

Culture as a performance driver

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You have improved production and customer service, are hiring the right people, and have solid revenue. Where is the leverage to take your company's performance to the next level?

It is in the people that work for you. Specifically, in the norms of behaviour that reflect a company's culture. An entrepreneur I interviewed who had started 27 companies, told me he never thought about culture, just revenue, costs, and financing. My research shows this is mistake.

If you put people in a group, they will develop ways of interacting that may or may not move an organisation's objectives forward. I spent eight years measuring brain activity while people worked in order to discover what aspects of culture provided the biggest impact on performance. And, most importantly, how to measure and manage culture to sustain high performance.

My research showed that organisational trust had the greatest leverage in improving business outcomes. When individuals can rely in their colleagues to do what they promise to do, when they have built strong relationships with those at work, and when people are endowed with discretion and accountability for their work, performance flourishes. This is where the neuroscience I have done creates real value. My studies identified a set of eight policy categories that leaders can influence to create a high-trust culture. And, the science shows precisely how to implement policy changes to create the largest impact on brain activity and colleague behaviours.

The eight building-blocks of trust are:

Ovation (Recognise excellence)

expectation (Create challenges)

Yield (Delegate generously)

Transfer (Enable job crafting)

Openness (Share information broadly)

Caring (Intentionally build relationships)

Invest (Facilitate whole-person growth)

Natural (Be authentic and vulnerable)

Research in social neuroscience has sufficiently progressed so that we know how each of the eight factors can be implemented to effectively change the way people interact with each other at work.

You might have noticed that these eight factors spell out the acronym OXYTOCIN. Full disclosure: I didn't come into the search for the neural aspects of high-performance cultures blindly. I was the first scientist to show that the brain chemical oxytocin is released when we are trusted by others, and oxytocin motivates us to work to help them. About a decade ago, when my scientific research hit the worldwide media, corporate leaders started asking me to help them create a culture of trust. The tools I had developed in my laboratory, blood assays and synthetic oxytocin infusions, would not work for employees at work, so I had to find a way to measure trust that would enable leaders to manage it and gain the substantial performance boost it provides.

I developed a survey instrument that measures organisational trust and its components. You can try it on www.ofactorpulse.com to get a snapshot of trust in your company.

By measuring and intervening to improve one or more of the OXYTOCIN factors, organisations can increase trust and obtain the benefits that it provides. Analysis my team did of a representative sample of working adults in the US found that those working in companies in the top quartile of trust, compared to those in the lowest quartile, have 106 per cent more energy at work, are 76 per cent more engaged, are 50 per cent more productive, suffer 40 per cent less burnout, and even take 13 per cent fewer sick days. Those in high-trust workplaces are 50 per cent more likely to stay with their employer over the next year and 88 per cent would recommend their company as a place to work to family and friends. Overall, employees in high trust companies are 56 per cent more satisfied with their jobs. When one enjoys being at work (high trust colleagues experience 60 per cent more joy at work than those in low trust companies), satisfaction with one's life outside of work is also higher – 29 per cent higher for those who have the privilege of working in high trust companies.

This shows that a culture of trust improves the triple bottom line: it is good for employees, improves organisational performance, and strengthens communities by creating happier and healthier parents, partners, and citizens.

My late colleague Peter Drucker was also a culture maven and profoundly influenced my research and thinking. Peter famously said, "Don't tell me what a great meeting you had, tell me what you'll do differently on Monday." In honour of Peter Drucker, here is your Monday morning list: Find out if your colleagues are enjoying working together. Once you measure joy at work, you can begin to intervene to create the high-trust culture that colleagues crave.

Trust can be raised easily, and often at very low cost. You can provide colleagues with greater discretion in how they execute projects, you can enable job-crafting, and you can stimulate innovation by holding a monthly "congratulations you messed up!" celebration. There are dozens of ways you can create a culture of trust. After spending eight years working in companies ranging from start-ups to those in the Fortune 20, that data show that trust will generate substantial improvements in performance in as short as six months.

But don't trust me, increase trust in your organisation and see for yourself.

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