Organizational culture and its mission, vision and values

This chapter explores organizational culture and provides an example of how to define and change it. It also defines mission, vision and values, provides examples of how to develop each element and demonstrates the importance to organizational identity and employee engagement.

This chapter complements the work undertaken by the Developing Organizational Resilience Working Group, which gathered examples of mission, vision, values and Target Operating Models from several national statistical organizations.[1]

3.1 Organizational culture

Organizational culture is a set of shared assumptions that guide what happens in organizations by defining appropriate behavior. It can simply be viewed as "the way we do things". It includes an organization's expectations, experiences, philosophy, vision, customs, values, norms, beliefs, and habits - written and unwritten rules that have been developed over time. It also defines behavior, such as what is encouraged, discouraged, accepted, or rejected within an organization.

Organizational culture directly influences the behaviors of employees within the organization, how they identify with the organization as well as interactions with clients. It changes over time. In fact, culture must evolve for an organization to stay relevant in a changing world.

When properly defined and aligned, culture can guide employees towards a shared purpose and improve an organization's capacity to excel. Defining statements, such as mission, vision and core value statements, help employees of organizations understand their organization and what is expected.

3.1.1   Defining Organizational Culture

Before an organization can understand its own culture, it is helpful to dig further into organizational culture. What are its attributes? How can it be explained or defined?

Groysberg et al.[2] note that there are many formal definitions of organizational culture and a variety of models and methods for assessing it, but agreement is sparse. They identified four generally accepted attributes:

Shared: Culture is a group phenomenon - it does not exist at an individual level. It lives in shared behaviors and values. It is most commonly experienced through the norms and expectations of a group - especially the unwritten rules.

Pervasive: Culture can be found everywhere in an organization; sometimes it is part of the organizational identity. It can be seen in collective behaviors, physical environments, visible symbols, stories, and legends. Other aspects of culture are less visible, including mindsets and motivations.

Enduring: The type of culture in an organization can last for a long period of time. Lengthy existence can be explained partially by the attraction-selection-attrition model, i.e. people are drawn to organizations with characteristics they find appealing; organizations are more likely to select individuals who seem to "fit in"; and over time those who don't fit in tend to leave. It becomes self-reinforcing and also more difficult to change.

Implicit: Culture is subliminal in nature as people instinctively recognize and respond to it - it acts as a kind of "silent language".

3.1.2   Culture Styles

Before an organization can change its culture, it must understand its existing culture and know where it wants to be. In an article published in Harvard Business Review, Groysberg et al. determined two primary dimensions that apply regardless of organization type, size, industry, geography, etc. Analyzing where the organization fits into the two dimensions is essential for understanding the culture of an organization.

The two primary dimensions are:

1. **People Interactions**

An organization's orientation toward people interactions falls upon a range of highly **independent** to highly **interdependent**.

- Independent cultures place value on autonomy, individual action and competition.
- Interdependent cultures emphasize integration, managing relationships and coordinating group effort. People in such cultures tend to collaborate and to see success through the lens of the group.

1. **Response to Change**
   There are two responses to change: flexibility and stability.

- Stability includes focusing on predictability and the maintenance of the status quo.
- Flexibility is about adaptability and an openness to change.

Organizations that favor stability tend to follow rules, are hierarchical and strive for efficiency, whereas flexible organizations typically prioritize innovation and openness.

3.1.3   Eight types of organizational culture

In addition to the above dimensions, eight styles apply to both organizational cultures and individual leaders.

1. **Caring** focuses on relationships and mutual trust. Work environments are warm, collaborative, and welcoming places where people help and support one another. Employees are united by loyalty; leaders emphasize sincerity, teamwork, and positive relationships.
2. **Purpose** is exemplified by idealism and altruism. Work environments are tolerant, compassionate places where people try to do good for the long-term future of the world. Employees are united by a focus on sustainability and global communities; leaders emphasize shared ideals and contribute to a greater cause.
3. **Learning** is characterized by exploration, expansiveness, and creativity. Work environments are inventive and open-minded places where people spark new ideas and explore alternatives. Employees are united by curiosity; leaders emphasize innovation, knowledge, and adventure.
4. **Enjoyment** is expressed through fun and excitement. Work environments are lighthearted places where people tend to do what makes them happy. Employees are united by playfulness and stimulation; leaders emphasize spontaneity and a sense of humor.
5. **Results** is characterized by achievement and winning. Work environments are outcome-oriented and merit-based places where people aspire to achieve top performance. Employees are united by a drive for capability and success; leaders emphasize goal accomplishment.
6. **Authority** is defined by strength, decisiveness, and boldness. Work environments are competitive places where people strive to gain personal advantage. Employees are united by strong control; leaders emphasize confidence and dominance.
7. **Safety** is defined by planning, caution, and preparedness. Work environments are predictable places where people are risk-conscious and think things through carefully. Employees are united by a desire to feel protected and anticipate change; leaders emphasize being realistic and planning ahead.
8. **Order** is focused on respect, structure, and shared norms. Work environments are methodical places where people tend to play by the rules and want to fit in. Employees are united by cooperation; leaders emphasize shared procedures and time-honored customs.

3.1.4   Integrated Culture Framework

With these eight styles and two dimensions, Groysberg et al. created the *Integrated Culture Framework*. Essentially, it illustrates the degree to which the eight styles fit into the independence or interdependence (people interactions) and flexibility or stability (response to change) spectrums. (See Figure 6).

Figure 6 - Integrated culture framework

The spatial relationships are important. Proximate styles, such as *safety* and *order,* or *learning* and *enjoyment,* will coexist more easily than styles that are far apart on the chart, such as *authority* and *purpose,* or *safety* and *learning.*

Some dimensions and styles work better together than others. Organizations that are shown to be about *results* and *caring,* for example, may be confusing for employees (should they work individually to meet all targets or work as a team and emphasize collaboration and shared success?).

In contrast, a culture that emphasizes *caring* and *order* encourages teamwork, trust, and respect. These two styles are mutually reinforcing, which can lead to strong loyalty, limited conflict, and high levels of engagement, but this can also lead towards groupthink, reliance on consensus-based decisions, avoidance of conflict, and a sense of "us versus them".

It is important to stress that each dimension and style has advantages and disadvantages, and no dimension or style is inherently better than another.

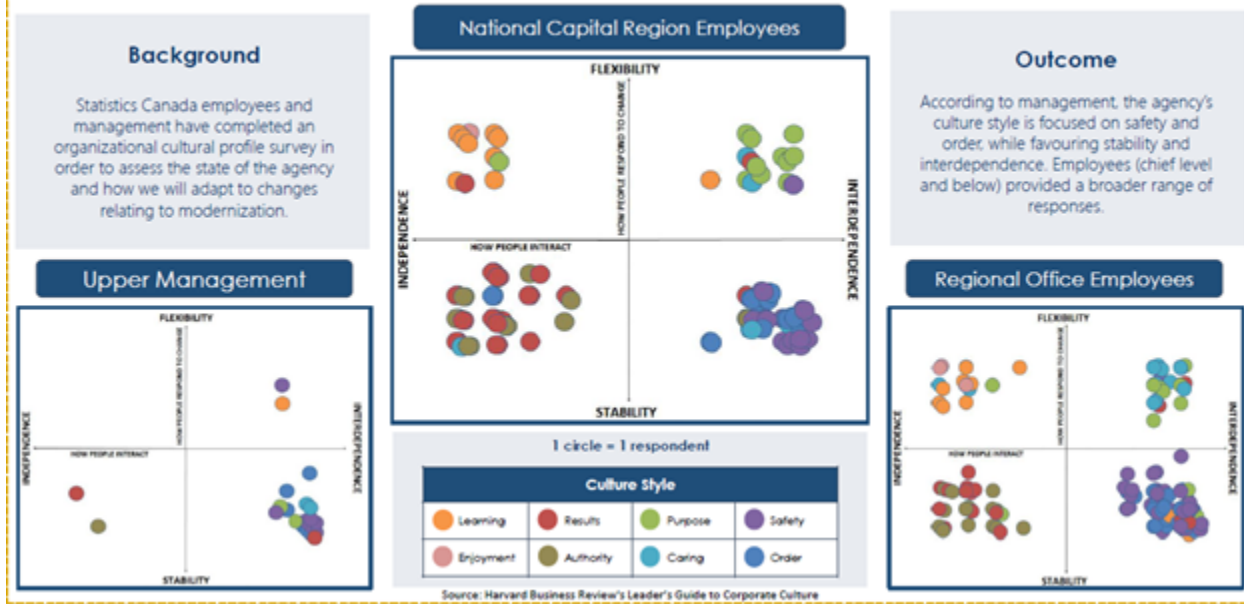A survey tool could be used to help organizations determine their organizational culture (see Case study 1)

[1]https://statswiki.unece.org/pages/viewpage.action?pageId=218890322&preview=/218890322/219676821/NSI%20TOMs%20v2.docx

[2] Groysberg, Boris, Jeremiah Lee, Jesse Price and J.Yo-Jud Cheng. Harvard Business Review Spotlight – Leading Culture. January-February, 2018.

Case study 1: Culture analysis at Statistics Canada

A survey tool, developed by Groysberg *et al.*, is available to help organizations determine their cultural make-up. Statistics Canada used this tool as part of its vision statement exercise.

Organizational Cultural Profile Survey Results

Background

Statistics Canada employees and management have completed an organizational cultural profile survey in order to assess the state of the agency and how we will adapt to changes relating to modernization.

National Capital Region Employees

Outcome

According to management, the agency's culture style is focused on safety and order, while favouring stability and interdependence. Employees (chief level and below) provided a broader range of responses.

Upper Management

Regional Office Employees

1 circle = 1 respondent

Culture Style			
Learning	Results	Purpose	Safety
Enjoyment	Authority	Caring	Order

Source: Harvard Business Review's Leader's Guide to Corporate Culture

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Organizational Cultural Profile Framework

Culture Style	Advantages	Disadvantages
Caring Warm, sincere, relational	Improved teamwork, engagement, communication, trust and sense of belonging	Overemphasis on consensus-building may reduce exploration of options, stifle competitiveness and slow decision-making
Purpose Purpose driven, idealistic, tolerant	Improved appreciation for diversity, sustainability and social responsibility	Overemphasis on a long-term purpose and ideals may get in the way of practical and immediate concerns
Learning Open, inventive, exploring	Improved innovation, agility and organizational learning	Overemphasis on exploration may lead to a lack of focus and an inability to exploit existing advantages
Enjoyment Playful, instinctive, fun loving	Improved employee morale, engagement and creativity	Overemphasis on autonomy and engagement may lead to a lack of discipline and create possible compliance or governance issues
Results Achievement driven, goal focused	Improved execution, external focus, capability building and goal achievement	Overemphasis on achieving results may lead to communication and collaboration breakdowns and higher levels of stress and anxiety
Authority Bold, decisive, dominant	Improved speed of decision-making and responsiveness to threats or crises	Overemphasis on strong authority and bold decision-making may lead to politics, conflict and a psychologically unsafe work environment
Safety Realistic, careful, prepared	Improved risk management, stability and business continuity	Overemphasis on standardization and formalization may lead to bureaucracy, inflexibility and dehumanization of the work environment
Order Rule abiding, respectful, cooperative	Improved operational efficiency, reduced conflict and greater civic-mindedness	Overemphasis on rules and traditions may reduce individualism, stifle creativity and limit organizational agility

Source: Harvard Business Review's Leader's Guide to Corporate Culture

Back to top

3.2   Changing an Organizational Culture

There are a number of approaches for changing or evolving organizational culture. Given the social and often emotional nature of culture change, careful thinking and planning about culture change is important.

Cummings & Worley (2004) proposed six guidelines for culture change that could help an organization adjust to a new culture:

- Formulate a clear strategic vision
- Display top-management commitment.
- Model culture change at the highest level
- Modify the organization to support institutional change
- Select and socialize newcomers
- Develop ethical and legal sensitivity

Groysberg *et al.* called their approach "four levers for evolving culture change." Although there are some similarities with Cummings and Worley, the approach of Groysberg *et al.* is more about recommended practices for evolving culture:

1. **Articulate the aspiration**
   Much like defining a new strategy, creating a new culture should begin with an analysis of the current one, using a framework that can be openly discussed throughout the organization.
2. **Select and develop leaders who align with the target culture**
   Leaders serve as important drivers for change by encouraging it at all levels and creating a safe climate. However, culture change can and does lead to turnover; some employees will move on because they feel they are no longer a good fit while others are asked to leave.
3. **Use organizational conversations about culture to underscore the importance of change**
   Explicit communication at all levels is required for smoother transitions. The options are endless, including organization-wide meetings, presentations, social media, etc. The important fact is that they occur. The integrated culture framework and survey tool referred to above can be used to discuss current and desired culture styles and also differences within an organization. (See Text Box examples).
4. **Reinforce the desired change through organizational design**

An organization's structure and activities need to be aligned to support the aspirations of a new culture. This can involve renaming and reorganizing the structure or providing specific training. For example, at Statistics Canada, culture change included the creation of new 'modernization' teams and pathfinder projects.

Organizational performance can be improved through culture change. Tools such as the framework above can be simple, but powerful. Senior management must be aware of their organization's existing culture, define a target, and then move towards it. Culture is often seen as a fundamental management tool.

3.3 Mission, vision and value statements

As we saw in Chapter 2, mission, vision, and value statements are often part of the strategic planning process that statistical organizations use to describe their present situation and future goals. These statements can become an important tool for understanding an organization's existing culture, and what kind of culture it would like to have. They are also useful tools for consulting or educating employees about organizational culture.

These statements let the employees, and the citizens they serve, know:

- the purpose of the statistical organization (current state)
- where the organization wants to be (e.g., future state)
- its values or what it stands for

All statements should be inspiring and developed with input from employees. By creating clear, meaningful and reflective statements, management can communicate their objectives and motivate their employees. This will ensure employees understand the organizational objectives, make consistent or coherent decisions and are engaged in organizational changes.

To be most effective, mission, vision, and values statements must be repeated many times. It can be good practice to integrate these statements as standard elements into most, or all, internal communications vehicles.

An increased sense of employee pride may occur when employees see themselves working as part of an organization that stands for something and is united by a common sense of purpose.

Mission, vision, and values statements are also useful for communicating the "who, what and why" for the external users of the statistical organization's data products and services.

3.3.1 Difference between vision and mission statements

A **mission statement** is about the present, whereas the **vision statement** is about the future. A mission statement describes the organizational purpose and objectives including the quality of its products and services, whereas a vision statement is used to inspire employees to help achieve organizational goals.

3.3.2 Mission Statement

At the core of a mission statement is the reason why the statistical organization exists and **what it actually does** at present. The statement should be short, interesting, and easy to remember. Using jargon or technical wording is not advised. Mission statements generally outline priority activities, but also the importance and uniqueness of the agency (i.e. what makes the organization stand out compared to others).

The mission statement should be developed with an outsider's perspective in mind, taking account of what will interest and connect with those outside the organization as well as any benefits that may accrue to them, but with full consultation and engagement of employees.

How to create a mission statement

Campell and Yeung[1] conducted a two-year research project with 53 large, successful companies in the early 1990s in order to devise a meaningful mission structure. They created a framework known as the Ashridge Mission Model[2] (see Figure 7 below).

The framework consists of four important mission statement dimensions:

1. **Purpose**
   What is the organization for? For whose benefit is all the effort being invested?
2. **Strategy**

To achieve its purpose the organization needs a strategy. If the purpose is to be the best, there must be a strategy explaining the principles around which the company will become the best.

3. Values

To capture the emotional energy of an organization, the mission needs to provide some philosophical or moral rationale for behavior.

4. Behavioral standards

Values are the beliefs and moral principles that lie behind the organization's culture. Values give meaning to the norms and behavioral standards in the organization.

Values and behavioral standards explain the organization's culture. An organizational mission statement is effective when all the four elements of mission reinforce each other.

Figure 7 - The Ashridge Mission Model
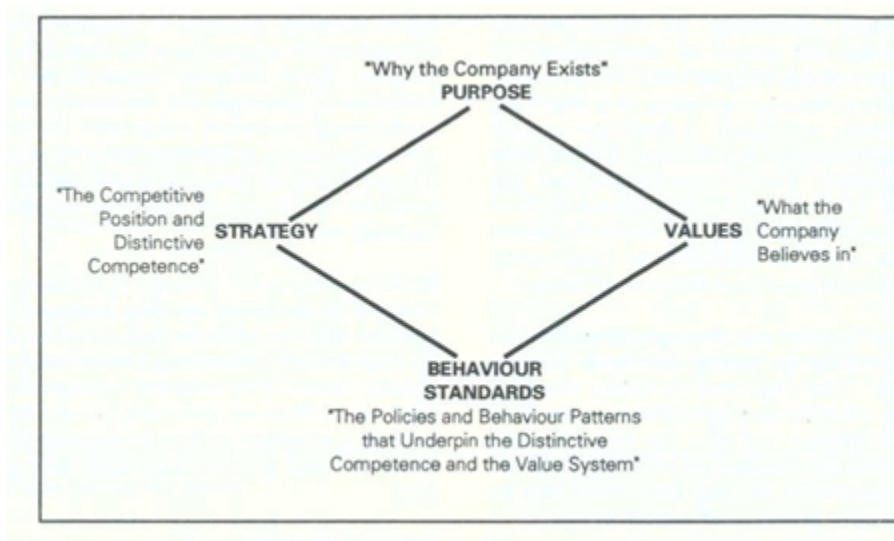
[1] Need to add reference

[2] https://cio-wiki.org/wiki/Campbell%27s_Ashridge_Mission_Model

Case study 2: Creating a mission statement at Statistics Canada

In September and October 2012, the Communications Branch held group discussions with Statistics Canada employees to obtain feedback and direction on the development of a mission statement for the agency. Group discussions were conducted where employees evaluated mission statements from four other countries, discussed their essential components, and wrote a mission statement of their own.

Based on the consultation results, employees determined that Statistics Canada's mission statement should:

- explain the Agency's role in Canadian society
- describe its products and services
- reflect its principles and values

In terms of style, employees suggested that the statement should be strong, inspirational, clear, and concise. The top three mission statements selected by the focus groups were submitted to senior management, who ultimately approved the following:

> ⓘ   *Serving Canada with high-quality statistical information that matters.*

The mission statement was promoted through internal and external messaging, plaques, etc.

Back to top

3.3.3   Vision Statements

Vision statements are carefully worded in order to inspire or motivate **employees**. They are used to describe what the organization aspires to be. They make use of the guiding beliefs of the organization to remind their audience of the values that have to be followed.

A vision statement can and should help drive the decisions and goals of an organization. Examples of powerful visions include:

- **Disney:** To make people happy
- **IKEA:** To create a better everyday life for the many
- **Oxfam**: A world without poverty

Why should organizations spend time on defining their vision? Research indicates that more engaged employees are more productive, and they are more effective corporate ambassadors in the larger community. Employees who find their company's vision meaningful have engagement levels of 68%, which is 18 points above average (Fernandes, 2019).

When creating a vision statement, the following questions should be considered:

- What ultimate impact do I want my brand to have?
- In what way will my brand interact with clients/citizens?
- What will the culture of my organization look like, and how will that play out in employees' lives? (Fernandes, 2019).

The answers to these questions will help articulate the direction the organization would like to follow, its journey between the organization's present and its future state—in other words: its vision.

Based on the information from the questions, consider the following when finalizing the text of the vision statement:

- Project 5 to 10 years in the future
- Dream big and focus on success
- Use the present tense
- Use clear, concise, jargon-free language
- Infuse it with passion and make it inspiring
- Align it with your business values and goals
- Have a plan to communicate your vision statement to your employees
- Be prepared to commit time and resources to the vision you establish

(Fernandes, 2019).

Case study 3: The Development of a Vision Statement at Statistics Canada

In the spring of 2018, Statistics Canada held organization-wide ('town hall') sessions with employees to discuss the development of a vision statement. Given that the organization had launched a modernization initiative, the activity also provided feedback on the status of the modernization journey in the eyes of the employees. The resulting analysis and discussion led to the adoption of a new vision statement: ***Delivering insight through data, for a better Canada***
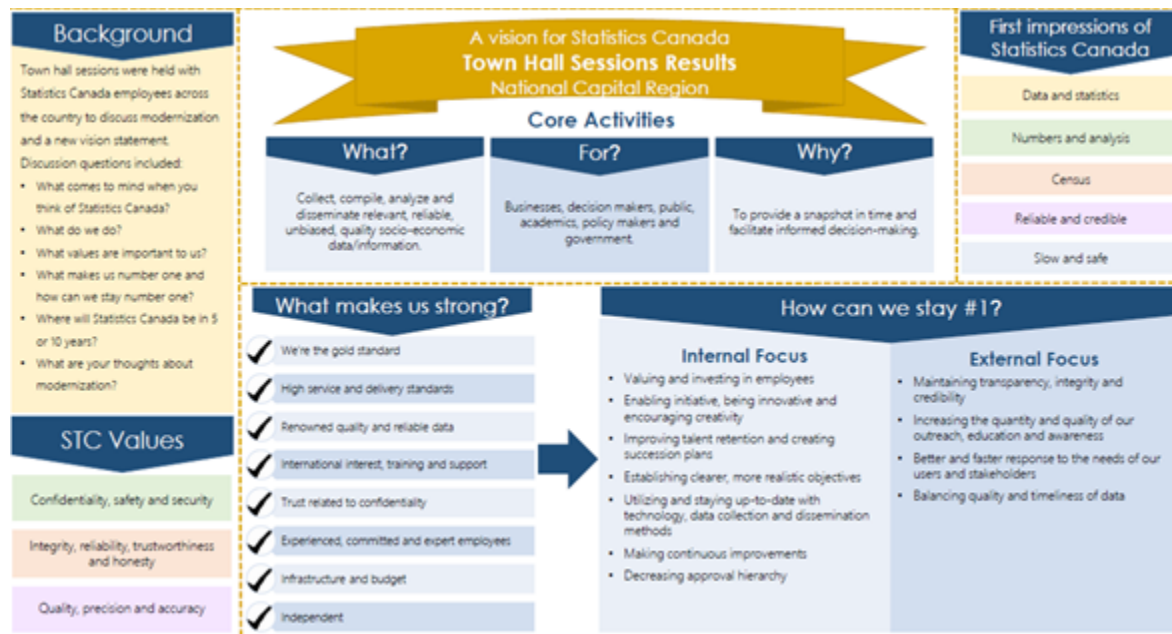
Where will we be in 5 or 10 years?

- Still being the 'gold standard' of statistical organizations
- Different work structure, less hierarchy
- More flexible and remote work arrangements
- Less risk-averse
- More modern data collection and processes
- Increased engagement with users and stakeholders
- We will be the keeper of all data and will gather and share with necessary partners

Employees take part in round-table discussions about the core values of Statistics Canada. Photo: S. Duquette.

What do employees think about modernization?
Overall thoughts

- It is essential and long overdue
- Continuous growth and change to stay competitive
- Increased agility, flexibility and mobility
- Flatter organization structure
- Increase in collaboration and automation
- Different collection and dissemination methods
- Change in culture and workspace

Needs	Concerns
• More clarity about the actual goal, and make innovation the main way to achieve those goals	• Modernization does not seem to align with our values (precision, reliability and quality), it seems to aim for less precision, being faster and working more efficiently
• Understand the pillars, but would like more concrete direction about modernization	• Not well defined, the end goal isn't clear. The "what" is not clear
• Empower and encourage the bottom of the structure	• Policies and processes are not flexible
• Less bureaucracy	• Work-life balance concerns: employees noted being 'exhausted given the high expectations'
• Proper tools; plan and training management	• Resistance to change due to lack of clarity
• More communication with all levels	

3.3.4 Value statements

An organization's values are its guiding principles that apply across the organization and support how its work is carried out. They are the organization's basic beliefs about what really matters, which guide how things should be done. Values are what supports the vision, shape the culture, and reflect what is important to the organization.

Core values should be limited to about five, so as to be easy to understand and communicate. For example, Facebook has five organizational values: Be Bold; Focus on Impact; Move Fast; Be Open; Build Social Value.

Case study 4: The identification of Statistics Canada's core values

In the fall of 2019, Statistics Canada outlined its four core values. In its extensive internal communications, the agency noted "Organizational culture is as diverse as culture itself. There isn't a single rubric for the perfect set of values—every organization is different. And yet, culture impacts everything. That's why over the past few years, culture has come up as an equally important piece of modernization, and why the agency is building on its strong foundation by introducing four core values to help guide you—our 5,000 or so employees—throughout our modernization journey.".

The images below outline the four values, and the activities created for employee engagement and enjoyment.

Our core values

Curious and always learning: We have a "growth mentality," promoting curiosity and everyday learning. We embrace new ideas, innovation, flexibility and collaboration.

Caring and inclusive: We show understanding, care and compassion for our most prized asset—our employees. We apply a diverse and inclusive lens in all aspects of our work, and we promote mental health and workplace wellness; accessibility; and, diversity and inclusion.

Trustworthy: We place a high value on our reputation as credible, trustworthy and neutral. We act as trusted data stewards who take pride and ownership in safeguarding our data assets. Together, we are committed to upholding security, privacy, confidentiality and integrity.

Purposeful: We are results-driven and focused on providing tangible outcomes for Canadians. We are committed to delivering services that are user-centric, timely and of high quality.

Stay tuned for culture activities

Explore this section to find activities for each core value.

Curious and always learning: *Your best asset in front of a challenge is your attitude.*

- A Learning Week
- Meet Modern Thinkers speaker series
- Internal speaker series on taking risks wisely
- "How to" learning sessions
- Innovation Fair

Caring and inclusive: *Never underestimate the power of kindness.*

- Pop-up messages on workstations
- Kudos walls
- "Secret Friend" week
- Video on the importance of small gestures

Trustworthy: *Trust is the basis of every good relationship, be it with clients, stakeholders, the public, or each other.*

- Culture framework passports
- Modern and flexible workplace videos
- Awards and recognitions for best culture transformations

Purposeful: *What you do truly matters because your work improves the lives of Canadians.*

- Faces of StatCan videos
- Show and tell sessions on projects that have had positive impacts on the lives of Canadians
- Good Deeds Wall

3.3.5 How to make defining culture and mission, vision, and value statements useful?

When defining or redefining organizational culture, or creating mission, vision, and value statements, it is important to involve employees often. This will strengthen employee engagement towards the organization and they will then take ownership.

Organizational culture definitions, as well as mission, vision and values statements, are meant to be a roadmap for an organization not to lock an organization into an unchanging pathway. They need to be reviewed from time to time to confirm that the organization continues to live its mission and move towards its vision, while applying its values. As noted earlier, these statements should evolve over time. In essence, the vision statement becomes the mission statement once it has been accomplished.

The more clearly an organization outlines high-level goals from the beginning, the less time and resources it will need to remedy poor communication, alignment, employee engagement and unwanted cultural behaviors at a later point in time.

When done correctly, culture, along with the defining mission, vision and core value statements, are puzzle pieces of the organization. To ensure the picture is whole requires a clear and specific organizational understanding and definition of each of these elements—and how the pieces fit together.

Back to top