2020 Global Culture Report Supplement: Seven Top Findings on Constructive Norms and Talent Magnets™

Based on 40 years of research, the Organizational Culture Inventory® (OCI®) from Human Synergistics measures the relative strength of norms and expectations for Constructive, Passive/Defensive, and Aggressive/Defensive behaviors in organizations. Constructive norms encourage members to show a balanced concern for people and tasks, work toward self-development and, in the process, fulfill their higher-order satisfaction needs. Passive/Defensive norms implicitly require interacting with others in self-protective ways and maintaining one's personal security, while Aggressive/Defensive norms emphasize promoting one's status and security via task-related behaviors. Viewed as ideal across industries and around the world, Constructive cultures promote members' motivation and engagement, teamwork and cooperation, and organizational adaptability and sustainability.

In 2017, O.C. Tanner unveiled the Talent Magnets™, the six cultural areas most important to an employee's decision to join, engage with, and remain at an organization–Purpose, Opportunity, Success, Appreciation, Wellbeing, Leadership. O.C. Tanner found that when organizations take a deliberate approach to designing their culture around what employees' value, organizations and their employees equally thrived.

Constructive Cultures Are Rare Across All Countries

Only 10% of respondents reported the presence of primarily Constructive norms.

Constructive cultural norms lead not only to greater satisfaction and motivation but also to better business outcomes. Examples of Constructive norms include taking on challenging tasks, cooperating with others, maintaining personal integrity, and thinking ahead and planning. Only 10% of respondents to the 2020 global survey reported that the cultures of their organizations were primarily Constructive.

Instead, 48% of them described their organizations' culture as primarily Passive/Defensive, with strong norms for behaviors like accepting the status quo, never challenging superiors and making "popular" rather than necessary decisions. Additionally, we found that 42% of the respondents reported primarily Aggressive/Defensive norms such as competing rather than cooperating, opposing new ideas, and using the authority of one's position.

These findings are, in many ways, consistent with those from studies using the Organizational Culture Inventory and other Human Synergistics surveys over the last 40+ years. Previous research has shown that members of organizations across industries and countries value the Constructive styles and consider

them to be ideal. However, there are differences across countries in the value attached to the Defensive styles. Also, the current operating cultures of organizations vary widely and tend to be less Constructive than ideal.[1]

The current results show significant variation across continents and countries. They are less Constructive than the results of an earlier study, carried out in North America, that showed the cultures of approximately 18% of the organizations surveyed were primarily Constructive. The lower global percentage for individual respondents in the current study (10%) is likely due to the different societal values prevailing in many of the countries represented in the sample. These values can lead to more Defensive norms within organizations. Respondents from Argentina, India, Russia, and Mexico were least likely to report that the cultures of their organizations were primarily Constructive, respondents from Canada, the United States, Australia, and Germany were more likely to do so.

"Power distance" is among the societal values that lead to these differences. Power distance is the extent to which people accept and expect that power is distributed unequally.[2] Such values influence the structures and cultures of organizations in many ways.

For example, in the current study, the percentage of respondents reporting a primarily Passive/Defensive culture is higher than the Aggressive/Defensive percentage in most countries—except those considered to have high power distance. Such countries include China and India, where the general population of working people accept and expect an unequal distribution of power and influence. Similarly, the percentage of respondents reporting a primarily Constructive culture was lower than the average for those from high power distance countries.

Constructive Cultures Lead To Great Organizational Outcomes

Individuals reporting primarily Constructive norms also reported positive outcomes such as higher engagement, teamwork, adaptability and revenue growth

Data collected by Human Synergistics on client organizations and in research projects have consistently demonstrated that Constructive norms lead to favorable outcomes for individuals, teams, and organizations.[3] This study is no different, and the results show that when employees reported a primarily Constructive culture, they were 4X more likely to select favorable (as opposed to neutral) responses to questions on engagement. In addition, individuals within those organizations with Constructive cultures reported higher levels of teamwork(including better cooperation between workgroups) and greater confidence with respect to relying on other departments.

Constructive norms also were found to be related to adaptability, which is critical in organizations today due to increased environmental complexity and, in many industries, the threat of being "disrupted" due to changes in technology. Individuals working for organizations with Constructive cultures reported higher adaptability in terms of their organization proactively identifying and adjusting to changes in the business environment and responding effectively to external opportunities and threats.

Moreover, we found that individuals reporting primarily Constructive norms also reported that their organizations' revenues increased over the past year. This is consistent with both longitudinal and cross-organizational studies by Human Synergistics, showing that Constructive cultures lead to higher effectiveness and sustainability.

A Strong Sense Of Purpose Is A Critical Ingredient For A Constructive Culture

Respondents strongly agreeing that their organization has a clear purpose were 4X more likely to report a primarily Constructive culture.‡

Purpose is a critical ingredient in a Constructive culture. Purpose is about your organization's reason for being and the contributions or difference employees make in the world. Engagement is low when there is little clarity about why the organization exists and how employees' work contributes to that overarching Purpose. We found that 91% of the individuals from primarily Constructive organizations agree with the statement that "my organization has a clear purpose." This likely indicates clear Purpose is an outcome of primarily Constructive cultures while also promoting Constructive cultural norms.

In the 2018/2019 Global Culture Report from O.C. Tanner, it was demonstrated that organizations excelled when the employee value proposition, customer value proposition, and social good

are tied together. Specifically, there was a 935% increase in the odds that an employee will have a sense of Purpose, 288% increase in the odds that an employee will have a sense of Opportunity, and 858% increase in the odds that an employee will be engaged.[4] We also found that 85% of the individuals reporting primarily Constructive norms agree that "my organization positively affects the lives of others." Again, the direction of causality most likely goes both ways.

Organizations that consistently have a positive impact on people serve as a role model, and their members come to believe that they are personally expected to have a similar positive impact on others. (In the Organizational Culture Inventory, norms for a positive impact are classified as Humanistic-Encouraging—a Constructive style). Reciprocally, strong Constructive norms for these types of behaviors will reinforce and energize the organization's positive impact.

When Organizations Prioritize Fairness, Constructive Norms Flourish

Respondents strongly agreeing that their organization ensured opportunities were available for all employees, not simply "favorite" ones, were 2.5X more likely to report a primarily Constructive culture.‡

Talented, productive employees crave opportunity. Effective organizations put effort into creating an environment that helps employees develop new skills, do work they are proud of, feel challenged, have a voice, and grow. However, favoritism, real or perceived, has a significant impact on whether an employee feels like they really have opportunities. Even if it is simply perceived, it lowers the sense that everyone can progress in the organization fairly and develop new skills--and significantly detracts from the likelihood of

positive perceptions of other Talent Magnets.

We found that when respondents strongly agreed that their organization made opportunities available for all (not merely "favorite") employees, Constructive cultural norms were likely to be reported. This finding makes sense; organizations that prioritize fairness over favoritism, and make intentional efforts to reinforce that cultural value, are more likely to have leaders that serve as advocates and mentors to all their employees. This level playing field allows all employees to grow and develop, and in turn, leads to an environment of fairness that communicates and reinforces Constructive cultural norms.

Consistent Recognition Practices Are Important Levers For Creating And Maintaining A Constructive Culture

Respondents strongly agreeing that recognition practices are consistent across the organization were 3X more likely to report a primarily Constructive culture.‡

Recognition is a powerful tool that lifts culture. It creates a myriad of micro- and peak experiences that shape employees' sentiment about their workplace, beliefs regarding what's expected, and the content of conversations and stories. When recognition is done well, we see significant increases in positive outcomes and the likelihood of employees reporting a primarily Constructive culture.

Recognition is not happening as much as it should. In the O.C. Tanner 2018/2019 Global Culture Report,[5] only 57% of employees reported having received a "thank you" from their leader and peers. In the most recent O.C. Tanner 2020 Global Culture Report,[6] only 59% of employees reported consistent organizational recognition practices. This has led to a corresponding

decrease in retention (59% of employees would leave their organization for a role with similar responsibilities, pay, and benefits). Ensuring that recognition consistently happens within one-to-one's, teams, and departments will reinforce Constructive norms, values, and behaviors.

Leaders Play A Critical Role In Supporting A Constructive Culture

When employees report strong trust in their leader, there is a 250% increase in the probability of reporting a primarily Constructive culture.‡

Culture is created and evolves in groups. Leaders can impact culture with the strategies or approaches they use to lead their team as well as with the systems they implement. An excellent place to start is with cultivating trust, a simple yet essential step. We found that employees reporting strong trust in their leader are 250% more likely (than those who did not) to indicate a primarily Constructive culture.

We found that 86% of employees from primarily Constructive cultures felt that their leader supports them, compared to 70% of individuals from primarily Aggressive/Defensive organizations and 57% from those reported as Passive/Defensive. This is associated with more positive perceptions of senior leader support too: 81% of individuals from primarily Constructive organizations felt their senior leader supported them, compared with 67% of individuals from primarily Aggressive/Defensive organizations and 50% from primarily Passive/Defensive organizations.

This emphasis on leadership is critical: O.C. Tanner's 2020 Global Culture Report highlights that the "traditional" leadership philosophies that concentrate power in the hands of leaders and block employees from learning and growing are damaging workplace cultures. Constructive cultures are created by leaders who advocate for each and every employee, emphasize collaboration, and continuously seek to develop and grow the people around them.

Strong Results In Each Talent Magnet Significantly Increases The Likelihood Of A Primarily Constructive Culture

This collaborative study has found significant synergy between the O.C. Tanner Talent Magnets and the Constructive norms assessed by Human Synergistics' Organizational Culture Inventory®. Every organization has the opportunity to intentionally design and shape its culture around the Talent Magnets and to reinforce Constructive norms, behaviors, and values. The results of this research confirm that organizations that do so build thriving cultures that promote the engagement and performance of members and increase the adaptability, financial performance, and sustainability of the business. Organizations

that score high along all six Talent Magnets are 750% more likely than those scoring low to have a primarily Constructive culture.§

Constructive culture was measured in this study through the use of Organizational Culture Inventory items focusing on four specific styles. These behavioral styles and the language around them may be useful to leaders in clarifying, prioritizing, and selecting improvements related to the Talent Magnets. The four styles are:

- Achievement: Organizational members are expected to set challenging but realistic goals and pursue them with enthusiasm.

- Self-Actualizing: Members are expected to enjoy their work, develop themselves, and take on new and interesting activities.

- Humanistic-Encouraging: Members are expected to be supportive, constructive, and open to influence in their dealings with one another.

- Affiliative: Members are expected to be friendly, cooperative, and sensitive to the satisfaction of their workgroup.

Organizations and their leaders can give priority to specific Talent Magnets depending on which cultural styles they initially want to change. For example, Purpose may be selected if they want to strengthen Achievement norms or Opportunity to strengthen Self-Actualizing norms. Similarly, Recognition could be targeted to strengthen Humanistic-Encouraging norms and behaviors, such as providing others with support and positive feedback. Other Talent Magnets can be targeted as retest results via the culture inventory confirm that progress has been made along with the norms initially targeted. Over time, as changes around additional Magnets are implemented, norms for all four Constructive styles will solidify and, in concert with the Magnets, improve effectiveness at the individual, group and organizational levels.

**To review the 2020 O.C. Tanner Culture Report, click here.
To learn more about the Organizational Culture Inventory®, click here.**

O.C.TANNER | human synergistics INTERNATIONAL

SOURCES

1. Cooke, R. A., & Szumal, J. L. (2000). Using the Organizational Culture Inventory to understand the operating cultures of organizations.

2. Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, 2(1).

3. Cooke, R. A., & Szumal, J. L. (1993). Measuring normative beliefs and shared behavioral expectations in organizations: The reliability and validity of the Organizational Culture Inventory. Psychological Reports, 72, 1299-1330.

4. Sturt, D., Beckstrand, G., & Lovell, A. G. (2018). O.C. Tanner 2018/2019 Global Culture Report. Available: https://www.octanner.com/global-culture-report.html.

5. Sturt, D., Beckstrand, G., & Lovell, A. G. (2018). O.C. Tanner 2018/2019 Global Culture Report. Available: https://www.octanner.com/global-culture-report.html.

6. Sturt, D., Beckstrand, G., & Lovell, A. G. (2019). O.C. Tanner 2020 Global Culture Report. Available: https://www.octanner.com/global-culture-report.html.

Methodological Notes:

†The Constructive calculation was based on the combination of being at or above the 60th percentile for the Constructive styles plus below the 50th percentile along the Defensive styles (Aggressive/Defensive and Passive/Defensive).

‡The likelihood was generated by comparing the probability of an occurrence for employees reporting a neutral response with employees reporting a strongly agree response.

Section	Neutral Response Probability	Strongly Agree Response Probability
Clarity of Purpose	.04	.16
Favoritism and Fairness	.07	.18
Trust in Leadership	.06	.21

§The percent increase was calculated by comparing organizations that scored low on all Talent Magnets with organizations that scored high on all Talent Magnets.

Section	Percent Low Scoring Talent Magnet Organizations with a Constructive Culture	Percent High Scoring Talent Magnet Organizations with a Constructive Culture
Talent Magnets and Constructive Culture Incidence	.04	.30