

Cultivating Healthy Organizations: What Are They and How Can We Create Them?

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Agenda

- Intro of speakers
- What we're going to cover
- Summary
- Questions and answers

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Learning Objectives

- Learn about different perspectives on what a healthy organization is and be able to craft your own point-of-view
- Explore the variety of variables contained in what is “healthy” and our synthesis into a new framework.
- Join in further clarifying and sharing your experiences with **what** we need to create and the implications for **how** to carry that out

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Historical Perspective

- Was important outcome early, but has lost prominence in field
- Early Beckhard view (1969)
- Important to our field in future @ our 50th Anniversary

Literature Synthesis – Themes



Literature Synthesis

- Definitions of terms
 - Social definitions
 - Literal definitions
 - Lack of agreement on definitions, terms, meaning, and usage of words
- Confusion
 - Research
 - Practice

Literature Synthesis

- Research and Practice
 - Repeatable methods
 - Real-world problem solving
- Gaps
 - Gap between academia, consultants, practitioners, and leaders continues to grow
 - Lack of knowledge transfer and willingness to share
 - Academia: Scientific internal/external validity
 - Leaders: Knowledge must be actionable if it is to be useful

Literature Synthesis

- The literature shows organization health rests within the organization's:
 - Culture
 - Leaders
- A common suggested practice, although not common in actual practice, is employee engagement and involvement in defining, designing, and sustaining health in organizations.

Literature Synthesis

- Change Initiatives
 - Range: Situational to an ongoing way of being
 - Some researchers suggest removing employees (including leaders) exhibiting toxic, narcissistic, and deviant behaviors
 - Employees
 - Not asked to participate in change initiatives
 - Use of self – responsibility
 - Interventions

Literature Synthesis

- Interventions
 - Organization culture change
 - Individual (employee) change
- Gaps
 - Varied initiatives
 - Usage
 - Sustainability

Interventions

Culture	“Something Happens”	Status Quo	Do Nothing
<ul style="list-style-type: none">• Mission Vision• Values• Shared Beliefs• Ex: Google	<ul style="list-style-type: none">• Leader who influences culture intervention• “Something” "value perception defined by leader• Ex: Aetna, General Mills	<ul style="list-style-type: none">• External - Wellness Vendors• Internal – Wellness Programs• EAP	<ul style="list-style-type: none">• Problem continues• Things get worse• Costs increase• Lives lost

***Our health always seems much more
valuable after we lose it.***

– Author Unknown

Literature Synthesis

- Outliers
 - Strategy
 - Corporate citizenship
 - Mindfulness, awareness and consequences
 - Whole System: individual, organization, community, society
- Intervention Outliers
 - On going; not an end state not a process but an ongoing way of being
 - Mutual Relationship and responsibility: organization, leaders, employees, customers, and government

***“In spite of the escalating costs of unhealthy organizations, leaders and shareholders continue to focus on maximizing productivity and profitability at the expense of overall organization and employee health thus creating an infinite loop of loss in productivity, profitability, and health.”
– Dr. Debra Lindh***

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Relevance Today

- From *Beyond Performance* (Keller and Price, 2011) and others, they have found “that when companies manage with an equal eye to performance and health, they more than double the probability of outperforming their competitors”.
- From 2003-2011, healthy companies generated total returns to shareholders three time higher than unhealthy ones.
 - Based on on-going McKinsey studies and their measures of health and performance

Our Model

- Multi-layered
- Surrounded by an environment of continuous turbulence
- Supported by leadership

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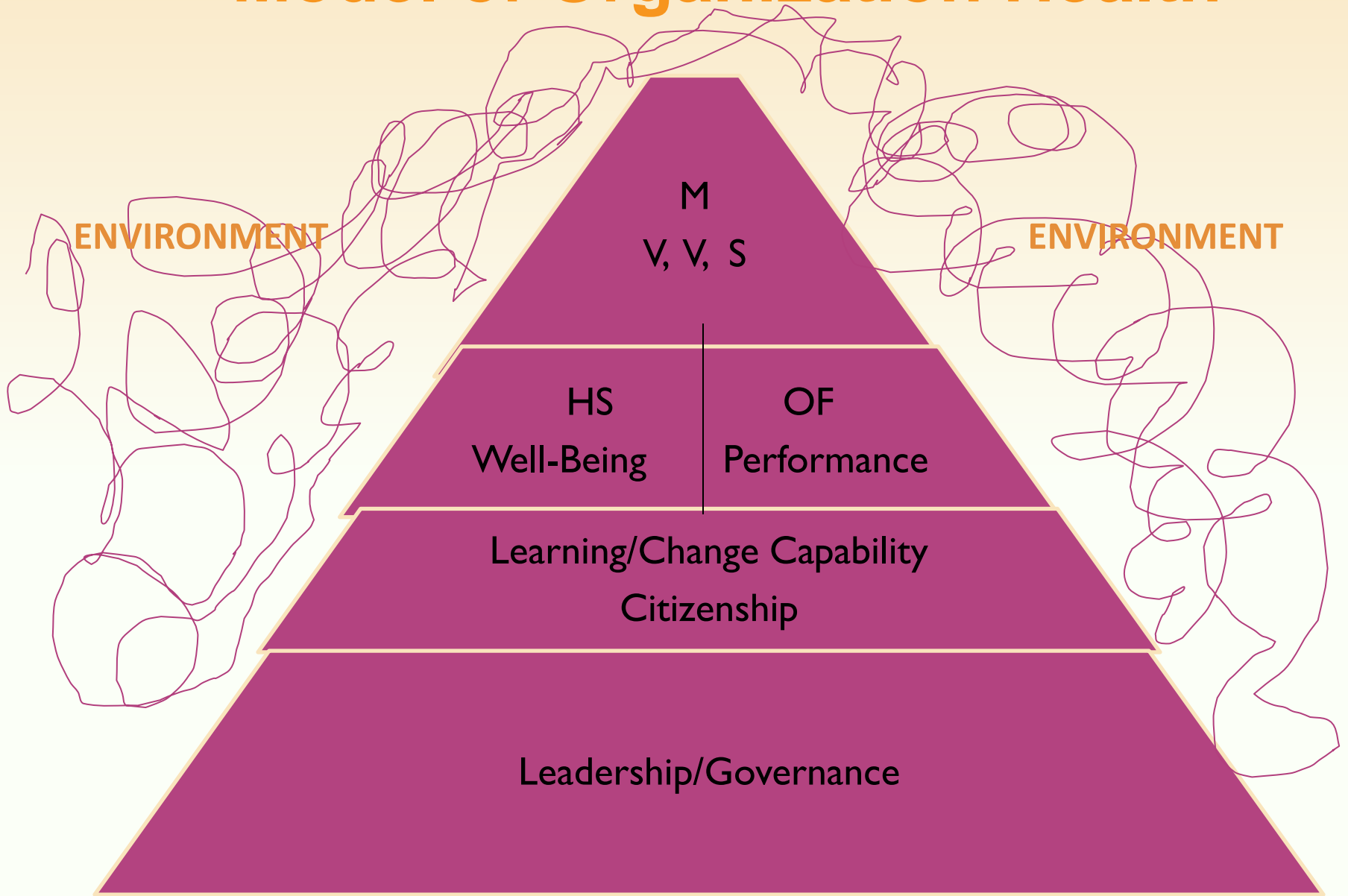
**Every organization is perfectly
designed to get the results it's
getting**

Hanna

Organization Health

- A whole system concept in an open system environment
- To be healthy the organization needs:
 - an environmentally aligned purpose and direction
 - effective organizing and operating practices
 - a human system with productivity and well-being
 - sustainability levers in learning, changing and citizenship
 - an effective guidance system in leadership and governance

Model of Organization Health



Organization Health Model

Dimension	Categories	Characteristics/Practices
Purpose/Direction	Mission, Vision, Values & Strategy	Aligned with environment, Understood by all Clear line of sight
Organizing & Operating	Organization Functioning	System elements alignment (strategy, structure, culture, systems/processes, behavior) Efficient socio-technical work systems/processes Sound 'business' model High performance outcomes Appropriate management practices (goals, controls, rewards, decisions, styles, risk management, accountability)
	Human System Well-Being	Low stress climate Engagement Wellness (mental, physical, spiritual) Work motivation (meaning, challenge, value alignment, autonomy, information & resources, supporting workspace, involvement/voice, inclusion, humanistic treatment, learning, growth & development opportunities)
Sustainability Levers	Learning & Change Capability	Sensing system; feedback Knowledge management Innovation Agility, adaptability Resilience, renewal Continuous improvement practices Critical, balanced metrics
	Citizenship	Wide stakeholder inclusion Social responsibility; communities and planet
Guidance/Steering	Leadership/Governance	Systems thinking Strategic thinking Environmental Scanning Investments in the future Use of Self (awareness, EI, mindful action) Sound Leader Practices (K&P)

“To succeed in a changing world, you need to understand the changes that drive it”

Dimensions & Components

- **Purpose & Direction**

- *Mission, Vision, Values & Strategy*
 - Aligned with environment
 - Understood by all
 - Clear line of sight

- **Organizing & Operating**

- *Organization Functioning/Performance*
 - System elements alignment (strategy, structure, culture, systems/processes, behavior)
 - Efficient socio-technical work systems/processes
 - Sound 'business' model
 - High performance outcomes
 - Appropriate management practices (goals, controls, rewards, decisions, styles, risk management, accountability)

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Dimensions & Components

- *Human System/Well-Being*
 - Low Stress Climate
 - Engagement
 - Wellness (mental, physical, spiritual)
 - Work motivation (meaning, challenge, value alignment, autonomy, information & resources, supporting workspace, involvement/voice. Inclusion, humanistic treatment, learning, growth & development opportunities)

Dimensions & Components

- **Sustainability Levers**
 - *Learning & Change Capability*
 - Sensing system; feedback
 - Knowledge management
 - Innovation
 - Agility, adaptability
 - Resilience, renewal
 - Continuous improvement practices
 - Critical, balanced metrics
 - *Citizenship*
 - Wide stakeholder inclusion
 - Social responsibility; communities and planet

“In times of change, learners inherit the world, while the learned remain beautifully equipped to deal with a world that no longer exists”

Hoffer

“The ability to learn faster than your competitors, may be the only sustainable competitive advantage”

Arie de Gues

“The ultimate competitive advantage in today’s business environment is the ability to change.”

Lawler & Worley

Dimensions & Components

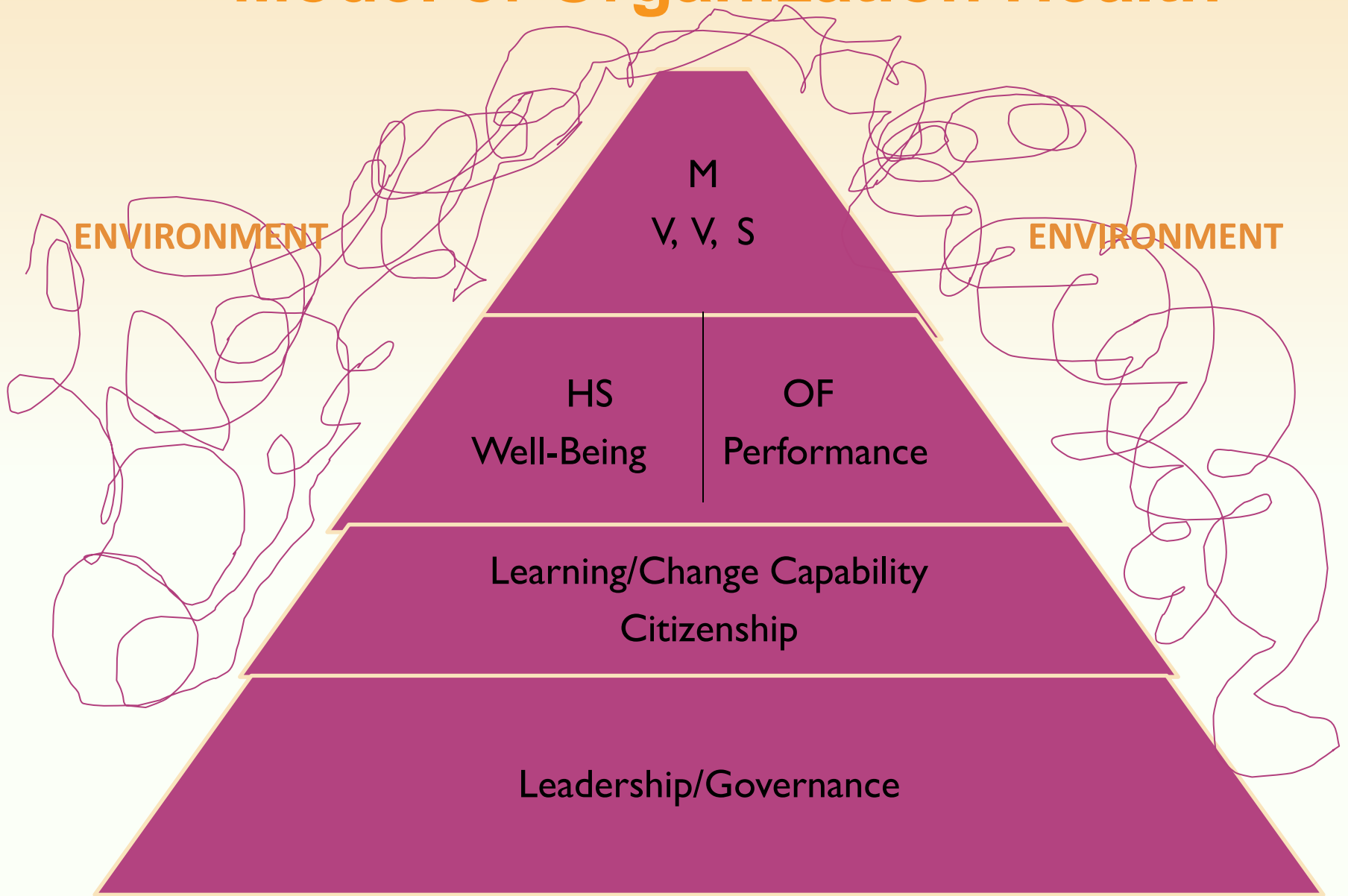
- **Guidance & Steering**
 - *Leadership/Governance*
 - Systems thinking
 - Strategic thinking
 - Environmental Scanning
 - Investments in the future
 - Use of Self (awareness, EI, mindful action)
 - Sound Leader Practices (K&P)

Healthy Organizations Discussion - 1

- How do you see organization health in your organization?
- What are the components?
- What are the missing components?
- How does your view relate to our model?

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Model of Organization Health



Healthy Organizations Discussion - 2

- Describe your best experiences with organization health.
- How does this show up?
- How have you experienced it?
- What is the best you have seen?
- Share specific examples

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Questions & Discussion

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Thank you

- *To stay connected with our work, please leave a business card.*
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