Conscious culture creation: seizing new ways of working

A resource for leaders to recreate their organisations’ culture post-COVID-19

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Leveraging the crisis to shape the future

COVID-19 recast many aspects of working life. While it forced organisations to swiftly adopt large-scale changes, there is a chance that learnings could be forgotten. The suspension of routine arrangements provides a unique and profound opportunity to detach from the past, stop and rethink what is important, and intentionally refine the human experience of work. Many positive practices have emerged that, until now, have encountered resistance. The challenge for leaders is to absorb and harness lessons from this historical event to strengthen their organisation’s adaptive muscle and fashion workplaces that are ‘elastic’ – fun, fast, successful, tough and capable of renewal and reinvention.

Government-enforced shutdowns saw workplace practices that were once subtly discouraged or perceived as counter-culture become mainstream. Widespread virtual work arrangements were enacted, staff were trusted to do the right thing, and toddlers were forgiven for loitering in online meetings. The transition to more frequent board meetings meant papers were succinct. Our shared humanity in facing an unforeseen challenge together inspired values and behaviours such as kindness, compassion and deeper connection.

COVID-19 accentuated the human capacity for adaption and altruism. However, when the crisis abates, will our inclination towards seeking a state of ‘equilibrium’ see us return to former habits? Now, as always, the assignment for leaders involves the continual diagnosis and adjustment of a workplace’s culture to deliver on the organisation’s promise to customers, shareholders and stakeholders alike. However, any cultural advancements will be influenced by the organisation’s maturity across a range of levers including governance, communication, capabilities, processes, and structures and values and behaviours. Now is the time for conscious reflection and deliberate dialogue on emerging cultural attributes that, if retained, will advance the organisation’s purpose, and its people, into the future.

This thought piece outlines our point of view on organisational culture and its link to trust, strategy and reputation. We provide questions to contemplate cultural features that are surfacing, that many organisations may wish to retain. Finally, we provide a pragmatic process to support you to capture insights and determine key actions to embed the new normal and to ensure the opportunities emerging from this particular crisis are not wasted.

Former British Prime Minister Sir Winston Churchill is credited for having once said, “Never let a good crisis go to waste.” The COVID-19 global crisis brings with it the possibility of rethinking the way we work.
Culture and trustworthy organisations

The extent to which an organisation is deemed trustworthy is determined by its purpose, culture and reputation.

In uncertain times, trust emerges as a critical factor for success – trust in staff working remotely, trust in government, trust in the healthcare system, trust in leaders. Our research and experience indicates that levels of trust are impacted by three inextricably linked factors – an organisation’s culture, reputation and strategy (or purpose).

Thinking only about reputation can lead to inauthenticity, thinking about culture in isolation can lead to a myopic inward-facing stance, and without a clear purpose, an organisation becomes rudderless. When companies examine all three factors and actively influence and shape the levers that support them, they have the best chance of building trust – with all their stakeholders, both internal and external.

**Leaders have an opportunity right now to move beyond the initial reactive response to COVID-19, to intentionally shape their culture for recovery and beyond. This needs to be done in conjunction with the organisation’s purpose and strategy.**

Now, the job of leaders is to have their finger on the pulse to really understand what is going on. Being able to effectively influence the cultural ‘shift and evolution’ involves actively diagnosing current culture, designing around cultural levers, intervening and measuring impact.

We offer insights into some of the adaptive and altruistic cultural attributes we are seeing emerge throughout the COVID-19 pandemic. In addition, we have provided a practical set of ideas and a process that can support you to deliberately recreate your culture to enhance alignment with your organisation’s purpose and strategy for the future.

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**KPMG’s Culture, Purpose & Reputation Framework**

The culture of an organisation shifts and evolves whether we choose to consciously invest in it or not. Culture is the product of shared assumptions and can be observed through implicit and explicit mindsets, practices, habits, and patterns of interactions between people operating within the organisation’s social system.
How COVID-19 impacted culture

Our interactions with clients have indicated to us that, those who are proactively influencing the levers’ of culture, extracting insights and learnings, and thinking about how they can collectively shape the new normal, are positioning themselves to thrive and be relevant into the future.

For workers and communities across the globe, the pandemic presented unparalleled uncertainty and rapid shifts in how life as well as work is managed. There has been record take up of new technologies. Myths that constrained our ability to work, collaborate and perform virtually have been busted apart. For many, the pace of work has not slowed down (and in some cases has increased) and performance has barely been impacted. The experience has not been pain-free and everyone has responded differently, however many organisations have demonstrated an ability to be adaptive, responsive and agile.

All this change has been occurring while people experience a range of fluctuating emotions. In some organisations, a new level of vulnerability has emerged: people are openly discussing their feelings of anxiety. Employees who were used to in-person contact and high-visibility suddenly became worried about their impact, relevance and future. These personal reactions were sometimes met with remarkable acts of kindness, gratitude, compassion, tolerance, flexibility, and transparency. The question this presents is – how can we embed these human traits and, as leaders, really deliver on our leadership commitment that workplaces will not only be productive and deliver outcomes but also be enriching, enabling and empowering?

This is a chance to re-set a few things that matter. To create adaptive, highly engaged, human workplaces which are enriching, empowering and enabling.

Evidence abounds for how to create truly human workplaces. For example, organisations that successfully shifted to virtual work arrangements relied on assumed trust and granting people flexibility to make it work for their unique circumstances. We know that the autonomy associated with being accepted ‘as we are’ empowers us to change far more effectively than being pushed to conform. COVID-19-induced salary reductions were also a tipping point for some businesses. Leaders who practiced radical transparency, enabled people to speak candidly about what was bothering them, which engendered support and connection.

With strong human connection, we thrive. Maintaining social connection, despite physical distance, was a key factor that continued engagement and good mental health during this period of prolonged uncertainty. We saw inside people’s homes and lives and talked more to our loved ones. How do we take forward this deeper sense of connection to others that has resulted from the isolation enforced upon us.

The process in which we engaged with one another also shifted. Local leaders stepped up and distributed leadership emerged. Cross-sections of individuals from diverse backgrounds were drawn upon to rapidly implement novel approaches. This shows us the importance of what we work on and achieve (content and outcomes), as well as how we go about it (the process), in creating thriving workplace cultures.
We have observed organisations who are already thinking about the post-COVID recovery phase and beyond. It is these organisations that are adapting rapidly, responding effectively now, and taking opportunities to prepare themselves for the future, all while aligning their people to maintain momentum and ground the organisation in their purpose. Outlined below are some practical ideas that we have accumulated from a multitude of client conversations, interactions and observations. The ideas are presented against our seven culture drivers.

### Cultural Lever Insights and emergence of cultural attributes that will shape a new norm

**Leadership**
- **Genuine altruism** – leaders dividing their workforce into smaller ‘chunks’ to enable more humane interactions, promote psychological safety, and demonstrate compassion, kindness and tolerance
- **Leaders connecting on personal levels** – deepening trust with employees and customers through video messages from their kitchens
- **Vulnerability** – leaders discussing business continuity and ongoing uncertainty with their people, deepening trust and supporting two-way open and courageous dialogue (e.g., we are all in this together)
- **Distributed leadership** – frontline and ‘newer’ employees stepping up and taking action to keep teams intact
- **Linking to purpose** – leaders actively using their purpose and values to guide rapid decision making
- **Agility** – rapid pivoting of business strategy to enable business continuity

**Values & Behaviours**
- **Spontaneous generosity** – people going out of their way to help and appreciate one another
- **Curiosity before empathy** – instead of making assumptions about situations, people are asking questions to understand
- **Genuine compassion** – affording staff the opportunity to explain the impact of decisions on their lives beyond work and determining compromises
- **Collaboration as a baseline** – people pivoting into new roles to support colleagues with peak loads

**Communication**
- **Relentless transparency** – communicating internally and externally with the same messaging (aligned to purpose, and matching internal actions with external reputation)
- **Discussions focussed on the person** – not the task
- **Enabling engagement** – more junior levels leading the communications, discussions and feedback loop
- **Stripping back of formality** – videos filmed by leaders in the household
- **Authentic learning** – organisations openly sharing both their achievements and learnings through COVID-19-open vulnerability to the public

**Governance**
- **Decisive judgements** – A rapid pivot from ‘cast of thousands’ meetings to key people in the room, making rapid decisions, with true alignment
- **Quick, purposeful and agile governance** – turning board papers into one page briefs and conversations focussed on the real issues
- **Freezing of non-essential work** – to enable people to balance the stress, change, anxiety and workload

**Capability**
- **Organic harvesting of work based on strengths, both purposefully and organically** – people stepping up and taking action where they have capability that may have been previously unknown
- **Push outside comfort zone given rapid adoption of technology** – where it was ‘a long way off’ for people to develop new skills, this is now happening overnight due to a growth mindset under pressure
- **Transition from jobs to skills to support sustainability** – the future of work challenge is now here, and people are adapting to meet needs

**Structure**
- **Autonomous structure emerging out of necessity** – people are feeling more in the drivers seat of outcomes and comfortable with defining their own work/life integration
- **Outcomes versus attendance based mindset** – mindset shift around ways of working rapidly changing

**Systems & Processes**
- **Systems used beyond their initial purpose** – these have now become a life source to business and enabled a sense of social connection for work-based outcomes and social interaction (zoom meeting and zoom birthday parties)
- **Information flows changing** – more regular, short and sharp snapshots

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**Case study 1: Purpose guiding strategy**

A hotel chain used their purpose to guide a rapid repositioning in the market during COVID-19. They converted their empty hotels into accommodation for medical personnel and at-risk individuals. They kept their employees in work, productive and engaged.

**Case study 2: Virtual work efficiencies**

A telecommunications company transitioned employees to work from home instead of the central hub. In turn, they achieved productivity efficiencies that were once thought unattainable.

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Shaping your culture post-COVID

Our collective response to COVID-19 highlights the human capacity to rapidly adapt the way we approach work. Even now, before the crisis abates, we have a profound opportunity to consciously and deliberately reflect on our learnings and find ways to embed cultural features and better practices that have emerged.

COVID-19 provides us with an opportunity to proactively ensure we do not simply default back to former habits and practices. The first challenge for us, as leaders, is to deliberately observe, reflect, capture, celebrate and reinforce elements of the culture that have emerged during the crisis that we want to keep. The second challenge involves leading deliberate dialogue with your staff to elicit their views. This is critical, since people perform best in a system they had a hand in creating. Provide avenues for your teams to contribute their views, express what has worked and what is better, and how they want to work going forward.

Outlined below is a practical process for embedding cultural practices, values and behaviours that you want to retain to consciously create your post-COVID culture and seize the opportunity presented by this crisis.

- Update, reflect, iterate ideas that could be retained, tested or embedded as you go
- Reflect on how others are responding for innovative ideas that may fit your context
- Seek diverse and broad views across sectors, levels, domains, teams, roles, subject areas
- Analyse the context

- An effective culture is not set in stone – it needs to be adaptive to pre-empt and respond to internal and external challenges as they arise
- Collaborate at the executive level to capture insights, impacts, emerging trends and rapid movements around COVID-19 globally and locally
- Use the seven cultural drivers as a “diagnostic” framework to lead deliberate dialogue to:
  - Brainstorm what people have heard, observed and appreciated
  - Identify attributes that will serve you well
  - Create new values and behaviours

- Present results visually
  - Lengthy documents are outdated
  - Think of a one page ‘placemat’ that outlines key ideas to build engagement and gather feedback

- Link back to the core elements of organisation’s purpose, values, strategy – align the plan to a structure

- Invite a cross-section of leaders and staff to collaborate to capture insights and practices you want to embed as new norms

- Enable smaller groups to refine, consolidate and cluster ideas into themes

- A culture which is defined from the top down will not be sustained – people perform best in systems they have been involved in developing

- Test your ideas with individuals outside the group who are strategic and willing to challenge and give their point of view

- Take deliberate and conscious action to embed the new normal

  - Culture change needs to be approached intentionally and systematically – it is the interplay of different organisational layers which will either reinforce or undermine the required culture
  - Revisit as an executive group
  - Refine draft and iterate
  - Identify a series of actions or practices that they will adopt
  - Engage a broader and new group to test and challenge
  - Lift the plan to a higher level

We know (and COVID-19 has reinforced) that we can work effectively in a crisis. However, the critical issue is how do we make this crisis different in terms of the amount of impact it has on shaping and steering the workplace culture of the future?
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