

## **Do No Harm**

### **Ethical Dilemmas in Culture Change Processes**

What is black and white, and read all over? Books on corporate culture, of course! Ever since Peters and Waterman's 1982 bestseller "In Search of Excellence", interest in corporate culture has soared with some experts proclaiming corporate culture as the source of competitive advantage. With that interest has come a multitude of theories, models and tools to help organizations create the culture they want. But the business of changing culture is far from black and white. Culture change work has the potential to be ripe with ethical dilemmas, and we, as HR practitioners, must recognize the moral conflicts that underpin popular cultural change processes.

Let's examine a hypothetical culture change effort at BigBucks, a financial services organization. During their strategic planning session, the executive team recognized that in order to be successful in the rapidly converging marketplace, fundamental changes were required. BigBucks had always been run like a "tight ship". The work environment was very hierarchical and internally focused. To survive in a fast-paced, competitive environment, BigBucks needed to become agile, innovative and market-focused.

Like many culture change efforts, a multi-year, multi-faceted change plan was created. First, BigBucks' executive team clarified the new vision, mission and values. Organizational and individual competencies required for success in the new marketplace were identified, and development plans created. Communication sessions were held with employees, and leaders attended training sessions to prepare them for their new role. HR processes were aligned to reinforce the new values, behaviors, and competencies. Policies and procedures were revised to

ensure they supported people working in new ways. Even the organizational structure was changed to create a more market-responsive organization.

So, what kinds of ethical dilemmas might emerge in BigBucks' culture change approach?

- Organizational Control and Individual Freedom – How can BigBucks balance their employees' right to freedom of thought, speech and expression with the organization's efforts to create a cohesive culture – particularly if employees disagree with the culture BigBucks wants to create?
- Alignment and Systematic Exclusion – How can BigBucks align their staffing, appraisal, reward and promotion systems to reinforce the new culture without systematically excluding people “who are not like us”?
- Legitimacy – Is the cultural change truly pivotal to the functioning of the organization?
- Power – To what degree is there pressure on employees to conform and comply?
- Misuse of Trust – Does the change effort play on employees' need for a sense of belonging or cause them to over-identify with their employer?
- Social Responsibility – Is the desired culture appropriate given the environment or community in which BigBucks operates? Will the direct and indirect impacts of the culture change improve or hurt society?

These ethical dilemmas are not easily resolved. HR professionals who are involved in culture change processes can find general guidance in their professional codes of conduct. Another powerful tool is to simply ask “Would I be willing to publicize, and provide a rationale for my actions to my fellow professionals?” Other actions that help may prevent or mitigate ethical dilemmas in culture change work are:

- Ensuring at least minimal alignment between our personal values and the desired cultural change.
- Keeping our change methods transparent and discussable.
- Creating a feedback-rich environment so ethical issues can be surfaced and resolved.

*Diane MacDonald & Associates Inc. is a Calgary based consulting firm specializing in culture change and continuous improvement. Ethical dilemmas described in this article come from consulting experiences, and the work of such authors as Robert E. Quinn and Joseph W. Brockbank. Diane invites you to continue this discussion by contacting her at 403-225-1239 or [diane@orgtransformation.com](mailto:diane@orgtransformation.com).*