

PERFORMANCE MANAGEMENT GUIDEBOOKS

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# CHANGING CULTURE

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This practical guide helps government leaders and managers understand organizational culture and how to build cultures more adept with data.

**What Works Cities**

Bloomberg  
Philanthropies

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# Table of Contents

Introduction	1.1
What is culture?	1.2
What is a data-driven culture?	1.2.1
Diagnosing Culture	1.3
Influencing Culture	1.4
View Culture as an Advantage	1.4.1
Focus on Ingredients	1.4.2
Create a Compelling Vision	1.4.3
Promote Core Practices and Behaviors	1.4.4
Deal with Detractors	1.4.5
Measure Progress	1.4.6
Sources	1.5

# Changing Culture

Many government leaders believe they need a “data-driven culture” to usher in more effective and efficient services to residents. They see managers rely primarily (sometimes exclusively) on gut instinct and experience to guide their work. Data seems trapped in silos. Employees are not using data to inform their work out of reluctance, fear, lack of awareness, or training. Tools used to manage and analyze data are intimidating, and very few people understand which tools to reach for first. All the while, technology becomes cheaper, the world becomes awash with data, and everyone wants to “work smarter” not harder.

Compared to this reality, a “data-driven culture” seems appealing. But what does that really mean? And how do governments make the shift? The [Center for Government Excellence](#) at Johns Hopkins University (GovEx), a partner in Bloomberg Philanthropies’ [What Works Cities initiative](#), created this practical guide to help governments advance open data, analytics, and performance management practices by shaping their organizational culture. The guide includes characteristics of cultures adept with data, diagnostic tips for understanding existing organizational culture, and practical suggestions for influencing that culture.

# What is culture?

There are many definitions of culture, but here is one that resonates with GovEx: **culture is the difference between what you tolerate and don't tolerate.**

Seem simple, right? Unfortunately, culture is more complicated when you start to unpack it. Why?

1. **Culture is the unconscious interaction of many elements:** people, assumptions, processes, norms, goals, beliefs, traditions, values, thoughts, attitudes, practices, behaviors, feelings, habits, etc. When people talk about culture, they are likely referring to one or more pieces of the puzzle that compose an organization's overall culture. So understanding culture requires thinking about system dynamics, which rarely yields easy explanations or concrete solutions.
2. **Culture is causal and dependent.** An organization's culture impacts its performance and value creation, but the reverse is also true. Culture is affected by the knowledge, talent, technology, decisions, and performance of the organization.
3. **Culture is not singular.** One organization can have many cultures, sub-cultures, and micro-cultures. So the first response to the ubiquitous question "how do we change our culture" is "which one?" Multiple cultures in one government creates confusion and inconsistency for residents.
4. **Culture is a malleable legacy.** We are what we repeatedly do, and people either believe culture is impossible to change or that they can change it quickly with a new leader. Neither are true. Culture is an organizational legacy which must be carefully shaped and shifted over time. New leadership is helpful, but not a silver bullet.

## What is a "data-driven" culture?

Many government leaders believe they need a “data-driven culture” to usher in more effective and efficient services to residents – because they see the following scenario(s) inside their organizations:

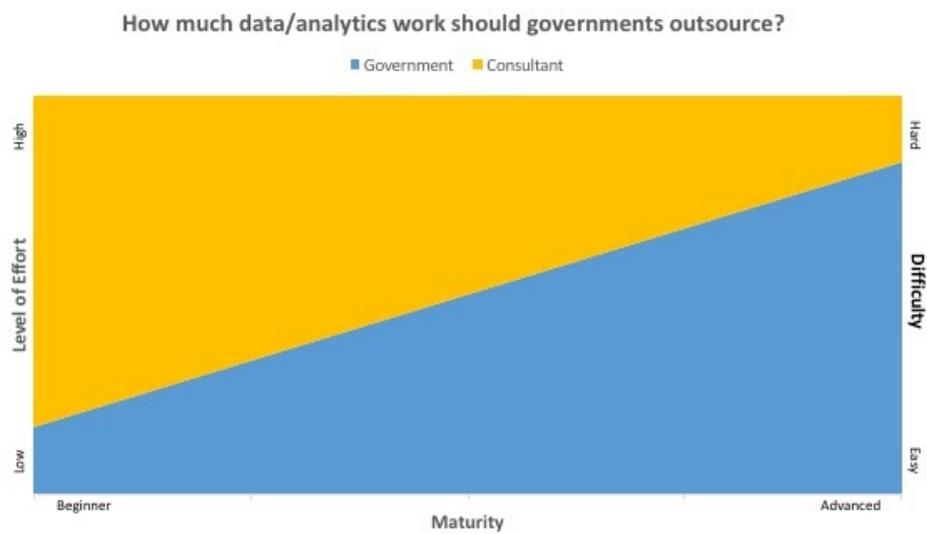
Leaders and managers rely primarily (sometimes exclusively) on gut instinct and experience to guide their work. Data seems trapped in silos. Employees are not using data to inform their work out of reluctance, fear, lack of awareness or training. Tools used to manage and analyze data are intimidating, and very few people understand which tools to reach for first. All the while, technology becomes cheaper, the world becomes awash with data, and everyone wants to “work smarter” not harder.

Compared to this reality, a “data-driven culture” seems appealing. However, data is not the secret ingredient to a “data-driven culture.” To borrow a phrase from Alicia Dowd: data doesn’t drive. So chasing a data-driven culture is probably the wrong goal. Data requires analysis to generate insights. It doesn’t jump out of the database and into a decision maker’s head on its own. And good analysis flows from curiosity and inquiry, otherwise analysis is just an answer in search of a question. Therefore, governments should seek a “culture of inquiry” and ensure that culture is informed by data.

## What does a “culture of inquiry informed by data” look like?

- Leaders, managers and employees can communicate the government’s return on investment in data and analytics and believe managing with data is good for performance
- Leaders, managers and employees promote the safe democratization of data, increasing data’s accessibility to those who need it
- The organization has clear strategic priorities whose achievement is quantifiable and measured - and everyone understands how their work contributes to those priorities
- Data is part of everyone’s day-to-day operations
- The chief executive and senior leadership team routinely ask questions whose answers require deeper analysis of the underlying dynamics of every problem
- The organization has an intentionally designed relationship to its own data which feeds every employee the information they need to be informed and answer relevant questions.
- Employees spend more time on analysis than producing reports or collecting data.

- Analytical products created by employees:
  - answer the key questions of decision makers
  - include summary-level and disaggregated/segmented data analysis
  - are easy to digest and understand
- The organization values, leverages and understands the difference between quantitative and qualitative information
- The government leverages decentralized analytical teams across programs, but also maintains a centralized analytical unit for enterprise-level analysis and coordination
- The government's reliance on external consultants is proportional to their maturity with data and analytics.



# Diagnosing Culture

There is a [culture diagnostic tool](#) developed by Kim Cameron and Robert Quinn in 2006. It essentially states there are four types of organizational cultures, which exist along a *competing values framework*. The competing values are:

- Flexibility & Discretion vs. Stability & Control
- Internal Focus & Integration vs. External Focus & Differentiation

Using these values, Cameron and Quinn group organizations into four cultural categories depending on their results:

- **Clan Culture:** collaborative, friendly, teamwork abounds, colleagues are like family, leaders are mentors, emphasizes loyalty, tradition, cohesion, and concern for people.
- **Adhocracy Culture:** creative, dynamic, entrepreneurial, cutting edge, risk-taking, initiative and freedom are encouraged, being an industry leader is important
- **Market Culture:** competitive, results and goal oriented, hard-charging, productive, concerned with reputation, success, and winning
- **Hierarchy Culture:** controlled, structured, formal, rules and procedures emphasized, dependability, stability, performance, and efficient operations are prioritized

## First, identify the culture you want.

Many governments identify as a Hierarchy Culture and aspire to be different. But it is important to be specific and articulate what kind of culture you want, so the differences become clear. As you complete a diagnostic process, make note of the differences between the culture you have and the one you want.

## Second, interview and observe.

- Observe the common behaviors in your organization and ask others to observe them as well.
  - Which behaviors contribute to your goals?
  - Which behaviors detract from your goals?
- If you were performing at your best, which behaviors would be common? Which would be gone?
  - How would we treat residents differently?
  - How would employees exchange ideas with one another?
  - How would challenging issues get raised and resolved within the organization?
- Notice what words people use when they describe the challenges and opportunities in

their organization

- Do they say “us” and “we” or do they say “they” or “them.” The latter may indicate a lack of ownership in both the problem and the solution.
  - For example, do people talk as if “data” is someone else’s domain, like the IT department?
- Do they say “can’t” or “won’t” or “shouldn’t” more than they say “can” or “could” or “should?” These words choices indicate the level of risk aversion and innovation among employees.
- Do they more frequently talk about challenges than opportunities? Or is it the reverse?
- Do they contribute to each other’s ideas or tear them down?
- Do they talk about they way things used to be with nostalgia? Or do they talk about the way things could be with optimism?
- Can they explain why they do certain activities or why your programs operate the way they do? Or do they put those answers to a person higher in the organization?
- Conduct interviews with employees at all levels of the organization. Focus on those who are well respected, informally influential, and attuned to the organization’s culture.
- Ask everyone who they consider the ultimate stakeholder. The differences in perspectives will reveal cultural disconnects and opportunities for alignment around a common mission and vision.
- Interview stakeholders about their perceptions of the organization? Ask them about their experiences as a “customer” and write down the common words they use to describe those experiences.
  - Treat perceptions of the organization as facts.
- Identify the sub-cultures and micro-cultures through interviews, and analyze social media feedback and differences between component perceptions.

## **Fourth, consider how the following factors are influencing your culture:**

- Organizational Structure and Process
  - Centralization vs. decentralization
  - Autonomy vs. micro-management
  - Reporting structures and spans of control
  - Decision making processes
  - Information flows
- People
  - Leaders
  - Managers
  - Front Lines

- Customers
- Stakeholders
- Incentives
  - Compensation
  - Seniority
  - Recognition
  - Access
- Performance Management
  - Results/Evaluations
  - Feedback
  - Frequency
  - Remediation/Accountability

# Influencing Culture

Culture change is hard. But it is possible. The secrets are: don't try and "eat the elephant" in one bite, and don't expect to get it right the first time. Successful culture changes often come after several misfires which create a learning opportunity for everyone. As your organization progresses on its journey toward becoming a culture more adept with data, here are some tips to guide your efforts:

1. [View culture as an advantage](#)
2. [Focus on the ingredients](#)
3. [Create a compelling vision of the culture you want](#)
4. [Promote core practices and behaviors](#)
5. [Deal with detractors](#)
6. [Measure progress](#)

## **View Culture as an Advantage**

Culture should be a contributor to progress, not a detractor. Take advantage of the unique aspects of your culture, celebrate its strengths, and turn them to your advantage. For example, employees may be reluctant to change an inefficient process because they are concerned about fraud, waste, or abuse. Celebrate the fact that employees care so much about their fiduciary responsibility to the taxpayer and play to that strength. Communicate those advantages and strengths to key stakeholders, like the legislative branch, so they understand the rationale behind culture change efforts. There should be no surprises on the journey to turn culture to your advantage. Everyone involved should understand what tangible changes to expect with respect to programs, employees, and services, giving them more confidence in the organization they support and increasing their ability to explain it to residents.

## Focus on the Ingredients

To change culture, don't focus exclusively on it. In fact, don't describe your efforts and interventions as "culture change." Instead, focus on changing the factors, behaviors, and conditions that affect and reinforce culture (i.e., people, incentives, structures). Make formal and informal changes to reach people on emotional and rational levels. Most organizations make the formal changes because they are easier to make, but informal changes can be even more effective and reinforce the formal signals:

Formal Changes	Informal Changes
Organizational Charts	Cross-functional Teaming
Roles and Responsibilities	Behaviors & Leading by Example
Policies and Procedures	Peer-to-Peer Networks
Talent Development	Motivational Speakers
Organizational Communications	Spotlights on Performance
Compensation, Benefits, & Awards	Communities of Practice
Performance Management Systems	Space and Environmental Changes

One of the most important ingredients to focus on is **talent development**. Governments need the best and brightest working on society's toughest problems, but struggle to identify those with advanced skills in data and analytics. Most public policy and public administration graduates who fill Program Analyst positions are adept with Microsoft Excel and statistical packages, like SPSS and Stata, but they lack computer programming and database skills. GIS specialists, who are also common in government, have more advanced data management and computer programming skills, but are usually relegated to mapmaking functions. To identify existing data and analytics talent in your government, consider one of the following tactics:

- Create an analytics community of practice inside the organization and market it to anyone who has a passion for the use of data to help solve problems. Convene them through brown bags, panel discussions, or group projects. Let them present their work and bounce ideas off of one another. This will help surface the hidden talent and create space for collaboration.
- Create a pipeline of analytics projects that cuts across programs and ask people to apply to be a member of a specialized team who works on them. Make the application process fairly rigorous, so analysts have to demonstrate all of their skills before starting the project. Giving these all-stars a challenging project to work on will motivate them to

make larger contributions to your organization.

- Create career paths and mentorship programs for your professional analysts, especially the highly technical ones. GIS specialists often complain about the limited career path available to them, so carve out a pathway inside your organization that makes it clear you care about the long-term growth of every analyst.

Once you've identified the internal all-stars, get serious about attracting 21st century talent. Government halls are already filled with political science. It is time to add computer science and data science to the mix, and not just in the IT Department. Computer scientists and data scientists know how to use computers to generate insights, and as government goes digital, these skills are critical. Consider the following tactics when attracting outside talent:

- First and foremost, look for intellectual curiosity, not just quantitative and technical skills. All the computer skills in the world can't replace an inquisitive human brain.
- Ensure job postings for analyst positions include computer programming experience.
- Look for dexterity with multiple analytical and statistical packages. Microsoft Excel is not enough. Look for experience using R, Stata, SPSS, MatLab, or MiniTab.
- Prioritize communication skills. Generating insights is not enough. Analysts must communicate them visually and verbally. Look for individuals who have executive briefing skills and/or demonstrated experience in data visualization.
- Given all potential analysts a test. Give them a dataset and a few vague questions to answer, questions that inspire followups and require each analyst to think about how they would approach the analysis to find the answers.

# Create a Compelling Vision of the Culture You Want (But Account for the Culture You Have).

If the leadership team has not already committed to managing with data, then begin with a leadership vision of the future. Some describe this as a leadership postcard: a simple compelling story of where you want the organization to go. For example, a mayor may routinely describe her vision to her leadership team:

In the City of Springfield, good is never good enough. We deliver the best services to residents because we constantly collaborate and use data to figure out how to outperform ourselves.

Do not describe the culture you want in vague terms (e.g., more innovative, collaborative, customer-centric). Instead, be specific about what your culture should feel like from within (e.g., promote innovation through diverse teams collaborating on city-wide projects). Ideally, a short compelling vision like this aligns with existing organizational culture by playing to its strengths (i.e., employees who put a premium on customer service will want to see residents mentioned in the vision statement). To craft an aligned and aspirational cultural vision, seek input from employees across the organization, focusing on those who are widely respected and informed about the current culture. Get their input on the vision as well as their views on how the organization would implement changes to realize that vision. Coherence among your strategy, culture, and performance priorities is critical.

# Promote Core Practices and Behaviors, Not Just Values

When you diagnosed your culture, you identified practices and behaviors that contribute to your goals, and which are detracting. Create an awareness campaign for core practices and behaviors you want to see more of, highlighting how small but significant changes in behavior signal a shift in the right direction. For example, Chicago food inspectors are reducing food-borne illness by using data to identify high-risk restaurants for prioritized inspection. Celebrating their success internally is creating healthy competition inside the health department and signals that data-driven behaviors get rewarded.

Find employees and programs, like the food inspectors, who are already exhibiting the desired practices and behaviors every day. Leverage them to teach and train your team on what success looks like when model behaviors are implemented. Focus on middle managers, who make and break culture. Give them direct feedback on specific opportunities to exhibit model behaviors. At the end of the day, employees change the culture more than the leaders, so leaders should acknowledge their own vulnerability, admitting they don't always exhibit model behaviors but are willing to change themselves.

## Communicating Success to Employees

Even though employers and employees may differ in their personal definitions of success, there is general agreement that success is an important organizational value. The first step in getting on the same page about success is determining what success looks like to each group. Organizations commonly measure success by how well they have achieved their objectives or accomplished their mission. How do employees know if they are on the right path to the right destinations? How do they know their approaches are achieving results? This is where and when communication becomes important to engage employees, accelerating progress and productivity. A great organization will inform its employees about the progress it is making towards its goals. It will recognize and celebrate the accomplishments of its workers, and create opportunities to promote future success of its employees. If employers communicate with employees regularly and in an effective manner, employees are much more engaged and are incentivized to approach work with positive spirits and attitudes. This is true for all employees regardless of where they work and their type of work. Whether they are working for private companies, government entities, or not-for-profit organizations, they care about success, incentives, and recognition. Cities can communicate successes to their employees in a variety of ways:

- Recognizing Achievements

- Rewarding Accomplishments
- Documenting Success Stories
- Acknowledging Contributions
- Saying Thank You and Offering Praise for Excellent Service
- Providing Opportunities for Advancement

### *Recognizing Achievements*

Invariably, employees everywhere respond positively to sincere recognition for a job well done. Let city employees know what they are doing well. Let them know their contributions are valued and recognize the important role they play in the city's administration. Genuinely acknowledge employees' extraordinary achievements by recognizing and celebrating their accomplishments. For instance, Denver has an employee recognition program that recognizes individuals and teams that exemplify "STARS" (Service, Teamwork, Accountability, Respect and Safety) values. This program celebrates employees who supported practices that deliver a world class city by achieving one or more of the city's goals.

Instead of remarking "well done" or "good job," communicate specifically what employees have accomplished to merit the recognitions. For example, the human resources department of City of Daly, California initiated the "You are a star award" that recognizes employees for:

- performances that enhance efficiency and effectiveness of their departments
- going above and beyond their job descriptions to contribute to community service and development
- providing outstanding achievements over time
- exceptional participation in teams, special projects, and committees

A committee made up of employees representing various departments reviews nominations from coworkers and selects deserving awardees for public recognition. Awards range from a plaque, or write-up in the city's employee newsletter (the Foghorn), to recognition at the city council meeting.

### *Rewarding Accomplishments*

Practitioners of performance management believe that "what gets measured gets done," similarly, "what gets rewarded gets repeated." This means that people are likely to do more of what they can accomplish if they are rewarded for it. This motivates others to replicate behaviors that lead to rewards. In essence, you get more of the behavior you reward. When building a rewards program, think about the various stakeholder groups you are targeting and what could best motivate them. Reward employees who surpass expectations with meaningful benefits and incentive packages.

People are motivated by different things: money, career improvement opportunities, time off, promotions. A reward can be “free” or cost a city a few dollars depending on the city’s budget and any legal constraints. The important part is connecting the reward to the employee’s motivations and celebrating accomplishments. The city of Flagstaff, Arizona has multiple award systems that reward hardworking employees with the following:

1. Unique name tag
2. Engraved award
3. Monetary award
4. Day off and paid vacation
5. Promotion
6. One-time bonus up to \$500 or a quality step increase for group awards
7. Choosing item from a catalogue for 10-35 years every five years.

### *Documenting Success Stories*

Documenting success stories shows how the city is making a difference in the lives of its residents. Not only does telling stories about the positive changes the city is making reinforce public trust and confidence, but also it is an important way of communicating to employees that their efforts are making a positive difference. It is a powerful way to demonstrate to the public and stakeholders the value of the city administration to residents. There are a variety of ways to document success stories that could inspire both current and future employees to give off their best, including internal publication platforms such as magazines, newsletters, city’s website, videos, podcasts, etc. Pick the method that most suitably tells the city’s success stories to the public and employees as well.

One of the ways Louisville, KY tells its success stories is by sharing the testimonials of their clients on its website. This provides a meaningful feedback to employees that their work are making impact and residents are appreciative.

### *Acknowledging Coworkers’ Contributions*

Coworkers are likely to identify the outstanding contributions of their peers which could otherwise be missed by managers. Coworkers spend more time with each other, know each other’s strengths, work products, and accomplishments. Celebrating the accomplishments of their peers is one meaningful way to inspire coworkers and help create a thriving, innovative, and productive work environment.

The city of Murfreesboro, TN, STARS Employee Recognition Program allows employees to nominate their peers for awards. Research has shown that recognition from peers promotes respect, boost morale and improves productivity.

### *Saying Thank You and Offering Praise for Excellent Service*

Saying “thank you” to employees for work done well is a powerful validation of their efforts and an effective reward and recognition tool. Verbally and publicly praise employees for their contributions to achieving the goals of their departments. As part of its employee recognition program, the city of Modesto, CA verbally recognizes the achievements of employees in front of the Mayor and other staff. Praising employees publicly in the full view of their colleagues not only makes them feel proud about their achievements, but it also demonstrates to other people that hard work and good performance are both visible and appreciated.

#### *Providing Opportunities for Advancement*

Professional advancement is one of the most important elements for employee satisfaction. Recognizing the employees’ achievements by providing them with opportunities to advance their careers is a great way of motivating them. Advancement opportunities may include promotions, educational opportunities, tuition reimbursement, training courses, professional development programs, etc.

Employees want to know what they are doing right, recognizing their work is an effective way of communicating success. An effective recognition is specific, sincere, immediate, and meaningful. For instance, the city of Oak Point immediate recognition award as part of its employee recognition program rewards employees based upon their exceptional contribution to exceptional customer service, increased morale in workplace, job performance and community development.

## Deal with Detractors

Dealing with detractors does not require firing them. In fact, the exercise of power should be the last tool in the toolbox. Instead, anticipate resistance and account for it in your execution strategy. An intractable department might not be moved by a city manager's motivational speech. However, if a competing department gets more money in the budgeting process or more positive attention in the media because they practiced one of the model behaviors, then the stubborn department might pay closer attention in the long run.

Embrace ever-changing leadership. Many managers frame changes as "coming from leadership," but civil servants know leadership will always change. Embrace that change, and reframe the reason for initiatives as empowering the employee instead of the leader. Cite examples of how other jurisdictions used data and analysis to redesign programs to make them easier to implement (and defend) to any future leader. Examples from police and public health departments are easy to find.

Make sure the employees see changes as something they are helping drive, not something they are subjected to. Don't start by parachuting in a whole new team or reorganizing everything. Leverage the existing pockets of excellence who share your vision and bring in fresh eyes in strategic parts of the organization where progress is lacking. Remember, people react better to positive reinforcement than criticism, so aim for inspiration over intimidation. Along the way, don't confuse team-building exercises with sustainable change and growth; and if you conclude someone is intractable after many attempts to shape his or her thinking, then move him or her along.

# Measure Progress

Identify a core group of key influencers, potential leaders who are well respected regardless of their level of hierarchy. Routinely check in with them to assess whether they see evidence of culture change. They should be honest brokers who offer candid feedback to leadership about the challenges and opportunities within the organization's culture.

In addition, measure your progress across multiple dimensions:

- Are we performing better on our core operations?
  - Remember, what gets measured gets done, so make sure your metrics are connected to the right behaviors.
- Are we seeing more critical behaviors exhibited more often?
- Are we on track implementing the changes we agreed to make?
- Are attitudes shifting in the desired direction?

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The content in this guide was derived from ideas and contributions from the authors of each article listed below, along with the personal experiences and perspectives of staff from the Center for Government Excellence.

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