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FACT SHEET #1

## Organisational culture

DOES YOURS HELP OR HINDER YOUR BUSINESS' PERFORMANCE? **By Suzy Roden**

Organisational culture is often seen as one of those 'nice to haves' and 'we'll spend some time on it, when we get around to it'. However, research is clearly showing that there is a strong correlation between a positive culture and excellent performance, for both the present and for a sustainable future. Equally strong is the correlation between a negative culture and poor performance.

Think about it. In today's world – particularly in the West – where knowledge work is the most common form of work, you need to tap into people's thinking capability. It is this thinking capability that determines the rest of what happens in the organisation.

For example, is the organisation's thinking capability tapped into to access:

- great strategies to provide advantage in the marketplace
- products and services that are innovative and fill an unmet need
- ways of funding the business that create good cash flow and make good financial sense
- energy and motivation to come up with ideas and opportunities as well as follow them through with action
- identification of business models that change the way the market acts (to your advantage, of course)
- quality solutions to complex problems with minimal effort, while also ensuring the diverse needs of the business are met

Or does the organisational culture hinder access to this thinking? For example:

- is the message out there that only the senior executive team has the thinking power to come up with innovative ideas?
- do managers pounce on someone as soon as they make a mistake, so they never try anything new again?
- is the normal response to a new idea something like, "Oh, that couldn't possibly work"?
- do people have to stick rigidly to rules so that it is difficult to do things differently?
- are people given too little authority to make decisions in the moment to meet customers' needs?
- is the focus 'efficiency' rather than progress and continually adapting to the changing marketplace?

### THE BIG QUESTION

The big question is:

- does the organisational culture or environment in which your people work, enable or disable this thinking potential?
- does it unleash the creative talents and energy of everyone in the business or does it stifle people's spirit and block their thinking?

If the latter is the case, perhaps it is time to consciously design and transform your organisational culture before you face dire consequences. If your culture is positive, are you putting effort into maintaining it so that you continue to build business resilience?

**In today's ever-changing world, it is vital that your organisational culture allows access to your talent and provides a platform for flexibility and adaptability to the emerging future.**