



Hitachi Organization Effectiveness helps government agency transform organizational culture

Background

This client provides centralized financial services for its government. Even though it is in the public sector, the agency's structure mirrors that of many private financial institutions. Functions include capital markets, banking, settlements, treasury, legal and strategic services.

Business Challenge

Government organizations hold a reputation for rigid hierarchical structures, experiencing low employee engagement and being slow to change. This organization shared those and other concerns, which surfaced after a government-wide engagement survey.

The survey revealed a siloed structure of two organizations in one that have failed to merge for the last 10 years. With two sets of organizational values, separate hiring and procurement processes, and different philosophies around employee advancement, people had grown cynical about positive change.

Low employee engagement resulted from this and from other factors such as a years-long pay freeze, perceptions of favoritism and excessive risk aversion. In addition to the above, the organization's management personnel and various executives prided themselves in being highly technical, while placing lower value on leadership and people management skills.

Faced with these results, the agency's CEO decided to embark on an organization transformation program, to increase openness, transparency and effectiveness. After conducting

an extensive bid process, the agency selected Hitachi Consulting because of its holistic approach and knowledge of organizational cultural transformation.

Solution

Understanding the technical nature of the client organization, Hitachi committed to providing both qualitative and quantitative data that would accurately represent the agency's current culture, provide a clear approach to realize the desired organizational culture, and develop a people-centric transformation roadmap to engage all employees. Hitachi used a market-leading cultural values assessment tool, and worked closely with senior leadership to guide them through a deep cultural transformation that was tailored to the specific needs of the organization.

The first phase of work included discovery, validation of findings and recommendations. From three questions, the cultural values assessment tool captures data on: employee personal values, their perceptions of the organization's current values and their desired future organizational values. These results are mapped against an organizational maturity model, which provides further input on the overall health of the organization.

To supplement the survey data, Hitachi conducted one-on-one interviews with stakeholders and held focus groups with key departments. From all the information collected, Hitachi created representations of both current and desired organizational cultures.

Summary

Background

- Government financial agency
- Structure mirrors that of private financial institutions
- Provides financial services to clients across the country

Challenges

- Siloed organization, lacking integration from prior merger
- Employees not engaged and risk averse
- Low value placed on leadership or management skills

Solution

- Conducted cultural values assessment to identify target values
- Created cultural transformation program with cross-functional teams
- Facilitated team-building workshops and coaching sessions

Value Delivered

- Provided a blueprint to implement innovative, lasting change
- Transformed agency's culture to value curiosity and innovation
- Applied new mission and vision to strengthen leadership capabilities and improve people skills

The survey results identified both positive and potentially limiting values for the agency. For example, the organization currently valued home/work life balance, public service and diversity. Potentially limiting factors included a silo mentality, favoritism and complacency. The desired future state needed more accountability, continuous improvement, leadership development, respect, teamwork and employee engagement.

The overall findings were further parsed into results by employee level and by department, which highlighted some significant differences across sub-groups. These findings, and this organization's maturity level, indicated that people within the agency were looking for change. Hitachi used the phase one information to develop organizational change recommendations for the agency.

Phase two focused on a cultural adoption program. Hitachi engaged employees in open conversations to generate ideas on how to achieve the desired cultural values, cascade those desired values into business operations and work transactions, and engender a permanent positive change. Hitachi consultants, together with client staff, co-created clear behavior profiles for employees at all levels of the organization.

In the third and final phase of work, Hitachi formed an autonomous cross-functional cultural transformation working group. Members represented all areas of the agency and became culture champions. The team, with coaching from Hitachi and empowerment from agency leadership, became change catalysts in their different work areas and modeled the desired new culture.

Hitachi conducted a series of team-building workshops and provided targeted coaching at all levels of organization management to foster systemic change throughout the agency. As part of this transformation, the agency launched a directive to create a new strategic plan, mission, vision and operating model.

Value Delivered

Creating a New Model for Government

This engagement has become an exemplary model for government authorities looking to evolve, transform and innovate. The changes put into effect reduced organizational silos and increased dialogue, both vertically and horizontally. Employees and leadership are committed to working collaboratively, leveraging the abilities of each individual to achieve shared goals. For this agency, delivering great service is no longer enough; ongoing improvement and business transformation is now a central focus for people in the organization.

Promoting Continued Cultural Transformation

The project enabled the agency to develop a culture that fosters curiosity, inquiry and innovation. The client created a cross-functional, cross-generational, autonomous work team that participates in board meetings and continues to champion organizational culture as a foundational pillar for good governance. Clear accountability helps ensure transparency through honest and open exchange of information in all decision making.

Fostering Leadership Development

The agency committed to investing in leadership development. The new mission and vision provide clear direction, encourage continued change and inspire people to do their best. Leadership surfacing and development is taking place across organizational levels. For the first time, the agency's mission encourages new ideas, experimentation and adaptation, while committing to continuous improvement of people, processes and services through skills development and sustainable solutions.

Conclusion

By researching existing employee views within this organization, Hitachi was able to clearly identify what cultural changes

"Our cultural transformation services helped the client change how its people engage with and redesign their work. It allowed the client to identify and develop leaders throughout the organization. Now, they are focusing more on innovation."

Usama El Saman
Senior Manager,
Hitachi Consulting

were necessary for the agency to achieve its goals. Changing an organizational culture requires commitment from all levels, and Hitachi created cross-functional teams and champions to help ensure that involvement. Hitachi and the government agency were able to implement a plan that delivered sustainable cultural changes, and now provides a blueprint for deeper, government-wide culture transformation.

About Hitachi Consulting

Hitachi Consulting is the digital solutions and professional services organization within Hitachi Ltd., a global technology and social innovation leader. Hitachi Consulting is a catalyst for positive business change, propelling organizations to drive disruptive innovation and to accelerate digital transformation. We help organizations leverage data as a strategic asset to innovate faster, develop new revenue streams, and respond to global dynamics with insight and agility. We collaborate with clients to create solutions that help maximize operational efficiency and deliver measurable, sustainable business results. Visit us at www.hitachiconsulting.com.