

Corporate culture is no longer just a “nice to have”

#1

In 2015, **culture and employee engagement** became the **No. 1 global talent issue**

87%

of executives surveyed around the world **believe the issue is important and one of their top challenges**

but **only**

12%

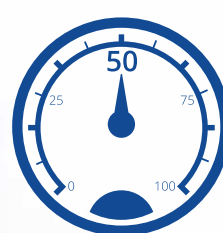
of executives believe their organizations are excellent at **effectively driving the desired culture**

Source: Deloitte's Global Human Capital Trends Report 2015, Inclusive of Surveys and Interviews with More than 3,300 Business and HR Leaders from 106 Countries.

Culture enables strategy



When culture and strategy are aligned, companies can show as much as



50%

differential in performance. In order to energize a culture into a competitive advantage, the active ingredient is the emotional connection between the enterprise and its employees. To activate the power of culture, a campaign mindset with reliable diagnostics and active management is essential.

Source: James Heskett, Harvard Business School professor. The Culture Cycle: How to Shape the Unseen Force that Transforms Performance 2011.

Take your culture off



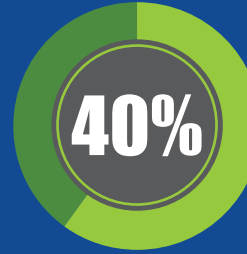
CRUISE CONTROL

Our research shows that **“mission-driven”** companies tend to have



Higher levels of **innovation**

and



Higher levels of **retention**

CALL TO ACTION

Demand alignment of culture and strategy

Understand where you are today and identify if it supports your business strategy.

Source: Deloitte Review Issue 16: Becoming Irresistible: A New Model of Employee Engagement (Josh Bersin).

How culture change happens

Change happens through the heart

To help people feel the change—and be part of it—companies can draw from the work of consumer marketers. You can use stories and images to send not just the literal message of teamwork and mutual sacrifice, but also the emotional resonance around community and collaboration.

Companies can make an emotional connection to their workforce in

3

main ways:



Higher purpose Every company, from health care to entertainment, serves a goal greater than maximizing shareholder returns.



Examples from the top Leaders can do far more than just make rational appeals. Their stories and actions have a power far beyond their directives.



Participation Here is where the employees come in. By linking the deeds of individuals at any level to larger goals, leaders can give meaning to even the most ordinary action.

What results look like

When measured and managed more deliberately, **culture propels and enables business strategy and financial performance.** A targeted, business-oriented behavioral change can inevitably lead to better business success.

91%



of executives and employees whose company has a **strong sense of purpose** also say their company has a history of **strong financial performance.**

Source: Deloitte Culture of Purpose: A Business Imperative, 2013 Core Beliefs & Culture Survey.

Find out more on www.deloitte.com/culturepath

