



OUR CULTURE: A DISCUSSION STARTER

LEADING
CHANGE
IN PHILANTHROPY

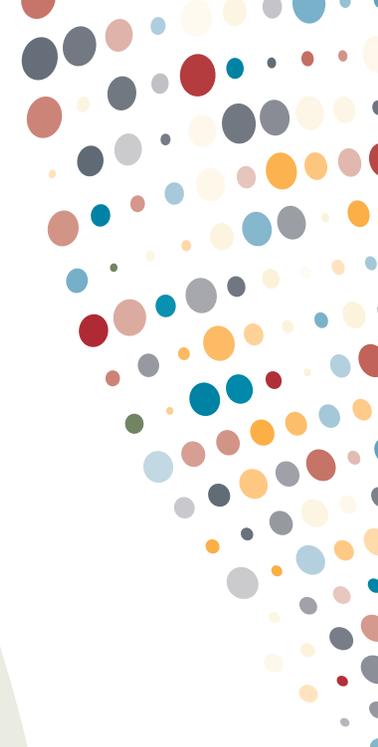
geo
GRANTMAKERS FOR
EFFECTIVE ORGANIZATIONS

BACKGROUND

The work that philanthropy aspires to do isn't easy — far from it. Our efforts to build healthy communities, alleviate poverty, improve educational systems and ensure environmental sustainability requires thoughtful and bold approaches. But increasingly, GEO members that maintain success have certain less tangible cultural attributes underlying their work: ability to partner, appetite for risk and uncertainty, willingness to learn and reflect, humility, and curiosity. In other words, our organizational cultures need to explicitly support our strategies.

Culture is like air — it's all around and evolving, and it can be hard to discern without conscious consideration. It is also remarkably persistent. An organization's culture can continue far beyond its original creators and can resist efforts to change or shape it. And culture is enormously influential, creating both explicit and invisible norms and rules that shape behavior.

If we want to be effective philanthropic stewards and have the kind of impact we seek, we can't ignore this invisible force. The late management sage Peter Drucker observed that "culture eats strategy for breakfast," and generations of foundation leaders have voiced similar conclusions. The best-laid plans on paper can be derailed by the organization's actual attitudes, assumptions, unspoken rules and practices. And sometimes even when the organization's leaders seek to establish one particular culture, staff and other stakeholders continue to experience another. Fortunately, culture can be aligned and strengthened, and many funders are now turning their attention to it as they look for ways to be more effective in their work.



USING THIS DISCUSSION STARTER:

In this guide, *Our Culture: A Discussion Starter*, GEO poses a set of questions to help grantmakers begin a conversation about their culture and explore ways that culture shows up and affects the work of their organization. The discussion starter can be used to delve into questions that are often challenging to raise and to surface issues that may be invisible.

We encourage grantmakers to use this document in combination with GEO's publication, *The Source Codes of Foundation Culture*. That publication can serve as a shared pre-reading for the conversation, provide a common vocabulary for the conversation and suggest food for thought.

This discussion starter is designed to be helpful for individual reflection, one-on-one conversations, or discussions among foundation board, staff and stakeholders. The goal: to explore the nature of current organizational culture and envision ways to shift culture and practice. The order and number of questions in this guide should be tailored to the organization's needs.

Although grantmakers may begin by having these conversations internally, we also encourage funders to find ways to engage external stakeholders and grantees. Often these external partners are affected by foundation assumptions and behaviors in very concrete ways and can see aspects of culture that might be less evident to those in its midst.

There are many ways to use this discussion starter. For example:

- Ask staff to respond to the questions individually before a team or full staff meeting. During the meeting, ask staff to share their thinking in small group conversations or by posting observations on chart paper. Then invite participants to look around the room and share observations.
- Begin each board meeting with a reflection on culture using questions from this guide. What aspects of culture are most important to individual board members? How would trustees describe an "ideal" culture?
- Take a lunchtime field trip to another funder or organization outside of philanthropy, such as a bank, business or university. Ask staff to look around and take mental notes on elements of culture that they can observe, based on the prompts in Part 1. Once back in your own organization, try to examine your culture with a similarly objective eye.

Individual Preparation for Culture Conversations

Organizations can have cultures that seem to transcend individuals and can survive staff transitions. Yet organizations are made up of individual people, each of whom has an impact on culture. At some point, if culture is going to shift, individual staff will need to step up and do the shifting! This applies to everyone from executive leaders to frontline staff to volunteers — every person is a factor in how the culture evolves. In preparation for a group conversation, think about your own relationship to your organization's culture.

- How would I describe our culture to a stranger? To my best friend?
- What specific assumptions, behaviors, or "artifacts" have I encountered that seem to reflect the culture here?
- How has the culture enabled or hindered my best work?
- How do I contribute in positive or negative ways to the organization's culture?
- What could I do to uphold the most constructive aspects of the culture and discourage the negative?



PART 1: **CULTURE AT WORK**

Organizational culture is the personality, behaviors and underlying assumptions of an organization. Often, trying to describe culture can feel like the story of the blind men and the elephant, in which each individual can feel and try to describe only one limited piece of the whole. Coming together to compare notes can help you put together a more thorough picture. Although it can be hard to identify when you're in its midst, an organization's culture has a persistent influence on how people who work there think, make decisions, interact and take action. Understanding your current culture — and its link to organizational goals — is essential to figuring out which elements serve your work and which don't.

It's important to consider your organization's readiness to surface and address what could be some unexpected or sticky issues. In order for conversations about culture to be fruitful, organizations need to create the space and conditions for candid dialogue, and staff and leaders need to be willing to approach the topic with humility and curiosity.

QUESTIONS FOR DISCUSSION

How would we describe our organization's culture? Is there a metaphor or image that helps to illustrate what the culture is like?

What are the sources of our culture? Given what we know about how our foundation started and its current culture, what influences do we see from other influential organizations or entities, such as banks, universities or corporations? (Note: these three sources of foundation culture are discussed more in depth in *The Source Codes of Foundation Culture*, by Tom David and Kathleen Enright.) Which aspects of those source codes benefit our work? Which aspects no longer serve us?

How does our culture show up? Identifying the visible artifacts and manifestations of organizational culture can help illuminate it. The list below gives some examples of where culture can be seen, but it's not all-encompassing.

Office décor and "vibe" — How would we describe the atmosphere in our office? Is it serious or playful? Are the spaces formal or casual? Quiet or loud? What does office décor say about where staff draw inspiration and meaning? For example, does artwork harken back to the organization's legacy, or reflect current activities, partners and grantees?

Language — Every industry or business has its own special terms and jargon, and philanthropy is no different. In fact, language norms may differ from organization to organization, or even between departments. What are the special words, acronyms or ways of speaking that are notable at our foundation? What terms do we often need to explain to others outside of our organization?

Norms around interaction — Organizations often have unspoken "rules" about how people should interact, and they are most noticeable when they are accidentally broken by someone new. How and when do people communicate (in person, via email, phone, etc.) with each other in our workplace? Do people talk freely across departments or across levels of the organization? Who speaks up in meetings? Are conversations with colleagues scheduled or spontaneous?

Reflecting on Source Codes

In *The Source Codes of Foundation Culture*, Tom David and Kathleen Enright propose that philanthropic culture derives from three primary "source codes": banks, universities and for-profit corporations. In other words, philanthropy retains some of the assumptions, vocabularies and behaviors of these industries. Other foundation leaders have identified additional source codes, including families, hospitals and government.

The core cultures of banks, universities and for-profit corporations demonstrate remarkable strengths. Foundations benefit if they model the fiduciary integrity and investment acumen of financial institutions; the analytical thinking and high intellectual standards of universities; and the emphasis on leadership, innovation and data-informed decision-making of business. But foundations also display some of the least helpful aspects of each of those three cultural strands, including the lack of transparency of banking, the individualism and arrogance of universities, and the internal inequities and metrics myopia of for-profit corporations. Often, these cultural touchstones persist despite the fact that they are clearly not in the best interests of foundations' nonprofit grantees or partners — or the communities they serve.

Norms around decision-making — Norms around decision-making can speak to an organization's assumptions about power and power-sharing. How are decisions made at our organization? By consensus, by majority, through delegation or by senior leaders? Who has input and authority? How are decisions shared?

Orientation toward time and deadlines — Every culture has its own relationship to time, with some prioritizing punctuality and others valuing a looser and more flexible schedule. What are expectations at our organization around work schedules, timelines and deadlines? Do meetings start and end on time? What do our schedules say about what we value?

Systems, procedures and processes — Even things as seemingly mundane as workflow or IT systems can reflect and have an influence on culture. What are the basic systems and processes supporting our work? What assumptions and values underlie these systems and procedures? Which systems or processes are “sacred cows” and why?

Rituals, rites, ceremonies, celebrations — How does our organization recognize important moments or achievements? How is credit distributed for good work? Are celebrations a regular occurrence or limited to an annual holiday party? What happens when someone retires or achieves a milestone? What types of behaviors are rewarded, and how? What are people reprimanded or censored for?

Behaviors toward external stakeholders/grantseekers/grantees — Grantmakers vary widely in their relationships outside the organization. What are the norms at our organization around customer service, responsiveness, deference and transparency? What are the spoken and unspoken expectations?

How do we think that other key stakeholders perceive our organization's culture? How might grantees, community members, advisors or others describe the culture here?





PART 2: EVOLVING CULTURE

It's likely that the discussion about organizational culture has surfaced both positive elements that the organization would like to hold on to and some things that need to shift. The questions in this section ask grantmakers to consider more explicitly the aspects of foundation culture that work well and those that don't.

QUESTIONS FOR DISCUSSION

How well does our culture align with our strategy and values? Sometimes the most powerful way to think about shifting culture is to identify places where it is misaligned with what an organization cares about deeply or aspires to accomplish. (Note: Some may find this a helpful starting point for conversations about culture, as a way to ground the dialogue in the organization's goals.) How do our assumptions and behaviors support or pose an obstacle to our foundation's core values, activities and strategies?

Which aspects of culture matter most to staff, to board and to our external stakeholders — and why? If we aren't sure how to answer this question for those outside our organization, how can we reach out to grantees, grantseekers or other community contacts to invite feedback?

What does a “best” culture look like for our organization? Which aspects of culture would we like to see more of in our organization? It can be hard to imagine something very different from what's always been there. Staff and board may be able to identify aspects of culture that they could do without, but may have more trouble painting a new picture. Some helpful prompts include:

- What are three things we'd like everyone (inside and out) to say about our organization?
- When we've been doing our best work, what's different?
- In what contexts do a diverse staff and board feel most connected to the foundation's vision and mission? What does this look like?
- What specific behaviors or attitudes seem to lead to the most positive results in our organization or in other organizations we know?

CONCLUSION

Constructing a shared understanding of current culture and an aligned vision for a desired future culture are crucial first steps toward building a strong and positive organization, but it's only the beginning. GEO members are experimenting with many ways to take deliberate action to build intentionally strong cultures. There are two things that seem common across these many efforts. First, culture is dynamic and evolving, so the process to change culture requires patience and engagement. Any given foundation culture developed over time — often over decades — and it won't shift overnight. Nor can it be shifted by decree; all members of an organization need to be committed to new ways of thinking and behaving for a successful culture shift to happen. And second, paying attention to culture is worth it. Just as clean air is healthier for living things, a healthy culture reflects a foundation's core values and allows all staff and board members to thrive and do their best work.

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