

SERVICE FEATURE

# People and Organizational Culture Services: State of the Workplace

The war for talent has been and continues to be a reality for organizations across industries for the past 20 years, as there is an increasingly competitive landscape for recruiting and retaining talented employees. Today, the great resignation continues as business leaders struggle to make sense of the factors driving the mass exodus, adding an extra layer of complexity to the challenges of attaining and retaining talent.



Some statistics of the current state of the workplace include:

- Over 40% of all employees were thinking about leaving their jobs at the beginning of 2021, and as the year went on, workers quit in unprecedented numbers.
- The U.S. quit rate reached a 20-year high in November 2021, creating a scarcity of people to fill U.S. positions the all-time U.S. high of 10.1 million job openings.
- Job openings are up 55% from January 2021 and continue to outpace available employees.
- 1 in 5 workers are planning to quit by the end of 2022.
- What is the real cost of attrition to organizations? Replacing an employee costs an average of six to nine months of an employee's salary, according to the Society for Human Resource Management. This sets companies back financially and puts a strain on day-to-day work

This can impact a team in the following ways:

- Added stressors for employees that must cover gaps left by departing team members.
- Fundamental team cultural changes when new employees are brought in.
- Impactful disruptions to team morale.
- Loss in productivity.
- Loss of cross-team collaboration and internal networks.
- Loss of institutional knowledge and history.
- Some top-performing employees could become competitors.

As companies work to address the problem, many will continue to struggle for one simple reason: Companies don't really understand why employees are leaving in the first place. By not understanding what employees are running from, and what they might gravitate toward, company leaders are putting the business itself at risk.

To compound the issue, workplace challenges for organizations are not limited to exiting employees. Discontent can exist among remaining employees, as employee engagement numbers drop steadily and active disengagement is on the rise. In a Gallup survey of nearly 60,000 workers, two-thirds reported feeling disengaged on the job in 2021. The real cost of disengaged employees is just as devastating as employee attrition, including such impacts as: higher absenteeism rates, more errors/defects in work performance, more accidents, less productivity than their engaged counterparts, and higher team turnover than highly engaged teams.

The central problem to address is the mismatch between the job environment and organizational culture employees want and now expect, and the one their organizations have. Organizations that take the time to learn why employees are leaving and what employees are looking for — and then act thoughtfully — will have an edge in attracting talent and in holding on to valued employees for the journey.

**People and Organizational Culture Services**

People and organizational culture services embrace people-focused strategies and approaches to help organizations measure and shift culture; identify and develop leaders; and create robust mentoring programs. These high-impact services do more than address the attrition and employee engagement challenges. They also equip organizations and leaders with the knowledge and capabilities to create high-performing workplaces with clear direction and support for employees to operate in including: healthy organizational cultures; empathetic and capable leadership; and development via training, coaching and mentorship.

**Organizational Culture**

An organizational culture assessment identifies the cultural dynamics of client organizations by measuring the cultural traits and leadership practices impacting business performance. Strategic guidance and hands-on support can be provided to clients to use this information to shift the company's existing culture and build a high-performance business culture. The model and measurement of organizational culture that 1898 & Co. utilizes and believes is the best culture assessment tool is the Denison Organizational Culture Survey (DOCS), which measures four culture traits: mission, adaptability, consistency and involvement. Additionally, DOCS measures 12 supporting management practices, serving as a straightforward and comprehensive measurement and analysis of cultural characteristics that drives critical business performance in areas such as sales growth, profit growth, innovation, customer satisfaction, risk and safety and quality.

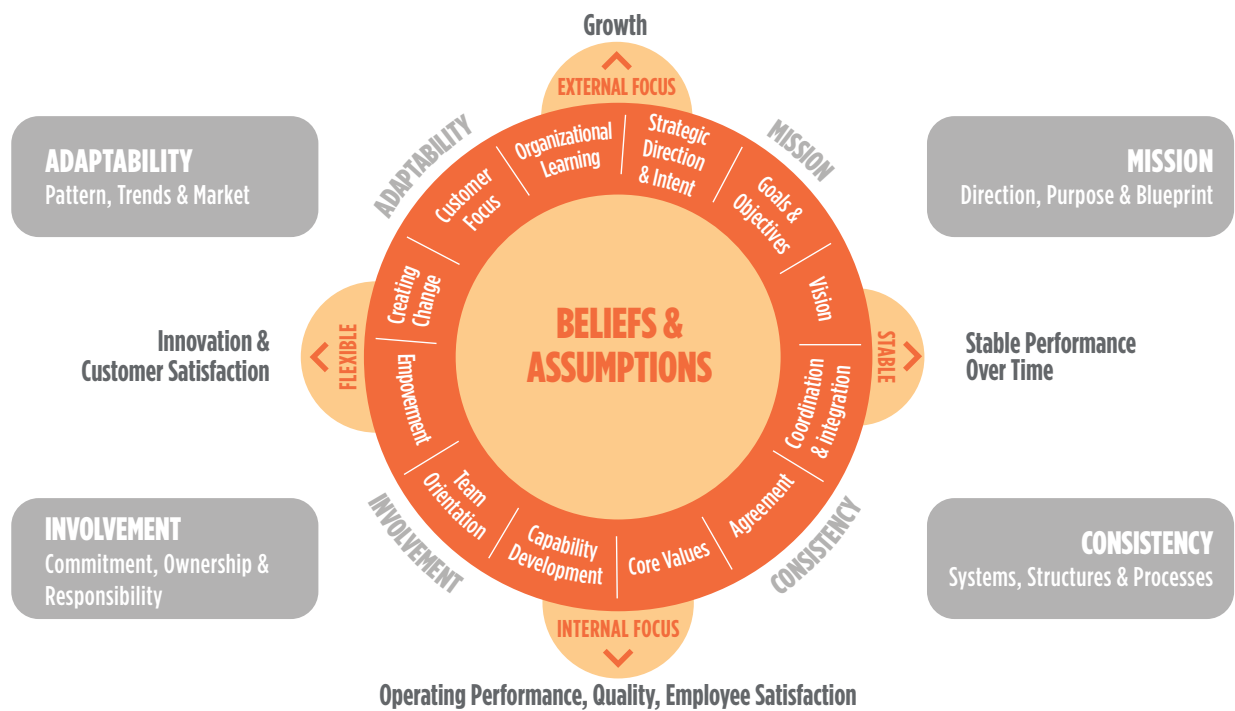


Figure 1: DOCS survey framework.

Traditionally, organizational culture surveys have taken a behavioral approach, making it difficult to link the results back to business. Written in easily understood business terms, DOCS is a user-friendly tool that enables leaders, key stakeholders and employees to understand the impact culture has on an organization's effectiveness, as well as identify areas of improvement.

Culture shift work with clients using the survey results targets areas of improvement to enhance business performance within broader initiatives such as:

- Alignment of culture to support strategy implementation.
- Assessing and improving organizational and team performance.
- Determining organizational development or training needs necessary for culture change.
- Managing large, complex change initiatives.
- Organizational transformation.

## Leadership Development

Data shows that managers are among the most important pieces of a satisfactory and enjoyable workplace, so often times it's a question of if poor management is causing workers to quit. The answer is often yes. Developing a strong leadership pipeline is essential to creating a high-performance organization, and at the most basic level is crucial to attracting and retaining talented employees.

Targeted and customized leadership assessment and development services are key to changing company culture. An initial needs assessment survey approach measures and gains a clear understanding of critical business and leadership challenges facing a client's organization. This helps to pinpoint the leadership capabilities needed to successfully address critical business and leadership challenges.

Typical leadership needs assessment survey themes include:

- Culture/values today and how they must change in order to fully achieve the vision and successfully execute the strategy.
- Job experiences that were most important to personal development and why.
- Most effective ways to learn.
- Organizational strengths and weaknesses.
- Significant marketplace challenges facing the company and implications for the organization and its leaders.
- Topics that would be most useful to the individual personally.

- Topics to include to build the capabilities the organization needs to win in the marketplace today and in the future.
- Vision and key strategies required to achieve it.
- What is needed from leadership to achieve the vision, live the values and execute strategy.

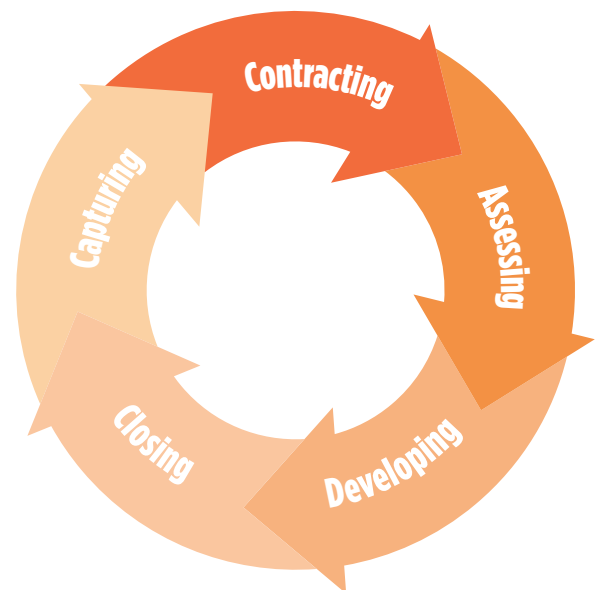
From the survey results, solutions are then designed and developed that are most important for addressing the unique business and leadership challenges uncovered during the needs assessment process.

Customized training solutions range from half-day to multiday experiences, target capability development and can be customized to fit specific needs in the following areas:

- Communication and collaboration
- Embracing change
- Interpersonal needs
- Managing conflict
- Team building

## Executive Coaching

An executive coaching approach provides a focused, personal link between the strategic business priorities of organizations and the leaders most responsible for executing them. It follows a proven five-step coaching process — contracting, assessing, developing, closing, and capturing — to help leaders develop and refine the competencies that will make them most effective in their positions and most valuable to their organization.



**Figure 2: A five-step coaching approach.**

There are several key benefits to executive coaching:

- Aligns the leader's behaviors, values and personal objectives with those of the organization.
- Assists leaders in developing competencies and behaviors critical to achieving the organization's business goals and strategies.
- Capitalizes on the business and psychological knowledge, experience and training of carefully selected coaches.
- Offers a reliable process; common principles, methods and tools; and measurable results.

## Mentorship Programming

Mentoring program advisory services for clients can range from informal to structured mentoring approaches based on the objectives of client organizations.

### Informal mentoring:

- Driven by self-interest
- Giving and getting advice and guidance
- Self-directed connections and conversations
- Spontaneous activity

Three factors influence the level of mentoring program formality: structure, relationship, and accountability.

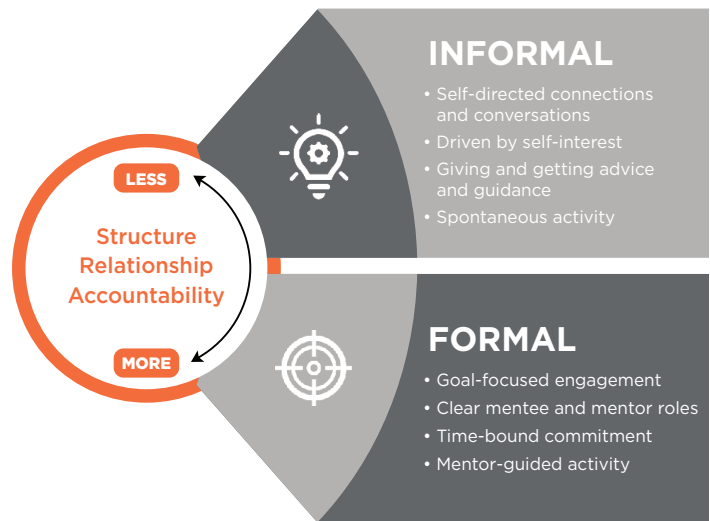


Figure 3: Informal vs. formal mentoring.

### Formal mentoring:

- Clear mentee and mentor roles
- Goal-focused engagement
- Mentor-guided activity
- Time-bound commitment

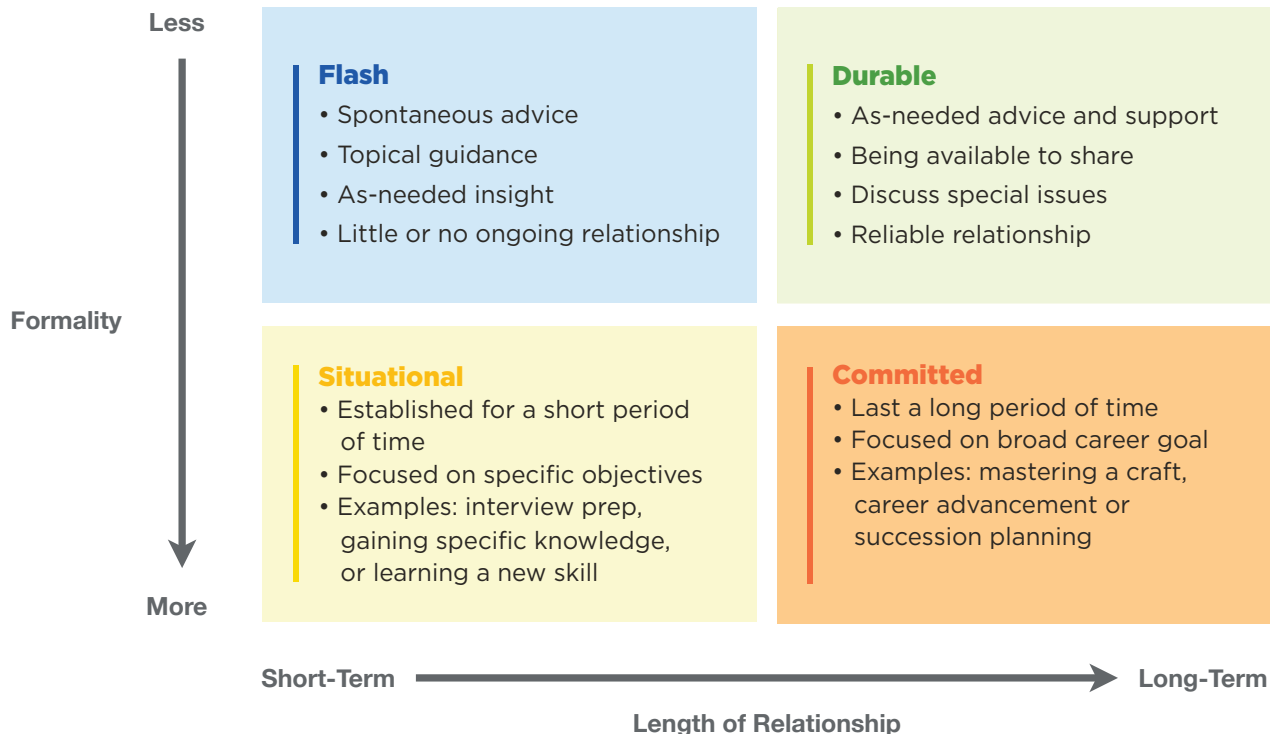
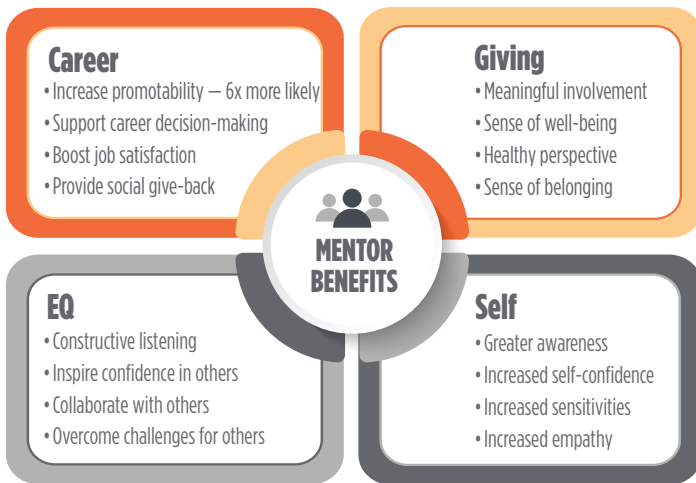


Figure 4: Several factors are key for successful mentoring.



**Figure 5: The benefits of mentorship.**

There are myriad benefits from mentoring relationships for both the mentor and mentee as depicted here:

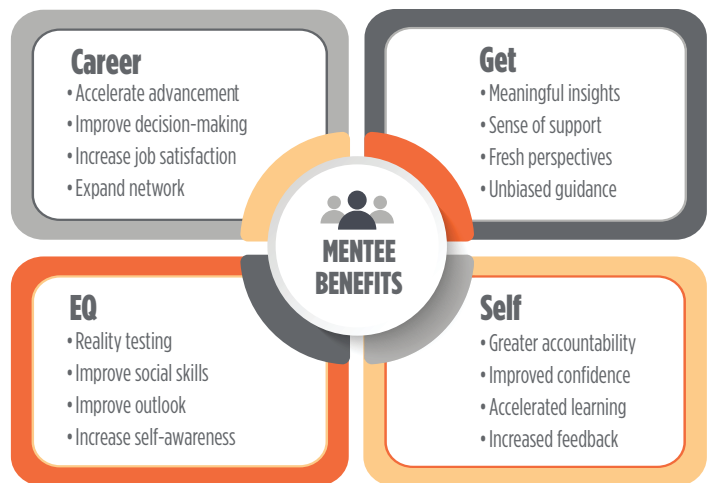
### Talent and Succession Planning

Targeted talent and succession planning consultation can be provided by using a customizable process and tools so that clients have a strong talent bench and continuity of leadership talent and succession. The talent planning process is a vehicle for identifying individuals from across the organization with the potential to provide current and future leadership.

By including talent reviews as a forum, the professional development of these individuals and consideration of succession into higher level roles can be planned.

Common objectives within the talent and succession planning process include:

- Consideration of the organization's strategic outlook and talent implications.
- Cross-calibration of talent across the organization.
- Identification of rising and otherwise potential talent.
- Planning for succession into broader roles.



**Figure 6: Additional benefits of mentorship.**

- Planning of development actions for highpotential individuals.
- Review of the performance of key employees.
- In summary, people and organizational culture advisory services, coupled with change management methodology and tools, provide companies with a strategic and practical set of approaches — organizational culture assessment and shift, leadership development and coaching, talent and succession planning, and mentorship programming — to overcome the fundamental talent retention and engagement challenges of today and tomorrow, while improving to become truly high-performing businesses.

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