BY DIANE FAULKNER

CREATING A CULTURE

How often in your work do you just wish that you could start from scratch, wipe out half the employee roster and bring in the best?

Well, join the club.

In our positions as human resources professionals, we often become overwhelmed with the culture we have inherited, or sometimes, have helped to create. Those of us who have been around long enough to have experienced the various management philosophies—Deming, management by objectives, quality circles, Juran, Crosby, Covey—and their resultant effect on culture and staff attitudes know that each of the philosophies has a good deal of merit and—in a perfect world—can work.

The core ingredients of the latest philosophies are simple:

- communicate everything;
- be fair;
- set benchmarks;
- document; and
- hold everyone accountable.

Too simple? Too tough? Not really—IF you understand that change takes time and is best accomplished in pieces over time.

Creating a new workplace culture is worth the time it takes. You and your staff will be happier, more productive and more likely to stay at your credit union. These factors create an ideal culture for all parties.

Here are the steps we took to recreate our culture at $86 million Coastline Federal Credit Union, Jacksonville, Fla.

UNDER THE MICROSCOPE

Assuming you're already current on all the legalities of the HR field, as well as current practices, begin the process with your employee files.

What do files have to do with culture? The type and tone of documentation can tell you

New management philosophy helped attain a 97 percent employee-retention rate.

volumes about current management style and philosophies with which you are dealing.

Scan through some files from your various departments. Note trouble areas. This information can be fodder for your supervisory/management development training.

Once you've done your reading, speak individually to all your managers (in larger institutions, this may be difficult, but speak to as wide a sample as possible). Determine the type of relationship they would like to have with the executive team as well as their peers. End your interviews with an open discussion on any difficulties they may be experiencing with their own staff.

These meetings will give you an indication of the level of trust between management levels, as well as an idea of how managers are "created" in your organization. This information will be useful in your communication and management development training, as well as in forming your future recruitment methodology.

Next, speak to a sample of nonmanagement employees. Choose from a variety of departments, and include a wide distribution of talent, attitude and experience. Find out how they were trained; how well they believe they are doing in their jobs; their ideas on how their jobs could be improved (outside of pay); and how they go about identifying areas for improvements, as well as how the improvements are implemented.
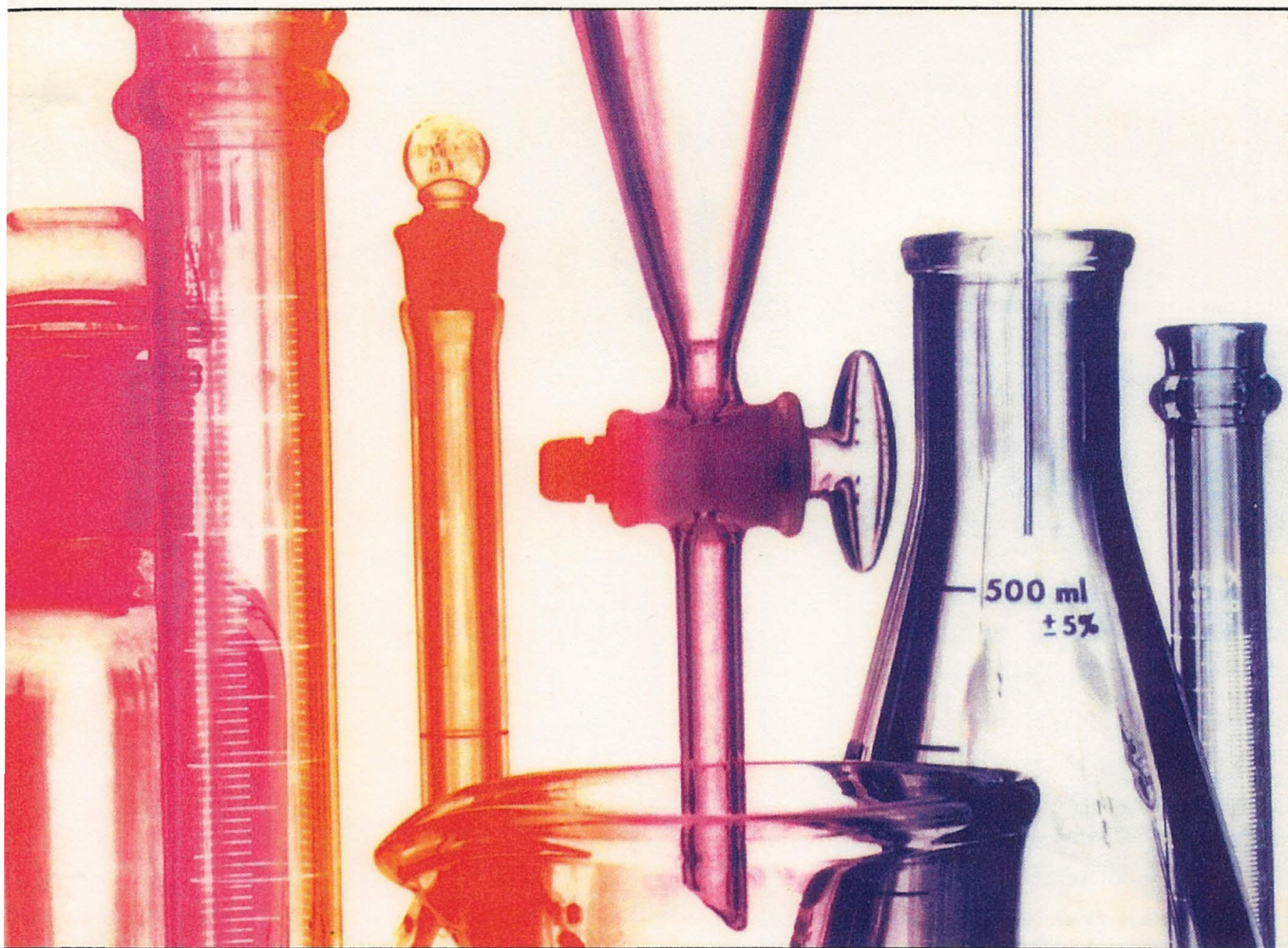
Finally, find out how employees view their relationships with managers and their thoughts on the executive team. Ensure confidentiality; don't reveal anything that you promised not to!

All of this can be accomplished with a well-worded survey, but you will get more and better information if you take time to speak with employees in person. One of the biggest complaints I hear from organizations is that executives don't have time for the "little people." Avoid little-people syndrome; it's a disease that leads to high absenteeism, low morale, poor performance and high turnover.

Prepare yourself for plenty of footwork. Organizational culture is created over time. It must be changed in the same way. For a medium-sized organization this process can take three to five years. Improvements will be seen along the way if you do your homework, communicate and follow through.

THE VARIABLES

Where do you start? Begin by working with your first-level managers. Teach them proper documentation techniques. When they have complaints about processes and people, walk them through complaints with some well-worded questions.

Be an example. Walk first-level managers through this type of problem solving so they can emulate you in working with their own staffs. Help them understand how they can influence attitudes, abilities and productivity of their staff.

Hold managers accountable for staff suc-

cess and failure—first by counseling, then by pay. By changing their paradigms on their positions and responsibilities, you will immediately affect their department's culture. Attitudes and communication will improve.

GOAL SETTING
Next, focus on setting short-term goals by department; then set goals for the entire organization. The ultimate objective is to have the whole credit union thinking about long-term objectives, supported by various length goals.

Teach managers to request their staff to think about, then commit to, specific-dated goals that will help their departments achieve their objectives.

Also work with staff on goal-setting. Teach the basic concepts in your orientation if at all possible.

In about eight months, you will be ready to move staff to the next step of long-term goal setting. Look for commonalities among departments throughout the credit union.

This is where you will find problems in inter-departmental relationships. Identify the biggest and most expensive problems as well as the "tweakers"—seemingly small problems that actually define your current culture. These represent short-term goals, because correcting the parts will fix the whole.

You'll love the results of long-term goal setting!

At CFCU, our staff-level people have become more involved in work, miss less time and are more willing to help each other. Fewer people post for internal openings because they're able to learn what they want and increase their value with the newfound abilities.

This simple step wiped out the "not-in-my-job-description" syndrome at our credit union and replaced it with "I-want-more-cross-training."

THE BIG PICTURE
When creating a new culture, you must include staff-level employees in all phases of the transition. Openly communicate with them. Involve them in the process.

You can change your culture, save some

money and keep your employees (relatively) happy, but more importantly, you can keep your people on board.

While the process is long, the pay-out is worth it. Here are a few highlights of what it has done for CFCU:

• The grapevine doesn't exist as it did before. It is a rarity for us to hear anything negative.

• New-hire retention rate is now 92 percent, with an overall retention rate of 97 percent, up from 94 percent.

• Internal promotion rate is 85 percent.

• The best news is our turnover went from 51 percent to 9 percent, with a total savings in turnover costs of a whopping $158,500 to $60,400. (These figures represent a comparison of August 1995 to July 1996 to August 1996 to July 1997, as presented to CFCU's board.)

Create a new culture? It can be done; you just have to start where it counts—with yourself! ∎

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