

# Creating Shared Culture in Merged Organizations

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*The question is not whether we will have culture. The responsible question is, what type of culture do we want to have? That's why our actions must be deliberate in shaping outcomes into the culture we want to have.*

—Maj Gen Bradley D. Spacy, USAF  
Commander, Air Force Installation and Mission Support Center

Senior leaders and members of Air Force organizations do not have to be corporate scientists to realize the perils and opportunities that come with organizational mergers and centralizations. The Air Force has seen a few of them. For example, in 2012, the Air Force Materiel Command (AFMC) reorganized, merging 12 centers into 5, as part of its response to a Department of Defense challenge to find efficiencies and save tax dollars. Among several gains, operating efficiency for the command netted more than \$109 million per year through reduced overhead alone.<sup>1</sup> In late 2014, the Air Force reorganized the Air Force Intelligence, Surveillance, and Reconnaissance Agency under the Air Combat Command (ACC) and additionally invested in the largest organizational change in more than 20 years by consolidating major installation and mission support functions into one center: the Air Force Installation and Mission Support Center (AFIMSC). This latest consolidation moreover merged 6 independently-led field operating agencies into the AFIMSC, eliminating more than 3,459 personnel in headquarters throughout the Air Force.<sup>2</sup>

The initiatives described above were massive, and the Air Force had the expectation to reap the benefits, not just in cost savings, but also in the potential development of unique synergies formed by the mergers. Merging organizations must seize opportunities in austere budgetary times. However, once the merger is finalized, that newly formed organization becomes a cluster of potentially mismatched cultures, such that, at times, clashes and dysfunctional silos are formed, inhibiting collaboration, innovation, and a sense of pride and belonging. One of the most significant things leaders must do is to create a *shared* culture in the newly-merged

organization. A shared culture makes that organization become alive, as it fuses the organization into one entity.

As General Spacy emphasizes in the quote above, culture will happen, but leaders have a choice to make: to either let culture happen and get whatever comes or build a shared culture that will bind the different parts of the organization together. The fact is that today many Air Force organizations do not have a shared culture; this problem is the hidden enemy and foe of potential gains in collaboration, innovation, unit cohesion, and mission effectiveness. Here, we begin an argument for shared culture by exploring the impact of culture in merged organizations. Next, we begin to build a framework for shared culture in organizations by composing a working definition and then moving to an exploratory view of shared culture. Having this clear understanding, we build a framework for organizational culture that aims at the creation of a shared culture.

## Culture Defined

Scholars define culture in many ways. Organizational development experts Ken Hultman and Bill Gellerman wrote about culture as “the beliefs, values, and norms that shape ‘the way we do things.’”<sup>3</sup> Organizational culture and leadership expert Edgar Schein described culture as “the foundation of the social order that we live in and of the rules we abide by.”<sup>4</sup> Social order, he explained, is about learned behavior in the realms of perception, feelings, and actions toward others. Schein continued to note that social order is about what we have learned and rules are the mechanisms that aid in predicting human behavior. Others define culture as the “socially constructed attribute of organizations . . . the social glue that binds the organization together.”<sup>5</sup> In simple terms, and for use within the context of this article, we will define culture in the following manner: Culture is what we collectively think and believe. Culture is what we repeatedly say and habitually do. Culture is also what members in an organization will collectively feel. In short, culture is the beliefs, habits, sense and feel of an organization.

## Ignoring Culture is Abating Any Potential for Success

No senior leader today will deny that the current fiscal realities and the volatile global landscape are enough reasons to carefully think about the viability of their enterprises. In public and private sectors, the merger (and/or centralizations) has been a means from which companies have sought viability, a way to increase growth and accomplish target improvements in revenue.<sup>6</sup> Mergers, as the consolidation of two organizations into a single organization, have also been sought as a way to consolidate capabilities, improve effectiveness, generate cost savings and a broader access to technology, and make better use of capital investments.<sup>7</sup> Extensive work, brainpower, and careful analysis on a myriad of complex issues all happen as a result of a merger decision. A testimony to the complexities and enormous work effort that goes into a merger are the just-mentioned examples of the AFMC, AFIMSC, and ACC. Furthermore, there are the congressional processes that led to

the authorization to merge, the standup of the new organizations, and the subsequent years optimizing and accounting for the new organizations' progress.

Once the decision for a merger takes place, the typical inclination of leaders in both the private and public sectors is to begin a series of change-management initiatives. Leaders think, again in careful detail, how they will manage change, so the organization can meet the strategic objectives of the merger. Change experts Kim S. Cameron and Robert E. Quinn observed that total quality management (TQM), downsizing, and re-engineering initiatives were the most common organizational change initiatives implemented in the last two decades to manage integration and increase organizational effectiveness.<sup>8</sup> Although presently many see TQM as an outdated paradigm, its offshoots—for example, Six-Sigma's define, measure, analyze, improve, control (DMAIC), Lean Theory, and Theory of Constraints—have been deployed by managers with mixed results. Those initiatives seem as the logical next steps in the perfect management doctrine. The initiatives are also ingrained and studied as gospel in every master of business administration program in the nation and abroad. In short, then, they should work, right?

Despite the best analysis leading up to a merger, the merger itself, and the application of careful change management initiatives, mergers do not always meet the promised success. Mike Schrader and Dennis R. Self indicated that mergers and acquisitions research pointed to a range of failure that rests between 55 to 70 percent (companies not meeting their anticipated purpose).<sup>9</sup> Renounced examples of merger failures are the multibillion dollar merger between automobile giants Daimler-Benz and Chrysler,<sup>10</sup> and that of US Internet service providers AOL and Time Warner, whose stock traded at more than \$70 per share premerger in 2000 and dropped to an unprecedented \$12 per share postmerger in 2003.<sup>11</sup> In both previously mentioned examples, culture was named as a major factor for these failures.<sup>12</sup> Would this be any different in the Air Force? In 2002, several USAF leaders saw the Air Force grow into a “confederation of technical and specialized subcultures,”<sup>13</sup> and today those technical and specialized subcultures have grown into strong functional silos that continue to resist and oppose integration.

One could also think that if, after Herculean analysis and think-tank strategy the decision to merge organizations did not work, then fault could be found in how organizations implement the popular change management initiatives previously mentioned. Research performed about Fortune 500 companies—including 584 firms, spread over four industries, and more than 1,245 companies in Europe—suggested that despite the best efforts in those companies and industries, the lack of attention to culture (or leadership's inability to modify the organizational culture) was the key factor in the unsuccessful implementation of the initiatives.<sup>14</sup> Could any leader say that this would be different in the Air Force? One must go back to 1993 to see the effects of implementing Quality Air Force and recall how the program withered and died because of a culture that could not sustain it, and although Air Force Smart Operations for the twenty-first century did better, it struggled and was migrated into the more-known continuous process improvement, another great and needed initiative.<sup>15</sup>

## Moving Toward Shared Culture

Can we fabricate culture? Viktor Frankl, a famous psychologist and survivor of the Nazi death camps in Germany during World War II, wrote about success in his book *Man's Search for Meaning*.<sup>16</sup> He wrote that success is not something one can aim at; the more one aims at it, the more one will miss it. That's because success—just like a flower—must ensue naturally as the almost unintended consequence of doing the right things; providing the plant a fertile ground, giving it the right exposure to sunlight, and giving it the right amount of water.

Growing a shared culture in an Air Force organization is the same way. Leaders lead themselves into doing what is right in thought, word, and conduct so they can have what the culture leaders want in an organization. When leaders lead themselves, they inaugurate acting in ways that match those beliefs and thought patterns. Even more so, the communication and language that leaders use follows as a natural execution of their personal inner leadership qualities, creating alignment among their thoughts, words, and actions—all the while growing an empowering trust in the organization. Collective norms will then begin to form as members of the organization see and learn those behaviors as the acceptable patterns of conduct, especially when such behaviors emerge from leaders (titular or nontitular leaders). Without much thinking, as those modes of being are rewarded and matched with memories of emotional events, members in the organization begin to form collective memories. They then begin to relive those memories, adapt and practice their values and habits until they become the normalized pattern of the organization. Gen Stanley McChrystal, et al., also termed this action-norms-culture evolution as shared consciousness, a collective, normative, and accepted pattern of acting in ways we deem right in the organization.<sup>17</sup>

*Your actions speak so loud that I can't hear what you're saying.*

—CMSgt David Popp, USAF, Retired

In this culture formation, as the product of a collection of people's inner thoughts and outward expressions, one must consider the dimension of values and beliefs. In 1998, as an instructor at the Airman Leadership School at Ramstein Air Base, Germany, one of our frequent guest speakers would come to talk to our students. He would sit down with the students to talk about the effects of values-driven leaders. Each of his lectures started with the quote above. There's so much truth in it. When leaders value something, their actions show it. For example, a leader who values people's feedback will most likely listen attentively to a subordinate's concerns. If in the leader's core, she respects her subordinate's feedback, the leader will most likely refrain from interrupting while the subordinate is speaking, and so forth.

Values and beliefs drive human behavior. They are as old as humankind; the Old Testament paints a picture of what we believe is fair and just: "You shall not bear false witness against your neighbor."<sup>18</sup> In organizations, the values of people shape organizational behavior and the very direction of those organizations. We all under-

stand that not everyone comes into a given organization with the same values and core beliefs, but, over time the normalization process mentioned previously (action-norms-culture evolution) takes place in some form. The challenge for leaders is to collectively act in ways that promote the normalization of the values and core beliefs they envision for their organizations. Research has highlighted that common values, as well as practices, were the instruments that held organizations together.<sup>19</sup> In relation to building a shared culture, having a core set of shared values and beliefs is a powerful force in the creation of a culture that makes mergers successful.<sup>20</sup> What values, then, should leaders pay attention to and emulate?

### Alignment of Values to Strategic Intent: Creating the Culture Framework

Leaders must act as the architects of culture. As the architects, leaders must be guided by a clear strategic intent, demonstrating and eliciting behaviors in the members of the organization that reflect the values that make the strategic intent possible. In other words, leaders align themselves to the business strategic intent, not only in words but, more importantly, in action. Then, leaders construct the framework that produces behaviors reflecting their ideal organizational values. Leadership behavior in creating a shared culture is important because it is the most influential factor in institutionalizing ethics and values that later become part of the organization's culture.<sup>21</sup>

Here is an example that can better describe the point above. General Spacy, the AFIMSC commander, delineated the strategic intent for the organization. Next, the leader demonstrated and communicated the values inherent in the strategic intent, as you see in table 1. Once the values were understood, the leader created the culture framework that would provoke the behaviors, reflecting the values embedded in the strategic intent.

#### Leaders' Strategic Intent

- "I intend to help commanders produce overwhelming air, space, and cyber-space power for America. We will do this by using innovation to maximize limited resources and provide world-class Installation and Mission Support (I&MS) personnel and combat platforms. We will not compromise standards.
- "I intend for all AFIMSC personnel to be empowered to act commensurate with their position. This means everyone is responsible for being informed and active throughout the enterprise. Do not wait to be asked for your opinion—give it!
- "I intend for AFIMSC to be a leader in developing future operating concepts by using our unique enterprise-wide view and cross-functional perspective to create agile combat options. We will develop our enterprise and capability so that we can stand at the map and help design the plans that will keep America safe.
- "We will foster a culture where we live the war fighter ethos. We are war fighters supporting war fighters."<sup>22</sup>

**Table 1. Values alignment to commander’s mission, vision, and intent**

<i>Values</i>	<i>Behavior in the mission, vision, and commander’s intent</i>
Integrity	Will not compromise standards
Service	Help commanders produce air, space, and cyber space power; do not wait; informed and active in the enterprise; will keep America safe
Excellence and innovative thinking	Agile, using innovation, maximizing limited resources; providing world-class I&MS
Trust	Do not wait—give it! Provide combat power
Empowerment and courage	Empowered to act; stand at the map
Teamwork and collaboration	One team, networked, enterprise-wide view, Using cross-functional perspective
Responsibility	Be a leader in developing future operating concepts
Responsiveness	Help commanders produce overwhelming power; create agile combat options, deliver combat support culture where we live war fighter ethos
Warfighter ethos	We are war fighters

A culture framework can take several shapes, but we offer the following. Dr. Ira Levin developed a “Five Windows into Organization Culture” model that serves as both assessment and culture approach.<sup>23</sup> The model visits organizational culture through a view of five areas: leadership, norms and practices, stories and legends, traditions and rituals, and symbols, as displayed in table 2. The practitioner, by looking through those windows, can discover the culture of the organization. Those windows, when combined with the values alignment exercise, can also act as zones where leaders can work from, and begin movement toward, a shared culture. For example, a leader can begin the process by asking questions and assessing the responses in each of the zones. In window 1, what leadership actions can produce the behaviors that reflect the values’ alignment to the strategic intent? In window 2, what norms and practices can best produce the behaviors that reflect the values’ alignment to the strategic intent? The same exercise can be done for the other three windows.

**Table 2. “The Five Windows”: a map for directing cultural inquiry**

<i>Window</i>	<i>Examples of inquiry methods</i>
Leadership	Founders, current leader, organizational history
Norms and practices	Unwritten rules of conduct, how decisions are made, what are the important policies
Stories and legends	Key stories/legends, crisis averted, the heroes and their attributes
Traditions and rituals	Ceremonies and what they convey, key rites and how they are conducted
Symbols	Organization charts/position titles, slogans, logos, office design

Source: Ira M. Levin, “Five Windows into Organizational Culture: An Assessment Framework and Approach,” *Organization Development Journal* 18, no. 8 (2000), 86–91.

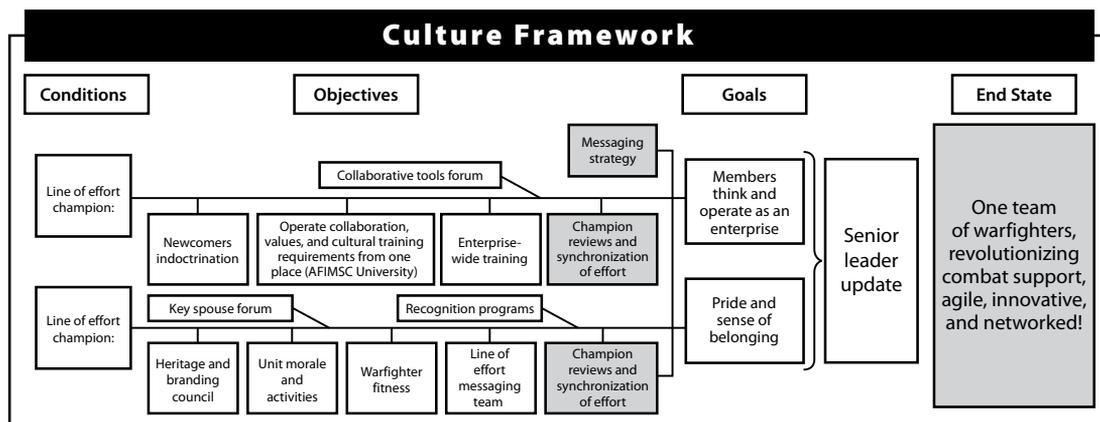
Dr. Levin's approach can be combined with a typical business operational approach to produce a more robust framework for culture. In an operational approach, strategic goals are decided, champions for each goal are selected, and activities that meet the strategic goals are aligned with each strategic goal creating lines of effort. Using this approach increases collaboration, gives leaders visibility over the organization's culture efforts and enforces culture-embedding mechanisms. Research has shown that embedding mechanisms (table 3) become the visible artifacts of the emergence of culture.<sup>24</sup> Embedding mechanisms are also the most powerful ways leaders can support and reinforce a collective message of what are the most important behaviors in the organization.

**Table 3. Primary and secondary culture embedding mechanisms**

<i>Primary embedding mechanisms</i>	<i>Secondary embedding mechanisms</i>
What leaders pay attention to, control, measure, and control on a regular basis	Organization design and structure
How leaders allocate resources	Rites and rituals of the organization
Deliberate role modeling, teaching, and coaching	Design of physical space, facades, and building
How leaders allocate rewards and status	Stories about important events and people
How leaders recruit, select, promote, and excommunicate	Formal statements of organizational philosophy, creeds, and charters

Source: Edgar E. Schein, *Organizational Culture and Leadership*, 4th ed., (San Francisco, CA: Jossey-Bass, 2010), 235–57.

The vehicle for those embedding mechanisms in the culture framework is the lines of effort, focused and tied to no more than four culture strategic goals. Champions for each line of effort would periodically update the most senior leaders. A communication strategy and feedback loop would allow the organization to understand what is happening in the enterprise regardless of where they are in the organization.



**Figure. Culture framework using an operational approach**

The figure depicts this framework, embedding some of the elements from Dr. Levin's approach, that is, the leadership window (senior leader update and champions), norms and practices window ("members think and operate as an enterprise"), symbols (branding), and so forth. This is not all encompassing but presents a good starting point for leaders who must become culture architects.

## Conclusion

In the public and private sector, mergers have been a means from which companies have sought viability, a way to increase growth, and accomplish target improvements in revenue. In the Air Force, mergers and centralizations have been sought, among many reasons, as a means to find efficiencies, focus organizational core businesses, and save tax dollars. Nevertheless, neglecting culture will impede a newly-merged organization's path to success. Several comprehensive studies have cited the number one reason for failure in mergers and centralizations as a neglect of the organization's culture. Even proven and popular change management initiatives like re-engineering, downsizing, TQM principles, the DMAIC, or other more modern management change approaches cannot compensate for the neglect and the ensuing failures. Senior leaders must, therefore, understand, care, and build shared cultures in their organizations.

Although many definitions may exist, culture was defined to give the reader a deeper view of the elements involved in culture. Collective thinking, beliefs, what members in an organization repeatedly say and do, are all part of the organization. Then, culture becomes the beliefs, habits, sense, and feel of an organization. Shared culture is not an accident. It must ensue as the collective effort of the normalization of values, beliefs, and human behavior. Shared culture ensues when it is a deliberate effort from all members of an organization, with leaders at the helm, acting as the architects of the cultural effort. Leaders must be guided by a clear strategic intent, demonstrating and eliciting behaviors from the members of the organization that reflect the values that make the strategic intent possible. Then, leaders construct the framework that produces behaviors that reflect ideal organizational values.

A working framework for developing shared culture is the intersection between a business operational approach and Dr. Levin's Five Windows model. This new structure aligns behaviors to the business strategic intent. It also pays attention and enforces culture-embedding mechanisms using lines of effort that are tied to culture strategic goals, and furthermore driven by champions who can assess the activities' alignment to the Five Windows and contribution to strategic goals. This article presented a culture roadmap; it is not all inclusive but comprehensive nevertheless. It leads us toward a common construct wherein organizational leaders become architects of success for their organizations and their people. ✪

## Notes

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