

Jennifer A. Chatman is the Paul J. Cortese Distinguished Professor of Management at the Haas School of Business, University of California, Berkeley. Professor Chatman's recent research focuses on how a culture emphasizing innovation and adaptation buffers firms from economic volatility, how CEO's personality influences organizational culture, and how diverse groups perform in high pressure situations. Professor Chatman spoke with ExecEd on leadership tools for cultural change.

ExecEd: Let's talk a little more specifically about what you do, even within your programs, for business leaders that are trying to embrace that idea of the innovative culture and something that you call OCP. Can you explain a little bit about what whole process entails?

Jennifer Chatman: One of the most unique features of the Berkeley Executive Leader Program is heavy self and cross evaluation assessment component. Leaders come in with, this is UC Berkeley and we're a research institution, so we do a little research on each of our leaders, research that is helpful for them to figure out where they are and what might need to change. One of the ways we do that is assessing their leadership style. That's a whole category of things. One of our most unique approach is to actually assess the culture that that leader has created within their organization. We do this in 2 ways.

The first is that we ask people within the organization to assess the current culture within that organization, whether it's the department or the whole organization, describe the current culture. We ask them to do it in a very systematic way so that each person's assessment can be compared to each other person's assessment in that organization.

We then look at that aggregate profile and we compare it against a second assessment using different people from within the organization. Here we ask the

question, "If you were fully executing on your strategy, what would your culture look like?" Now we're in a position to aggregate these 2 profiles and make a comparison between what the organization is currently doing and what it would be doing ideally if they were fully executing on their strategy. This enables leaders to zero in on exactly the dimensions that are misaligned with their strategy and enables them to think in a forward looking way about how to modify the culture in a way that will support their most important strategic initiatives.

ExecEd: Do you find because you've been doing this for a number of years now, are there a lot of aha moments among participants? Is it shocking in terms of the percent of the disconnect of the 2 different data dimensions that you're looking at?

Jennifer Chatman: It can be very shocking, which is why we love using objective data. Because often times we lull ourselves into believing that either things aren't as bad as they could be, or that we have great intentions and we're trying to do certain things and that's not how it pans out. This kind of very data driven analytical approach can be incredibly revealing for leaders. Not only that, but when we do follow ups we find that leaders can very intentionally affect their culture.

One of the things that we found about this approach in particular is that leaders actually can change culture much more quickly than I think what the big consultants have led us to believe in the past. In fact, I wrote a case on Genentech that illustrated this exact fact. Within an 11-month period the division within Genentech that I write about actually achieved its 5 year goals, and most of that accelerated performance was attributed to the culture change process initiated by exactly the OCP analytical approach. I feel very confident that this is a very useful analytical tool for leaders to pinpoint the issues that are the highest priority from a strategic perspective.