

What Works (and What Does Not) in Transformations and Cultural Change



By Sergio Dosdá

Nowadays, there are few organizations that are not currently immersed in one (or several) cultural transformation processes: new ways of working in flatter and more adaptive organizations, improvements in safety culture, guiding the organization towards its clients, transformations of commercial areas, improvements in operational excellence, to name a few. This brings us to one of the biggest questions: **Can the culture of an organization be changed?** And if so, **how is it done?**

To help answer these questions, which our clients often ask us and about which much has been written, I would like to share what we have learned at BTS over the last 38 years about what works and what does not work (so far, because when it comes to cultural change, you never stop learning).

The good news is that the answer to whether the culture of an organization can be changed is yes. The challenge lies in answering the second question: How is it done?

A project? An initiative?

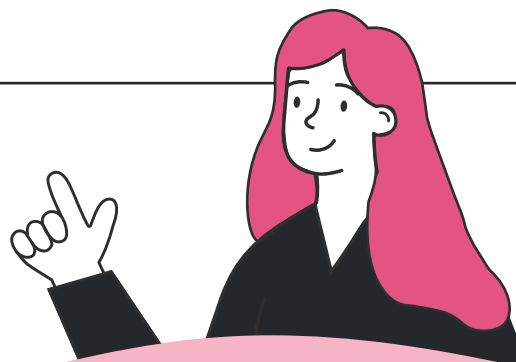
An important point to consider is that cultural change or transformation processes are not projects with a clear beginning and an end; they are processes in constant evolution. And this can sometimes create tension within organizations that are accustomed to a project-based approach.

What is critical and yet often overlooked?

There are a number of elements that, if taken into account and used properly, will make transformation efforts much more effective. Unfortunately, they are often ignored.

These critical elements are:

- **Involving people.** The more people involved in the transformation at all levels, the higher the likelihood that the necessary changes will be implemented.
- **In order to understand change, it must be made tangible and experienced.** This requires connecting the theoretical framework to day-to-day actions.
- **All changes have positive aspects, but they also have negative impacts.** Explaining the full picture in a transparent way is key.
- **Changing the culture takes time** and requires identifying and changing the mindsets and day-to-day structures (symbols) that define how things are done within an organization.
- **Culture must be strongly connected to strategy.**



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How do we recommend structuring cultural change processes?

Our four-stage approach consists of: setting outcomes, creating change leaders, embedding key changes, and supporting new ways of working.

1 | Setting Outcomes

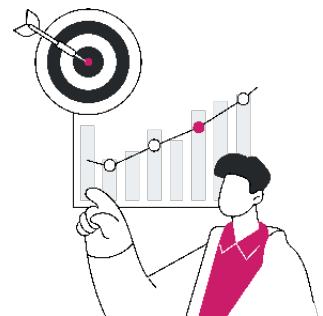
The first step in any transformation process is setting clear outcomes. It is crucial to identify the drivers of the transformation and define the desired outcomes in a way that achieves true alignment at the executive level. As progress is made, it is important to connect the purpose and the vision, understanding where you came from, where you are now, and where you want to go. In addition, it is essential to connect the transformation to organizational objectives.

Some key actions in this phase are:

Data collection (interviews, focus groups, site visits, etc.)

Cultural diagnostics

Definition of expectations (Leadership Profiles)



2 | Creating Change Leaders

At BTS, we believe that all leaders are also change leaders.

Adopting a "change leader" mindset requires leaders to experience and see what is expected of them. From the outset, it is vital to drive action through "real work", such as setting new priorities and communicating in a transparent and effective way. Leaders must be fully committed to the change, both emotionally and rationally, and they must also understand how their specific day-to-day actions can impact the culture.

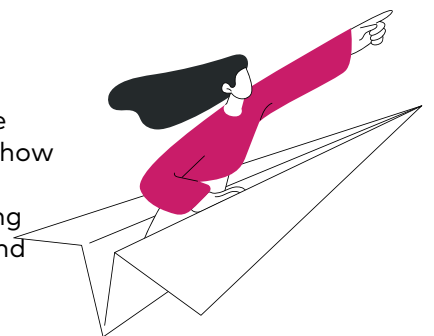
Finally, it is necessary to provide ongoing support for the most challenging shifts in mindset and behavior, and to gather feedback on what works and what does not work at this stage.

Some key actions in this phase are:

Development of Playbooks for critical roles

Rollout of leadership and change programs

Feedback loops with the executive levels



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3 | Embedding Key Changes

To achieve meaningful change, it is essential to identify the existing mental models and offer new ones that support the desired state. It is crucial to create routines and symbols that reinforce change, as well as to identify processes, practices, events, or norms rooted in old ways of working. Co-creating new ways of working for immediate implementation helps solidify these changes. As progress is made, changing the systems and processes that support and reinforce these key changes is fundamental for long-term success.

Some key actions in this phase are:

Leader coaching

Set up cultural Sprints

Cascade the change to the rest of the organization

Assessments to measure behavior changes



4 | Supporting New Ways of Working

Change is not just an individual effort, but also a social phenomenon. Therefore, it is necessary to provide the social networks needed to support changes in mindset and behavior. Providing individual support for critical roles and specific periods, as well as incorporating new ways of working, ensures the continuity of change. Finally, data must be used to analyze what works and what does not work, enabling the development of the next set of necessary interventions and support.

Some key actions in this phase are:

Integration of Playbooks into the talent cycle of the organization

Practice of new behaviors in day-to-day work with AI-powered bots

Design of an office to monitor change and define new actions

Design and launch of Communities of Practice (CoP)



The Importance of Being Patient and Impatient at the Same Time

Cultural transformation processes are among the most challenging because there is never a one-size-fits-all solution. Being strategically patient (keeping the desired outcomes clearly in mind and avoiding sudden shifts in direction), but tactically impatient (taking action during the phases outlined above and assessing what works and what does not work in order to pivot and adjust) is key in transformation processes. The four-phase approach helps organizations achieve this, turning these journeys into enriching experiences rather than painful ones that leave scars on the collective memory.