

CULTURAL BREAKFAST

Aligning Strategy and Culture

Nobody knows for sure if management expert Peter Drucker really said, “Culture eats strategy for breakfast,” but it would make sense if he did. Why? Because no matter what your strategy looks like, if it conflicts with your organizational culture, then the culture will win.

Your company’s culture is a collection of beliefs and values shared throughout the organization. When employees know the company’s strategy, that can certainly affect their perceptions, but they are more affected by the actions of their managers and their teammates.



Strategic goals matter, but what matters more to an individual employee is the work they are assigned, the performance feedback they get, and their observations about who gets ahead. Goals matter, but only when they turn into actions that impact people on a daily basis.

The key lesson for leaders and managers is that culture will often depend more on company policies than on strategy (and when strategy and policies are in conflict, the resulting culture can be pretty weak and unhelpful). A CEO can stand up at a town hall meeting and talk about big plans, and a strategy team can publish a nice website with pictures of smiling employees, but people are going to pay more attention to how they get rated, what they get paid to do, and who gets promoted.

So, if you want a culture that supports your strategy, you need to consciously make that happen. If you want an innovative culture, you need policies that encourage people to take risks and learn from failure, rather than being afraid of making a mistake. If you want your junior employees to raise their concerns with you or set realistic expectations for your clients, then you need to reward people for coming forward and being transparent. In most cases, the right culture is unlikely to just emerge on its own; you need to make it happen.

If you want to avoid having your culture eat your strategy for breakfast, then cooking up the right policies and processes is the key.



From the time he joined the US Air Force as a Lieutenant in 1989 until he retired as a Lieutenant Colonel in 2010, Dr William Thomas led many of US military’s strategy changes during the post-Cold War and post-9/11 periods. His doctoral dissertation focused on the changes to the military’s culture, and he brings the lessons from his career and his research into the private sector. One of the most valuable things he learned was that the military’s culture was shaped, not by the most senior leaders, but instead by the mid-career leaders who had the most contact with the troops.