Executive L-Report



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That's how we do things around here!

How does the word "culture" manifest to you?

Art and music, sports, religion, how we treat employees?

Whatever our definition of culture is, it can't be measured in traditional numbers, since it's the product of so many vaguely defined pieces. Culture is the pride in the perception of ourselves and our tribes. Good or bad, culture is the common ground and the walls that contain us within said "culture", culture is the code that gives the word "us" meaning. No matter how our culture shows, it's a glue that hold our tribe together, and we love it, no questions asked, we just do it, because "that's how we do things around here!"

This is basically why it is so difficult to implement a 'good' culture on your organization, because there is no way to define what's good or not, as with the feeling 'love', we just know that we feel love, but we don't know why, and we don't know how to get there.

It's hard to create love, but once you got it, it's very natural, "that's how we've always felt". Love could be silent, and it could be loud, anyway it's a phenomena that is equal to how we often describe culture.

Of course, you could look at phenomena and easily say whether it's good or bad, but you could never look at the small pieces on which it is built upon and say that it will be part of a phenomena or culture in the future.

This issue of Executive L-report, that's right, new name, 'L' FOR 'LEADERSHIP', contains a lot on the fascinating subject of culture. Even though it's hard to change, it's important to know what drives certain behaviors that reflects upon the organization as a whole.



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HARVARD BUSINESS REVIEW

Three practices to changing culture

Unlike developing and executing a business plan, changing a company's culture is inextricable from the emotional and social dynamics of people in the organization. There are four practices in particular lead to successful culture change.

rticulate 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. Leaders must understand what outcomes the culture produces and how it does or doesn't align with current and anticipated market and business conditions. For example, if the company's primary culture styles are *results* and *authority* but it exists in a rapidly changing industry, shifting toward *learning* or *enjoyment* (while maintaining a focus on results) may be appropriate.

An aspirational culture suggests the high-level principles that guide organizational initiatives, as at the technology company that sought to boost agility and flexibility amid increasing competition. Change might be framed in terms of real and present business challenges and opportunities as well as aspirations and trends. Because of culture's somewhat ambiguous and hidden nature, referring to tangible problems, such as market pressures or the challenges of growth, helps people better understand and connect to the need for change.

1. Select and develop leaders who align with the target culture. Leaders serve as important catalysts for change by encouraging it at all levels and creating a safe climate and "practice fields." Candidates for recruitment should be evaluated on their alignment with the target. A single model that can assess both organizational culture and individual leadership styles is critical for this activity.

Incumbent leaders who are unsupportive of desired change can be engaged and re-energized through training and education about the important relationship between culture and strategic direction. Often, they will support the change after they understand its relevance, its anticipated benefits, and the impact that they personally can have on moving the organization toward the aspiration. However,

culture-change can and does lead to turnover: Some people move on because they feel they are no longer a good fit for the organization, and others are asked to leave if they jeopardize needed evolution.

2. Organizational talks about culture to underscore the importance of change. To shift the shared norms, beliefs, and implicit understandings within an organization, colleagues can talk one another through the change. As em-»Creating a new ployees start to recognize that their culture should leaders are talking about new business outcomes - innovation instead of begin with an quarterly earnings, for example – they analysis of the will begin to behave differently themselves, creating a positive feedback current one « loop. Various kinds of organizational conversations, such as road shows,

listening tours, and structured group discussion, can support change. Social media platforms encourage conversations between senior managers and front-line employees. Influential change champions can advocate for a culture shift through their language and actions.

3. Reinforce the desired change through orga**nizational design.** When a company's structures, systems, and processes are aligned and support the aspirational culture and strategy, instigating new culture styles and behaviors will become far easier. For example, performance management can be used to encourage employees to embody aspirational cultural attributes. Training practices can reinforce the target culture as the organization grows and adds new people. The degree of centralization and the number of hierarchical levels in the organizational structure can be adjusted to reinforce behaviors inherent to the aspirational culture. Organizational structure and other design features can have a profound impact over time on how people think and behave within an organization.

The leader's guide to corporate culture

Strategy and culture are among the primary levers at top leaders' disposal in their never-ending quest to maintain organizational viability and effectiveness. Strategy offers a formal logic for the company's goals and orients people around them. Culture expresses goals through values and beliefs and guides activity through shared assumptions and group norms.

trategy provides clarity and focus for collective action and decision making. It relies on plans and sets of choices to mobilize people and can often be enforced by both concrete rewards for achieving goals and consequences for failing to do so. Ideally, it also incorporates adaptive elements that can scan and analyze the external environment and sense when changes are required to maintain continuity and growth. Leadership goes hand-in-hand with strategy formation, and most leaders understand the fundamentals. Culture, however, is a more elusive lever, because much of it is anchored in unspoken behaviors, mindsets, and social patterns.

»Culture eats strategy for breakfast«

Unfortunately, it is far more common for leaders seeking to build high-performing organizations to be confounded by culture. Indeed, many either let it go unmanaged or relegate it to the HR function, where it becomes a secondary concern for the business. They may lay out

detailed, thoughtful plans for strategy and execution, but because they don't understand culture's power and dynamics, their plans go off the rails. As someone once said, "culture eats strategy for breakfast".

It doesn't have to be that way, culture can, in fact, be managed. The first and most important step leaders can take to maximize its value and minimize its risks is to become fully aware of how it works. By integrating findings from more than 100 of the most commonly used social and behavioral models, we have identified eight styles that distinguish a culture and can be measured. Using this framework, leaders can model the impact of culture on their business and assess its alignment with strategy.

"Culture eats strategy for breakfast"

The academic literature on the subject is vast. Numerous processes exist for creating and changing it. Agreement on specifics is sparse across these definitions, models, and methods, we have identified four generally accepted attributes:

- SHARED. Culture is a group phenomenon. It cannot exist solely within a single person, nor is it simply the average of individual characteristics. It resides in shared behaviors, values, and assumptions and is most commonly experienced through the norms and expectations of a group that is, the unwritten rules.
- PERVASIVE. Culture permeates multiple levels and applies very broadly in an organization; sometimes it is even conflated with the organization itself. It manifests in collective behaviors, physical environments, group rituals, visible symbols, stories, and legends. Other aspects of culture are unseen, such as mindsets, motivations, unspoken assumptions, and as "action logics" (mental models of how to interpret and respond to the world around you).
- ENDURING. Culture can direct the thoughts and actions of group members over the long term. It develops through critical events in the collective life and learning of a group. Its endurance is explained in part by the attraction-selection-attrition model: People are drawn to organizations with characteristics similar to their own; organizations are more likely to select individuals who seem to "fit in"; and over time those who don't fit in tend to leave. Thus, culture becomes a self-reinforcing social pattern that grows increasingly resistant to change and outside influences.

• IMPLICIT. An important and often overlooked aspect of culture is that despite its subliminal nature, people are effectively hardwired to recognize and respond to it instinctively. It acts as a kind of silent language. The ability to sense and respond to culture is universal, certain themes should be expected to recur across the many models, definitions, and studies in the field. That is exactly what we have discovered in our research over the past few decades.

Eight distinct culture styles

Understanding a company's culture requires determining where it falls along two dimensions: People interactions. An organization's orientation toward people interactions and coordination will fall on a spectrum from highly independent to highly interdependent. Cultures that lean toward the former place greater value on autonomy, individual action, and competition. Those that lean toward the latter 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.

Response to change. Whereas some cultures emphasize stability – prioritizing consistency, predictability, and maintenance of the status quo – others emphasize flexibility, adaptability, and receptiveness to change. Those that favor stability tend to follow rules, use control structures such as seniority-based staffing, reinforce hierarchy, and strive for efficiency. Those that favor flexibility tend to prioritize innovation, openness, diversity, and a longer-term orientation.

The eight types of company culture

By applying this fundamental insight about the dimensions of people interactions and response to change, we have identified eight styles that apply to both organizational cultures and individual leaders.

- 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.
- 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 contributing to a greater cause.
- 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.

- 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.
- 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.
- 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.
- 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
- 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.

»People are drawn to organizations with characteristics similar to their own«

Integrated culture

Top leaders and founders often express cultural sentiments within the public domain, either intentionally or unintentionally.

about and leading their organizations' cultures

The eight styles of culture that was presented in a previous article can be used to diagnose and describe highly complex and diverse behavioral patterns in a culture and to model how likely an individual leader is to align with and shape that

culture.

uch statements can provide important

clues to how these leaders are thinking

Using this framework and multilevel approach, managers can:

- Understand their organization's culture and assess its intended and unintended effects
- Evaluate the level of consistency in employees' views of the culture
- Identify subcultures that may account for higher or lower group performance
- Pinpoint differences between legacy cultures during mergers and acquisitions
- Rapidly orient new executives to the culture they are joining and help them determine the most effective way to lead employees
- Measure the degree of alignment between individual leadership styles and organizational culture to determine what impact a leader might have
- Design an aspirational culture and communicate the changes necessary to achieve it

The link between culture and outcomes

Research and practical experience have shown that when you are evaluating how culture affects outcomes, the context in which the organization operates – geographic region, industry, strategy, leadership, and company structure – matters, as does the strength of the culture. What worked in the past may no longer work in the future, and what worked for one company may not work for another.

Cultural dynamics are a frequently overlooked factor in post-merger performance

In a merger, designing a new culture on the basis of

complementary strengths can speed up integration and create more value over time.

Mergers and acquisitions can either create or destroy value. Numerous studies have shown that cultural dynamics represent one of the greatest yet most frequently overlooked determinants of integration success and post-merger performance.

FOR EXAMPLE, senior leaders from two merging international food retailers had invested heavily in their organizations' cultures and wanted to preserve their unique strengths and distinct heritages. An assessment of the cultures revealed shared values and areas of compatibility that could provide a foundation for the combined culture, along with important differences for which leaders would have to plan: Both companies emphasized high-quality food, good service, treating employees fairly, and maintaining a local mindset. But one operated in a more top-down manner and scored much higher on authority, especially in the behavior of leaders.

BECAUSE BOTH COMPANIES valued teamwork and investments in the local community, the leaders prioritized caring and purpose. At the same time, their strategy required that they shift from top-down authority to a learning style that would encourage innovation in new-store formats and online retailing.

As one senior leader said of the strategic aspiration, "We need to dare to do things differently, not play by the old rule books."

ONCE THEY HAD AGREED ON A CULTURE.

a rigorous assessment process identified leaders at both organizations whose personal style and values would allow them to serve as bridges to and champions for it. Then a program was launched to promote cultural alignment within 30 top teams, with an emphasis on clarifying priorities, making authentic connections, and developing team norms that would bring the new culture to life.

FINALLY, structural elements of the new organization were redesigned with culture in mind. A model for leadership was developed that encompassed recruitment, talent assessment, training and development, performance management, reward systems, and promotions. Such design considerations are often overlooked during organizational change, but if systems and structures don't align with cultural and leadership imperatives, progress can be derailed.

RANKED **CULTURE STYLE DISADVANTAGES 1ST OR 2ND ADVANTAGES** (%) Overemphasis on consensus **CARING** Improved teamwork, building may reduce exploration engagement, communi-Warm cation, trust, and sense of of options, stifle competitiveness, Sincere and slow decision making Relational **PURPOSE** Improved appreciation for Overemphasis on a long-term diversity, sustainability, purpose and ideals may get in the way Purpose driven and social responsibility of practical and immediate concerns Idealistic Tolerant **LEARNING** Improved innovation, Overemphasis on exploration agility, and organizational may lead to a lack of focus and Open, an inability to exploit existing learning Inventive. advantages Exploring **ENJOYMENT** Improved employee Overemphasis on autonomy and engagement may lead to a lack morale, engagement, Playful and creativity of discipline and create possible Instinctive compliance or governance issues Fun loving **RESULTS** Improved execution, Overemphasis on achieving results external focus, may lead to communication and • Achievement driven capability building, collaboration breakdowns and · Goal focused and goal achievement higher levels of stress and anxiety **AUTHORITY** Improved speed of deci-Overemphasis on strong authority sion making and and bold decision making may lead to Bold politics, conflict, and a psychologically responsiveness to threats Decisive or crises unsafe work environment Dominant **SAFETY** Improved risk Overemphasis on standardization and formalization may lead to management, stability, Realistic bureaucracy, inflexibility, and and business continuity Careful dehumanization of the work Prepared environment **ORDER** Improved operational Overemphasis on rules and efficiency, reduced traditions may reduce individu- Rule abiding conflict, and greater alism, stifle creativity, and limit Respectful civic-mindedness organizational agility Cooperative

16 critical thinking skills that will make you stand out

Developing your critical thinking skills is one of the best ways to set yourself up for ongoing professional and life success. In fact, it's more important than IQ in determining how many negative life events you'll experience – and fortunately, unlike IQ, it's learnable.

he problem is that understanding how to build your critical thinking skills can be a bit like a child trying to pick up a yoga ball: it's too large and unwieldy to get your arms around. To start, it helps to have a clear, simple definition of critical thinking, which we've described as providing robust answers to questions.

From there, the "Critical Thinking Roadmap" makes this definition actionable by laying out four phases of growth. The four phases provide a great starting point, but they are, in reality, just the tip of the iceberg. Within each of those skills – execute, synthesize, recommend, and generate – there are a host of sub-skills.

EXECUTE

Translates instructions into action and does what is asked



SYNTHESIZE

Identifies what's important & combines to create new insights



RECOMMEND

Detrmines sensible path forward, taking into consideration alternatives



GENERATE

Produces new thinking that illuminates previously uncharted paths

One exclusion to commonly listed critical thinking skills

In addition to this list of critical thinking skills, many academics often include another skill that we have intentionally chosen to exclude. This skill is called "verbal reasoning" by some and "explanation" by others. It includes your ability to state results, justify your opinion, and present arguments. This is an essential skill, without a doubt, but it is a communication skill vs. a critical thinking skill. Critical thinking refers to the formulation of your thoughts, not the verbalization of thoughts.

A Deeper look at these critical thinking skills

We defined this skill as translating instructions into action and doing what is asked. Some have suggested that execute is too basic of a skill to be considered critical thinking. However, the majority of employees are never given opportunities to go beyond this skill. This is partially due to counterproductive corporate cultures and partially because it is more difficult than some might assume. If you disagree, try getting a child – even a teenager – to execute. Here are the skills required to execute well:

REMEMBERING: While you could reasonably argue that our need to remember is declining with increased access to information, this is not the full story. Many of the higher-level critical thinking skills require that you combine or make sense of disparate pieces of information. The person who can remember more is better able to make such connections.

ANALYTICAL THINKING: To analyze is to examine closely in order to understand. Analysis leads to understanding and provides the foundation for all later critical thinking skills that attempt to make judgments.

INTERPRETING: To interpret is to determine the meaning or to understand. While understanding has an important literal component to it, this critical

thinking skill extends into the emotional intelligence skill of knowing the true meaning behind others' words. For example, some may understand a supervisor's comment: "I wonder what would happen if we increased our output goals by 5%" to mean that they should implement the goal increase immediately, while others may interpret this comment as a directive to create a forecasting model of the hypothetical scenario.

APPLYING: Applying knowledge is about making the leap from understanding to action. Without application skills, people know what they're supposed to do, but never get anything done. People with good application skills know how to take generalized knowledge and tailor it to their context.

Synthesize:

This is the ability to identify what's important and combine information to create new insights. Before determining what's important, you need to understand how different pieces of information relate to each other.

RECOGNIZING PATTERNS: Recognizing patterns requires that you can identify similarities in otherwise quite different pieces of information or scenarios. Dogs and cows seem very different, but a good pattern tracker recognizes that they are both warm-blooded, give birth to live babies, have vertebras, and four-chambered hearts.

CATEGORIZING: To continue the dog/cow example, the ability to recognize the similarities between dogs and cows enables you to understand that there is a category of animals we call mammals. While animal classifications may seem a bit too far removed, working professionals make similar categorizations all the time. We classify client leads into very likely, likely, and improbable. We classify team members into high potential, average, and under-performing. The challenge of categorizing is knowing which patterns or common traits make up a given category. For example, some crocodiles have four-chambered hearts, yet they are reptiles instead of mammals.

IDENTIFYING RELEVANCE: Before you can determine if it's important, you need to know if it's relevant. In some cases, this is quite clear.

DECODING SIGNIFICANCE: To determine if a piece of information is important, you first need to know what is important to your end goal. For example, the fact that a CEO wants to sell his company in the next few years is not super important if you're interviewing him for a research paper on his company's breakthrough discovery, but it's very important if you're conducting a due diligence on his company

»Analysis leads to understanding and provides the foundation for all later critical thinking skills that attempt to make judgments « in hopes of determining whether to invest. A clear understanding of what is important to your end goal will make it easier to understand which pieces of information are important.

Recommend:

The third skill is the ability to determine a sensible path forward, taking into consideration alternatives. Many in the literature refer to this as inference: the ability to reach a conclusion based on reasoning and evidence. This skill is packed with several very in-demand sub-skills. The first two may feel too academic to be relevant, but most people use them all the time without recognizing it.

»Critical thinking refers to the formulation of your thoughts, not the verbalization of thoughts«

LOGICAL REASONING: You could say that logic provides the ground rules or boundary lines for criti-

cal thinking. If you're defying logic, you're probably not thinking critically. For example, a colleague may say that because your company hasn't gotten any negative feedback on the new product feature, people must like the new feature. This is illogical because the absence of proof for one premise does not prove the counter-premise.

PROBABILITY: Understanding the rules that govern how likely different events are to take place is essential to making sound decisions. And unfortunately, the rules of probability often defy our intuition. For example, it may seem natural to assume that if the likelihood that consumers buy a 44mm Apple watch is 30% and the likelihood that they buy an Apple watch with a white band is 20% that the probability that they buy a 44mm Apple Watch with a white band is 50%, when in fact, it's just 6%.

EVALUATION: Evaluation is the examination of an idea, data point, argument, or research finding with the purpose of making some kind of judgment. Evaluation draws on the previous two skills and analytical thinking. It requires detecting mistakes and inconsistencies in reasoning and assessing the credibility of sources of information. Aligning first on the right criteria makes evaluation easier, as does, surprisingly, using your intuition.

beyond evaluation. Once you pass judgment on information, you then decide what to do next. Decision-making may involve choosing between options for action or picking from a set of conclusions to draw. The key challenge associated with decision-making is avoiding the long list of biases people routinely fall prey to.

Generate:

While this fourth skill may seem similar to the previous one, the difference is that recommending is primarily about the selection of available options, while generation is the skill of creating new \rightarrow 11

Redefining the role of the leader in the reskilling era

Continuous learning in the workplace must become the new norm if individuals and organizations want to stay ahead. This places more demand than ever on leaders to take on a new role they might initially find unfamiliar – that of learning facilitator-in-chief.

t's harder to learn new things as an adult; the pain of making mistakes doesn't roll off as quickly as it might have when we were younger. So, how can leaders foster an environment of psychological safety where employees are supported but still productively challenged? Part of the solution may be for leaders to dial up their levels of empathy and humility and focus more on enabling the best in their people, rather than commanding it from them.

Keeping an eye to the future

When we think about reskilling, our minds immediately go to the idea that you do a program or a course, something concrete that upskills you. Actually, for most people, their capacity to reskill comes from the job itself. So, the crucial role for leaders is

»Why can't we be the same authentic, open leader at work as we are at home?« to be thoughtful about the way they design jobs, how they allow their people to move across different types of positions at the company, and allowing those employees to build their skills and forge a navigable path.

Because for most people, it's likely that the job they're in now will not exist in the

future – or at least not in the same form. So, leaders need to provide ongoing momentum for people to use their agency to decide for themselves, "What am I going to do next?"

To give employees the insights they need to make informed decisions, it's also important for leaders to help people in their organization understand what's happening in the world – maybe not in 30 years' time, but certainly in three years' time. Data show clearly that people want some sort of insight about

where they might be going in their organization and what role they might play in it or not. Leaders need to be transparent and honest about those changes, engaging in an adult conversation about what might realistically happen in the future and how it could affect employees.

If we don't disrupt our business, somebody else is going to do it for us

It's about transitioning your culture so that leaders see the need for change, are rewarded for it, and are committed to lifelong learning – and unlearning, because what got them into their current leadership roles is no longer sufficient. The mind-set we're trying to drive is a focus on rapid innovation, not incremental innovation, about having the courage and confidence to drive innovation that may disintermediate the current core of our business but will ultimately ensure that the company will survive and thrive in the future.

Creating a safe space to learn

As leaders, we already know how to create the right environment for this shift to happen. Many of us already do this in our own families. We create a safe learning environment for our children. So why can't we be the same authentic, open leader at work as we are at home? Be honest but positive, painting potential opportunities for the future, and design the work and create the environments in which people can thrive. Because it's one thing to have the mind-set that the world's changing really fast, but if everyone keeps operating in cubicles, sitting in on conference calls, and going over PowerPoint slides, then your way of working is not matching up with your new mind-set.

The leaders who are really building an organization that's adaptable, that's going to be able to upskill and reskill their employees over time, are those who not only are honest about their own failings but also create an environment of psychological safety for their employees so that they are comfortable making mistakes as they learn.

Adult learning is difficult. Anyone who has tried to learn as an adult has struggled with the sort of failures that, as children, we didn't notice so much. When you are learning as a child, it's really hard to tie your shoelaces, but everybody's finding it hard. As an adult, failure is really difficult, but it is a part of the unlearning process. So, how leaders demonstrate the ways that they think about failure is really important.

"These are the things that I've learned and thought about, and these are some of the things that didn't work so well."

Cultivating a service-leadership approach

We may need to think about a whole new definition of leadership, a whole new set of attributes that a leader should have for this new working environment we're talking about. Most of all, we need humble leaders – in part, because increasingly they will need to be enablers of others, not in charge of others. This requires a very different mind-set. In a world of reskilling, a leader will be a person who needs to act in service to others, empowering a group of employees to do things on their own.

t's the hardest for midlevel managers to shift to this new model of the leader as facilitator, with a more growth-oriented mind-set. They often feel the most threatened. Before, they had more relevance; they like being in charge. And, suddenly, with a shift to a more nonhierarchical environment, all that is going away. That's why creating a positive narrative is so important. Because if you can give them something to aspire to – a new role, not an eliminated one – where they are more of a positive enabler for their people, helping them do better, it helps them to more successfully make that transition as a leader in the organization's new way of working.

»Data show clearly that people want some sort of insight about where they might be going in their organization and what role they might play in it or not «

 $9 \rightarrow$ options that didn't previously exist. Some may question the inclusion of creative thinking and strategic thinking as sub-skills of critical thinking, suggesting they should be considered equal peers. Yet, if we return to our definition of critical thinking – providing robust answers to questions – both creative and strategic thinking are approaches to providing robust answers to specific types of questions.

CREATIVE THINKING: Creative thinking attempts to answer questions that require a new creation. What should the logo be for our new company? What product could we create to play music for people on the go?

STRATEGIC THINKING: Strategic thinking involves answering a different type of question: how do we allocate our resources to achieve a specific goal? It may involve generating a completely new approach, but it may also just require matching an existing approach with a current problem. The purpose of strategic thinking is the matching of a strategy (i.e., a specific allocation of resources) to a particular goal.

PROBLEM-SOLVING: While problem-solving is used colloquially to mean all of the above things, its literal definition is the resolution of a matter or situation re-

garded as harmful or unwelcome. Problem-solving is about fixing things. As a result, it starts with correctly identifying the problem and its root causes, steps that may be irrelevant to creative and strategic thinking.

HYPOTHESIS TESTING: You engage in hypothesis testing after you've arrived at an answer using one of the three previous skills in order to see if your answer answers the question adequately. To test a hypothesis – which is similar to an educated guess – you must determine what would have to be true for your answer to be right and then collect and evaluate the data and information necessary to determine if those assertions are true.

Deliberate practice is the key to mastery, differentiating those who become experts from those who stay average. It involves four characteristics:

- Practice with a vision or end goal in mind
- The opportunity to get a high number of repetitions
- Immediate, specific feedback
- Time to reflect on your performance and identify patterns and opportunities to improve. •

6 signs your corporate culture is a liability

It may be unfair to dub 2019 the year of corporate misconduct, but we've certainly seen a lot of it. In fact, one in five employees report experiencing a cultural crisis – a significant incident indicative of troubling workplace attitudes and behaviors – in their organization in the last year or two.

n even greater percentage of employees, 30%, expect to experience a cultural crisis – such as sexual harassment, gender discrimination, financial mismanagement, cheating of customers, inattention to safety, or poor behavior in the leadership ranks – in the next two years based on their perceptions of their employer's behavior.

Just 28% of employees strongly agree that there is alignment between their company's actions and its

»Culture, which is often thought of as a company's most precious asset, is increasingly a liability for companies that don't tend to it « stated values – a finding that should give us all pause. The reality is that culture, which is often thought of as a company's most precious asset, is increasingly a liability for companies that don't tend to it. Continued advocacy around #MeToo, new levels of scrutiny from investors and regulators, and increased activism on social media are forcing

boards and CEOs to be accountable for culture in ways they haven't been before.

So, how do organizations make the shift from reactive cultural clean-up to proactive cultural vigilance?

We asked ourselves that exact question earlier this year. We began by polling Weber Shandwick's global community of crisis practitioners, asking them questions like: What conditions precipitate the cultural crises you've worked on? What have you seen on the frontlines? That led to a deep literature review and a national survey of 1,000 full-time employees who are 18 years and older and work for companies with 500 employees or more.

When employees agree that their company is not being vigilant in one or more of these areas (listed below in order of predictive power), a cultural crisis may be looming.

RISK #1: Inadequate investment in people

This is the factor most predictive of cultural risk, and so it follows that an investment in your employees is an investment in a healthy culture, and ultimately in better business outcomes. When employees join a company they are entering into what's often called "a people deal" where they receive compensation, career development and various benefits in exchange for the work they do. When employees perceive that their employers aren't living up to their end of the deal, they're less inclined to live up to theirs, often becoming disengaged, displaying passive aggressive behavior or letting work quality slip. When these conditions exist at scale, companies very quickly become vulnerable.

Human resources and communications teams must partner to define a clear employee value proposition – the collection of programs and perks that answer the question "What's in it for me?" – and then make it known and make it true. As it is, a quarter of our survey respondents agree that "their employer does not do very much to support or care for its employees."

RISK #2: Lack of accountability

One-third of survey respondents believe their company doesn't consistently hold people responsible for misconduct. When employees are under the impression that there are no consequences, or that consequences are handed out unevenly, they may use it both as a justification for not reporting poor behavior (why bother?) and as a reason to be less careful about their own actions. Doubt about the

company's commitment to its values creeps in and the "See something, say something" mentality that defines collective cultural stewardship often falls by the wayside.

Many companies are taking steps to improve in this area – from ensuring whistleblower protections to making disciplinary actions more widely known (while keeping names and specifics confidential).

RISK #3: Lack of diversity, equity, and inclusion

The #MeToo movement was a much-needed wakeup call for corporate America. With matters of sexual harassment and gender discrimination at the fore, more than half of companies revisited their policies, while others appointed diverse board members, established diversity & inclusion (D&I) councils, strengthened their employee resource groups, and tackled non-inclusive ways of working. While we can't know how many crises have been averted because of these efforts, we do know that a lack of diversity, equity and inclusion in the workplace is the third most predictive indicator of cultural risk, and that more work remains to be done. As recently as last summer, diversity leaders were still identifying organizational culture as the number one challenge standing in the way of their objectives.

Certain industries are known for cultures that contribute to non-inclusive environments, typically because of a lack of diversity in the employee population. The tech industry regularly makes that list. One of the few studies on why people leave the tech industry found that 40% of "tech leavers" indicated that unfairness or mistreatment such as stereotyping, harassment, and micro-aggressions played a major role in their decision to leave.

Nearly two-thirds indicated that they would have stayed if their employers had made an effort to fix unhealthy norms and behaviors.

RISK #4: Poor behavior at the top. We all know that employees take their cues from those in authority, which is why it's not surprising that poor behavior at the top is also a predictor of cultural risk. Executives are under intense pressure to deliver results and far too many are rewarded on what they achieve without factoring in how they achieved it. Almost one-third of employees say that their leaders don't behave in ways consistent with company values.

2018 saw a string of CEO departures all for impropriety, significant was this trend that for the first time in 19 years the number-one reason CEOs were ousted from their jobs was not poor financial performance, but ethical lapses, according to PWC. It found that 39% of the CEOs who left their jobs in 2018 left for "reasons related to unethical behavior stemming from allegations of sexual misconduct or ethical laps-

»High-pressure environments are another predictor of cultural risk «

es connected to things like fraud, bribery and insider trading." Boards are to be credited for making tough decisions to put values above all else when CEOs misbehave.

RISK #5: High-pressure environments

High-pressure environments are yet another predictor of cultural risk. 37% of employees say their companies are not always vigilant about managing these types of environments, often resulting in profit and growth coming at the expense of values and ethics. In fact, this is the area where employees rank their employers the lowest and identify the biggest opportunity to improve. Unrealistic deadlines, overly aggressive sales targets, and poorly structured incentive systems can lead people to take extreme – and often illegal – measures to deliver business results.

This is the area where employees rank their employers the lowest and identify the biggest opportunity to improve. In addition to better regulating the burdens placed on employees, some companies are building the resilience of their people so they can better handle difficult situations. These efforts range from providing on-site support services during busy seasons to appointing wellness officers tasked with tending to employees' emotional and physical well-being to providing training that gives staff a decision-making framework they can leverage to make ethical choices in high-stakes situations.

RISK #6: Unclear ethical standards. The final predictor of cultural risk is unclear ethical standards. Our research shows that company values – which should provide a north star for employee behavior – often don't exist, aren't known, or aren't enabled by systems and processes. One-third of employees whose companies have values don't feel confident explaining them, and employees can't live what they don't know.

Of course, having values, principles, or beliefs is just the first step; enabling and enforcing them is what will ultimately lower cultural risk. With a deep network of employee culture ambassadors, an annual global values week and ongoing values-driven internal communications, the company has been able to keep its shared beliefs top of mind.

Weave culture into strategy development and annual planning processes. Too often leaders develop their business strategy in a vacuum without being guided by core principles or considering whether organizational norms will support or stand in the way of their objectives. Strategy and culture must be evaluated often, and in concert with one another, as symbiotic drivers of strong business performance.

Now more than ever, companies must build and maintain cultures that not only embody their stated values and ways of working, but are built to withstand today's volatile business environment. By becoming vigilant, organizations can surface their cultural vulnerabilities before others do, and take action to stop crises before they start. •

BATES COMMUNICATION

How to make conflict constructive

Shepherding constructive conflict is a statistically significant factor that distinguishes those leaders who are perceived to be better at leading innovative teams, teams that excel at growing revenue, and teams that perform better. That is, some leaders are able to facilitate conflict in a way that results in significantly better business outcomes.

hile there are many books and articles that show conflict is necessary for innovation and better decision making, we are able to identify specific behaviors that distinguish leaders who know how to leverage conflict to achieve extraordinary results.

What these leaders have in common is their ability to sense the optimal amount of tension that brings out the best ideas in team members.

» People not satisfied with the decision will bring up the issue again... and again « The left side of the graph shows what happens when there is too little tension or conflict. The leader enables team members to avoid the difficult discussions and makes a decision without allowing for a complete

airing and debating of everyone's views and opinions. Psychologists often call this the "flight" response. People flee from any potential conflict either to preserve an artificial sense of harmony or to avoid dealing with differences. If the leader is uncomfortable with conflict, the team will never be able to have constructive debate. Differences will not go away; they will just not be dealt with. As a result, the team will be wallowing in unresolved conflict. Often, team members will become passive aggressive and will fail to support whatever decision was made since they never really had a chance to express their opinions. Or, at a future meeting, people not satisfied with the decision will bring up the issue again... and again. This is a major reason why teams seem to have the same meetings, discussing the same issues, over and over again. The issue was never resolved. It was avoided, but the tension remains.

The other end of the graph indicates what can happen if there is too much tension. Here the leader does not recognize (or care) if the debate is getting destructive. In fact, the item "Recognizes when conflict becomes destructive and/or chronic and intervenes swiftly" is ranked as the 80th lowest rated item of the 90 items in the leadership model. It is a common failing of leaders and is a major reason that team members hate conflict – it often becomes personal and hurtful. Typically, the most dominant people (often the leader) take over the meeting and try to impose their ideas on the team. Again, differences are not debated in a way that enables everyone to feel heard, leading to lots of unresolved conflict.

What leaders do differently to support

constructive conflict. The leaders that excel at fostering innovation, delivering revenue growth and leading high performing teams, are able to find that optimal amount of tension – the middle section of the graph labelled "Engaged." While these leaders exhibit many behaviors that distinguish them, the two most critical behaviors are:

- They establish an environment of psychological safety for team members
- They excel at the facets of Resonance and Assertiveness.

Create a safe environment.

First, these leaders create a safe environment.

For example, they score statistically higher on behaviors such as:

- 1. Takes time to listen and leaves others feeling heard.
- 2. Open to ideas and other points of view.

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- 3. Even when giving hard-hitting feedback, his/her positive intentions are clear.
- 4. Often able to help others clarify their concerns or feelings.

Recognizes that inclusion implies a tolerance for different ways of doing things.

- 1. Encourages others to experiment, trust themselves, try new things.
- 2. As well as making it safe to speak up, they make sure any conflict does not get personal or out of hand. For example, they rate significantly higher on items such as:
- 3. Recognizes when conflict becomes destructive and/or chronic and intervenes swiftly.
- Frequently a source of stability when others are flustered.
- 5. Prompts a thoughtful attitude and objective perspective.

Be resonantly assertive. Once people feel safe to speak up and challenge each other, these leaders are, at the same time both assertive as well as in touch with the feelings of the team. They know how much tension and conflict team members can tolerate.

They excel at items in the facet of assertiveness such as:

- Does not shy away from making his/her opinions, views, and reactions known.
- 2. Speaks his/her mind and can be firm without seeming harsh or shutting down discussion.
- 3. Challenges other points of view for a purpose and expects a reasonable response.
- 4. Believes we can disagree without being disagreeable.

Teams will avoid being candid, providing colleagues with feedback, or expressing a dissenting opinion in order to preserve a sense of team harmony. Instead of leveraging their trust to have constructive conflict, they avoid conflict to try to protect their current lev-

els of trust. The irony is that trust actually increases when you successfully work through the tension. While successful leaders are creating a healthy tension, at the same time they excel at "reading the room," so they are able to dial up or dial down the amount of tension and conflict.

They are outstanding at behaviors such as:

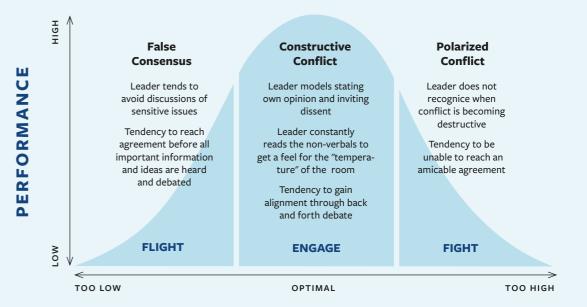
- 1. Adept at reading and responding to the nonverbal messages of others.
- 2. Often able to help others clarify their concerns or feelings.
- 3. They are also able to frame the conflict in terms of serving the greater good. That is, the debate is in the service of getting to the best solution.
- 4. It's not personal: it is about what is best for the team and organization. For example, these leaders rate significantly higher in the item:
- 5. Makes you feel part of something bigger, important, meaningful.

These leaders make people feel that their struggles are in the service of something bigger than themselves. It is about the vision, the team's purpose and not about trying to influence others to adopt your idea. It is about getting to the best idea. These leaders model this behavior.

For example, these leaders scored significantly higher in humility items such as:

- Knows he/she doesn't have all the answers
- Values the truth more than being the one with all the answers

They facilitate a debate on ideas, not on egos or power. That is why people feel safe. That is why the conflict is constructive. The team is able to create a solution that no one person could have done by themselves.



TENSION

Why culture is so difficult to change

While there is universal agreement that organizational culture plays a crucial role in shaping organizations, there is little consensus on what it actually is, never mind how it influences performance and, crucially, how leaders can change it.

ithout a clear understanding of culture, we cannot hope to discern its connections to other key elements of organizational design, such as strategy, structure and incentive systems. Nor can we develop good approaches to analyzing, preserving and transforming cultures. If we can define what organizational culture is, we will better understand how to diagnose cultural problems and develop better cultures.

Culture is "how we do things here"
Culture gives rise to consistent, observable patterns of behavior in organizations. As Aristotelian thought might express it, "We are what we repeatedly do." This view highlights that behavioral patterns or "habits" are a central element of culture; it's not just what people feel, think or believe. This view also focuses attention on the forces that shape behavior in organizations and their critical importance in making culture change happen.

IMPLICATION: It's not enough to focus just on changing values and attitudes – if behaviors don't change, culture doesn't change.

Culture acts as a control system – for better and worse. Culture promotes and reinforce "right" thinking and behaving, and sanctions "wrong" thinking and behaving. Key in this view of culture is the idea of behavioral "norms" that must be upheld, and associated social sanctions that are imposed on those who don't "stay within the lines."

This view also focuses attention on how the evolution of the organization shaped the culture. That is, how have existing norms and values promoted the survival of the organization in the past? Critically, what happens when the organizational environment

shifts dramatically due, for example to technological developments or the rapid emergence of new competitors?

IMPLICATION: Established cultures can become impediments to survival when organizations face substantial environmental changes.

Culture is powerfully shaped by incentives
The best predictor of what people will do in organizations is what they are incentivized to do.
By incentives, we mean here the full set of incentives
– not just monetary rewards, but also non-monetary rewards such as how people get status, recognition and advancement – to which members of the organization are subject.

So, to understand an organization's culture, it helps to focus on incentives and the behaviors they encourage and discourage.

IMPLICATION: Changes in incentives can powerfully influence behaviors and hence, over time, reshape culture.

Culture helps people "make sense" of what is going on. Sense-making has been defined as "a collaborative process of creating shared identity and understanding out of different individuals' perspectives and varied interests." Culture is more than just patterns of behavior; it's also jointly-held beliefs and interpretations about "what is." A crucial purpose of culture is to help orient its members to "reality" in ways that provide a basis for alignment of shared purpose and joint action.

IMPLICATION: The right changes in culture can better help people "make sense" of emerging challenges and opportunities, and so adapt more easily.

Culture is an essential source of shared identity. Cultures provides not only a shared view of "what is" but also of "why it is." Culture is about "the story" in which people in the organization are embedded, and the values that reinforce that narrative. This view focuses attention on the importance of organizational values and the benefits of having people feel connected to and inspired by them. It also highlights the danger that attempts to change values can result in a loss of a sense of shared identity and connection to the organization.

IMPLICATION: Leaders considering developing a new set of values should weigh the benefits having "better" values against the potential costs of people experiencing a loss of connection to the past, and diminution of the loyalty and engagement that flows from it.

Culture is the organizational equivalent of the human immune system. Culture is a form of protection that has evolved from the situational pressures the organization has faced in the past. It prevents "wrong thinking" and "wrong people" from entering the organization in the first place. It says that organizational culture functions much like the human immune system in preventing viruses and bacteria from taking hold and damaging the body.

IMPLICATION: Organizational immune systems also can attack needed agents of change, and this has important consequences for what needs to happen to successfully on-boarding and integrate people who are "different" into organizations.

Organizational culture is shaped by societal culture. Organizational culture is shaped by and overlaps with other cultures – especially the broader culture of the societies in which it originated and operates. This view highlights the challenges that regional and global organizations face in establishing and maintaining a unified culture when operating in the context of multiple national, regional and local cultures.

IMPLICATION: Leaders must strike the right balance between promoting "one culture" in the organization and allowing for influences of local cultures.

» Culture gives rise to consistent, observable patterns of behavior in organizations «

» Focus on incentives and the behaviors they encourage and discourage «

Organizational culture always is multi-layered. The cultures of organizations are never monolithic. There are many factors that drive internal variations in the culture of business functions (e.g. finance vs. marketing) and units (e.g. a fast-moving consumer products division vs. a pharmaceuticals division of a diversified firm). A company's history of acquisition also figures importantly in defining its culture and sub-cultures.

IMPLICATION: If acquisition and integration are not managed well, the legacy cultures of acquired units can persist for surprisingly long periods of time and so contribute to a lack of shared identity and challenges for people moving between units.

Organizational cultures are dynamic. Cultures shift, incrementally and constantly, in response to external and internal changes. So, trying to assess organizational culture is complicated by the reality that you are trying to hit a moving target. But it also opens the possibility that culture change can be managed as a continuous process rather than through big shifts (often in response to crises). Likewise, it highlights the idea that a stable "destination" may never – indeed should never – be reached.

IMPLICATION:Organizational cultures always should be evolving and developing; it's far better to continually evolve the culture than to have to drive dramatic shifts.

10 Culture is resilient. Finally, for precisely the reasons cultures can be so powerful, they are difficult to change.

IMPLICATION: Changing a culture takes commitment on the part of leadership, often requiring years of concerned and consistent effort, including intensive work to communicate and reinforce desired new behaviors and values.

These 10 perspectives provide a holistic, nuanced view of organizational culture that should help leaders better understand their organizations – and change them for the better.

A historical perspective on organizational culture

No matter if you're a fan of history or not, it could certainly teach us a thing or two. It's also a more fun way to put forth information, to attach valuable information to an interesting story to better make it stick in the head.

ere are some interesting examples of how our ancestors has applied the term "organizational culture" through history. It comes as no surprise that the small tribes that once grew to become great empires had a coherent culture to rally around, something that made them a group, rather than a bunch of solo entrepreneurs. Of course, if you kept a sword or some other sharp war-object nearby that was of big help...

The roman empire: First off, a brief disclaimer, there has never been "A" roman empire, since it changed in shape, religion, military strategy (which was and still is more important than you would think when

»The romans were very inclusive in their social structures « it comes down to the definition of a nation) and political system numerous times during the time they were considered "an empire". It was rather a shell containing different pearls over the years, but the shell (read "roman empire") was always the same on the outside. In modern organizational structures, think of a group of staff with different bosses, from year to year, the main features of the workplace-culture eats single

events generated by the bosses for break fast, when it goes down in the history-books. All wealthy organizations survive while bosses come and go.

If something was coherent through the years during this "empire", it was their social inclusive culture.

No matter if Caesar, Augustus or Servius Tullius held power, there was a constant flow of conflict with neighboring tribes and empires. The romans didn't start more conflicts than any other group of people would have done during this period, they simply acted as the common practice was during the pre-industrial era. If a tribe shall grow it must attack, if an empire shall sustain it must defend, preferable by pre-emptive attacking its neighbors. So, attack makes for the best defense... Anyhow, the romans were often successful and through

the years the tribe expanded and eventually became the empire we've learned to identify as "the romans". This is where the term "culture" kicks in, as the romans were very inclusive in their social structures, and thus making their invaded neighbors a part of the empire through an inclusive culture, rather than smashing a set of laws in their heads.

- No matter who you were, or where you where geographically (as long as you were a free man, certainly not a woman or a slave) you could rise through the political or military ranks while representing Rome. Is this possible in your organization?
- To do right by the gods was a big thing in ancient Rome. The gods didn't care much for morals, just pay them personal attention and they reward you, no matter why you asked for their help. "I need help by you dear Apollo, I intend to poison my neighbor, I offer you this rooster", this would have been a legit prayer, as you see, as long as you paid the god, the deed was done, no questions asked. Therefore the gods were a big part in roman conquest and peacekeeping, just pay them and success for the empire was granted. No matter what god you originally obliged to, as long as you ALSO obliged to the classical roman gods you were OK, "we don't care what you do in your spare time as long as you do your job!". This was the reason why Christians had such a hard time, they

claimed there was only ONE god and therefore they couldn't do their legislated duty by serving the Rome-supporting gods. Does your organization include or exclude to set a common culture?

The Polish-Lithuanian Commonwealth (PLC)(1569-1768) (at this time, Lithuania also included Belarus and parts of Ukraine): You´ve probably haven´t heard of this powerhouse of a nation that was at it´s peak around the "30-years war", the war that put our own Gustav II Adolf on the shortlist of Swedish kings we remember even after our days in school. It wasn´t really a nation, rather than a sort of family-affair. A couple of rulers that are all to small to survive a hostile Europe alone, got together to create a powerhouse. This was done by marrying a daughter to the right, a son to the left, and a cousin in the middle, and all of a sudden everyone is family...

At this time, the word "nation" was a very relative term since it all came down to what ruler sat on the throne, so in other words, Sweden was equally recognized as "Gustav II Adolf". IKEA would have been "Ingvar", and climate change would have been called "the Greta-effect". Roughly (not mentioning the not so noble noble-class) the world was built upon beliefs on what individual leaders promised their people rather than what the nation could give you.

The PLC didn´t really have anything in common that united all the different religious beliefs, military strategies or ethnic groups that lived together in this constructed alliance. Think of a multi-national corporation with different branches, the only common ground is the logo, or flag to get back to Polish-Lithuania... Almost forgot a little detail that gave them some sort of common culture... The outside enemies...

You didn't have to look far to find enemies. During the time for the PLC, and probably the reason to its existence, both Germany and the mongols, as well as kosacks, Russia, Gustav II Adolf among others where big threats to PLC, and this was what gave PLC a common culture, enemies... No matter what we think of each other internally, we fight those externally, and we do it together, this is our culture.

Some would argue that this isn't a cultural trait rather than a strategy to achieve a goal, but since it was a phenomena spanning over such a long time, defining such a big group of people, this is a clear cultural trait. This is a culture of "we're not defined by what we are, but rather what we're not". Can you see yourself watching your favorite football team, even though losing, our western culture endorses us to find faults in other teams rather than find shortcomings or differences internally. Perhaps you've heard of the Zlatan statue... What threats from external factors can you name that would strengthen your organization internally?

Sexuality and homophobia (throughout history):

No matter what western dynasty or empire we look at, sexuality has always been regulated in some way. Seldom endorsed, but often punished if done wrong. This of course, since sexuality has been tied to religion. The gods decided over what woman became of labor and who didn't. Since the gods decided over human life, they (of course) also decided over the life of plants and crops, all over fertility. If you didright by the gods you would probably get both strong (boys) children and a plentiful harvest at the same time. Therefore, it has always been a big thing to doright by especially the god of fertility, when we were Vikings we called her Freyja, the romans called her Venus while contemporary Abrahamian religions (Christianity, Islam, Judaism) recognizes the fertility trait within the sole god that exists in it's loneliness.

In Sparta (Greece approximately 1000 years bc.), if men were not married by the age of 35 they were excluded from large part of societal happenings, they were unworthy and didn't pull their own weight and were looked upon as a burden to society.

No matter the name, if you angered the god you got neither food nor children. You had to oblige to the common god to ensure the survival of your tribe/family/nation. Is there a single phenomenon within your organization that could ABSOLUTELY not be altered with (your god of fertility)?

This obsession with gods of fertility has made homosexuality somewhat troublesome throughout history, while it has existed for as long as historical events has been documented, there has always been some issues that we can't really resolve. Never right, but never completely wrong either. Of course, everything we know about individual persons throughout history comes from what is written, and it was only the rich and the famous that were written about. You could draw the conclusion that if a person is mentioned as "doing acts of homosexuality" he would most certainly be rich, and hence untouchable even though he didn't contribute to the child-making process.

Even though women aren't mentioned much in the history books they've always been very valuable. Cooking, cleaning, taking care of the household while their husband "the great warrior" was out doing manly things like fighting enemy barbarians, there has always been something mystical about the strength within a woman that could do all this without complaining. This is what homosexual men where said not being able to handle, they were too weak to handle the mental strength of women, and hence were forced to find easier ways to handle the sex-thing, often boys in a somewhat dependent position to the man. So, homosexuality was bad since they didn't contribute to fertility, but on the other hand, to have access to young boys you they must have been somewhat wealthy and hence, again, untouchable. And to make things even more clear, a man to weak to handle a woman couldn't really be a threat to anyone, therefore this "inappropriate" act often fell between the chairs. Does your organization have cultural grey areas that would benefit of being addressed?

Why critical thinking is important

Today's employees are often described in the typical year 2000 manner, as "overwhelmed, distracted, and impatient". They can only spend 1% of their time on training and development. This equates to 28 minutes per week for the average white-collar who spends 47 hours a week at work.

ighty percent of workforce learning happens via on-the-job interactions with peers, teammates, and managers. This data is consistent with the wellknown 70-20-10 leadership model, which similarly asserts that 70% of leadership development happens on-the-job. After deducting this time for on-the-job learning, the modern professional is left with just 5.6 minutes per week to engage in outside learning.

Exceptional critical thinking skills make everything else you do easier and better, producing a wide range of benefits:

- Improves career prospects: Those with higher critical thinking skills are a third less likely to be working in an unskilled occupation two years post-graduation.
- Increases job retention: Those with higher critical thinking skills are half as likely to have lost their job in the last year.
- Boosts compensation: A 2015 report by the Foundation for Young Australians showed that employers would pay A\$7,745 more for candidates with "evidence of problem-solving and critical thinking skills."
- Leads to a better life: People with higher critical thinking skills experience fewer negative life events (e.g., large amounts of credit card debt) than their peers.
- Employers want it: Demand for critical thinking skills has risen 158% in the last three years.

- Employers value it more than degrees: A survey of 318 employers by the Association of C and C++ Users revealed that 93% of employers value critical thinking over the candidate's undergraduate degree.
- Many new professionals are lacking it: 60% of managers say critical thinking skills is the #1 skill recent graduates are lacking, making it a great way to stand

out during a competitive labor market

 Leaders link critical thinking skills to profit: 84% of senior managers believe their organization suffered a loss due to an absence of critical thinking in their workforce.

»Demand for critical thinking skills has risen 158% in the last three years «

• Top skill for future: In its "The Future of Jobs Report," the World Economic Forum says that human skills such as critical thinking will "retain or increase their value." It also ranks critical thinking as one of 10 trending skills for 2022.

When trying to decide where you're going to spend your limited time on professional development, you want to invest in skills that will:

- Maintain their value over time
- Have broad applicability across careers and roles (since you'll likely change jobs/careers several times)
- Catalyze and accelerate your development in other
- Benefit your life, not just your career





L-Report

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