise how much interest there was in this topic. Not only did we have a vigorous debate over dinner, but we also went on to speak to a number of people who couldn't attend but wanted to discuss the subject with us. Whilst their views hardly constitute a statistically valid sample, we did gather them from a range of different sectors. Most were from large organisations and operate at the top level of human resources or line management. Most of the organisations had origins going back several decades.

In retrospect, we realised that our search for an entertaining evening had led us into one of the most elusive and ill-defined areas of organisation theory. If you search the literature you will find that the first problem is defining what one means by culture. As Edgar Schein put it comprehensively: "there is little agreement on what the concept does and should mean, how it should be observed and measured, how it relates to more traditional industrial and organizational theories, and how it should be used in our efforts to help organizations". And if that isn't enough, Gert Hofstede avows: "...there is little doubt that organizational culture affects performance" but adds that: "...this is difficult to prove, if only because the necessary longitudinal studies are hardly feasible". And this is before one starts to introduce the added layers of complexity of sub-cultures and national cultures...

Despite this unhelpful academic backdrop, the overwhelming assumption of our practitioners is that culture can and should be *managed*. They see it as one of the prime responsibilities of the board; some also see it as

part of the role of senior management just below board level. One suggested: "it's largely out of control but it can be nudged along". Only one individual argued that corporate culture was the outcome of the organisation's response to its competitive environment. He gave us the superb analogy of an aeroplane "consisting of 50,000 individual parts all functioning and going in the same direction". Most see culture formation as a top-down process, driven by a critical mass of senior people, but allowing for some discussion or debate on the way. Several regard it as a "structured exercise in communication in order to reach a huge audience". One thinks that "culture change is like marketing: use all the available channels to get the message across". The role of the storyteller and the use of imagery as transmitters of culture were referred to frequently.

On balance, the flavour is prescriptive rather than consultative. Several stressed the fact that leaders are paid to lead, for example, "it's the responsibility of top leadership to work out what cul

Should corporate culture be managed-and can it?



ture is needed - and then shape it". However, there was a real split between those who believe top management should set a broad framework and allow local interpretation, and those who think that leaders should assert the culture and seek conformity to it. Several cited failed attempts to impose a culture and referred to the increased sophistication and challenge posed by better-educated employees.

Corporate life in the last decade was characterised by a touching faith in heroic chief executives: Welch of GE and

Messier of Vivendi being just two examples. The 'back to basics' mantra and lower profile leaders have now replaced the fallen heroes and the cult of charisma. This is reflected in a majority view that, whilst chief executives have an important effect on culture: "the personality of the CEO definitely matters", they should not be relied upon as the locus of culture. Perhaps there is a tacit recognition that the life cycle of CEOs has shortened dramatically. One organisation bases its culture on "being built to endure". Others take great care to ensure that the culture is supported by, and embedded in management processes - especially in rewards and promotion.

For several of the organisations we spoke to, the overlay of national culture has loomed large. One has taken great pains to test the way its culture is perceived by its different local offices in Japan, England and the USA. Only when they got a consistent re-

sponse did they move forward. An outcome of this exercise is the stripping back of all unnecessary verbiage to a state of "elegant simplicity and trans-

parency". Another was the result of cross-national mergers and a clash of beliefs in what constituted effective leadership: the Anglo-American faith in persuasion and vision and the European respect for technical competence. In the end, this has been resolved forcefully by "structural changes in the market from domestic national purchasing to regional alliances".

Some of the organisations in our sample have enjoyed relatively stable lives: either they have not been exposed to mergers and acquisitions or they have emerged as the '-winner'. Some were clearly pre-eminent in their sector and had strong brands and positions of market leadership. For them, industrial relations are not a major issue and their workforces are relatively long serving and actively or passively loyal. Perhaps this is why there was relatively little discussion about the differing needs of their employees and the ways in which they might engage with - or shape - the culture.

Those companies that had been through more turbulent times are clearly working much harder to engage their employees in shaping the culture. Not only do they have to be sensitive to the inheritance of historical cultures, but they have to address the reality of relative insecurity in their employees. Moreover, they are faced with the task of growing a completely new culture from the remains of the old organisations. They invest considerable time and resources to do bring this about and they articulate

change in terms of arriving at consensus and mutual benefit.

Therefore, we are seeing two divergent approaches that appear to be situational in origin. For the secure, possibly monolithic, organisations could this be arrogance or confidence on the part of top management? Perhaps it is a bit of both, but it seems to have worked for these organisations: who is to argue for more humility and endless consultation? For those who have been exposed to more volatility, paternalism is not an option.

Finally, does attention to corporate culture produce measurable results? Is all the effort worthwhile? One company spoke of "the huge amount of work and the constant surprise at how long it takes to effect changes". To be fair, we never set out to ask whether there is a causal link to corporate performance. Equally, not one of the organisations claimed such a link except to state in

very broad terms that: "culture has to be business driven". Maybe Hofstede was right: there are too many variables at work and you can't hold things constant long enough to

draw any valid conclusions. Organisations are just too complex. We are left wondering if shareholders are worried about the cost/benefit ramifications of culture change. Or do they just accept it as an act of faith, rather like advertising?

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kha *what do our clients say?*

"I was at the top Of my procession but that didn't mean I couldn't improve, so I started a series oCone-to-one coaching sessions. Subsequent 360° feedback was used to measure my progress - and prove that you can teach an old dog new tricks!"

"The kha coaching is experienced and insightful, and flexible so that help can be focused on immediate practical solutions as well as longer term development. It is supportive and rigorous without being intrusive ...really listens and understands - there are no glib off-the-shelf solutions being peddled here."

" I am just amazed that kha grasp so quickly and perceptively the intricacies and nuances of my situation ...I simply would not be in my current position without the `rounding' of their coaching."

"We have seen very clear changes in his leadership style."

"**Talking** to an independent person helps to gain a sense of perspective. Your experience in working with people from many different companies enables you to offer new ideas on how to deal with problems based on what has worked elsewhere."

If you would like information on any of our services, whether it be our core coaching process or our new programmes and initiatives, please do contact us or go to our website www.khacoach.co.uk.

"Although initially sceptical about the possible benefits, I was soon able to consider different approaches to my leadership style and put them into practice. Some hit and some fell, but considering alternative approaches helped improve my overall effectiveness."

"...a pretty rare experience, because in business you are not often in the position of being with someone whose sole aim is to help you grow and develop - and be a listening post and advisor."

" Day to day demands, and constant executive challenges `fog' the way ahead. Executive coaching has helped provide me with clarity: clarity of purpose; clarity of thought; clarity of perspective; and clarity of approach."

"The support kha have given both at board and individual level has been invaluable."

Keary Harper
Associates 6 Porter
Street London W1 U
6DD t 020 7486 1321 f
020 7486 1327
info@khacoach.co.uk
www.khacoach.co.uk