MASTERCLASS 2 · OPTIMISING ORGANISATIONAL CULTURE

Velocity > Value

Culture as the foundation for leading change, innovation and growing our people

fitt

UNIVERSITY OF CAMBRIDGE
The Psychometrics Centre

eppf



CULTURE

Optimising organisational culture

Embedding the mindsets and behaviours that make change and innovation last

VELOCITY FOR VALUE · THE BIGGER PICTURE

Where today fits

Five sessions, one journey. Today asks what holds the first four in place.

01 — 02 — 03 — 04 — 05

LEADING SELF

Optimising my potential

- Self-insight and personal leadership
- My growth as a leader

DEVELOPING PEOPLE

Optimising others' potential

- Leader as coach
- Stretch objectives
- Developing my successors

LEADING CHANGE

Redirecting organisational potential

- Lewin, ADKAR & Bridges
- The human side of change
- Leader as sponsor

LEADING INNOVATION

Optimising thinking

- Design thinking
- Fast, small experiments

TODAY

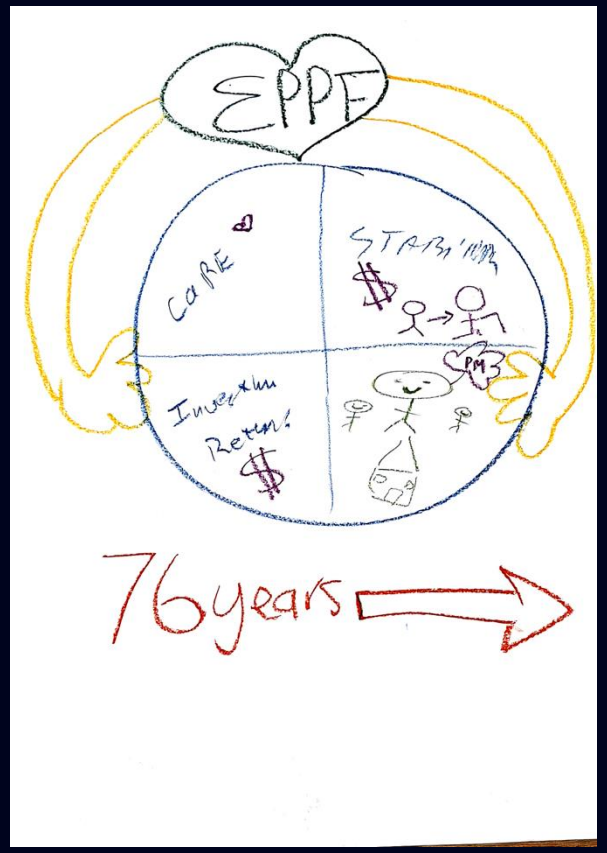
Optimising organisational culture

- Culture and climate
- Measuring ourselves
- Positive leadership and safety

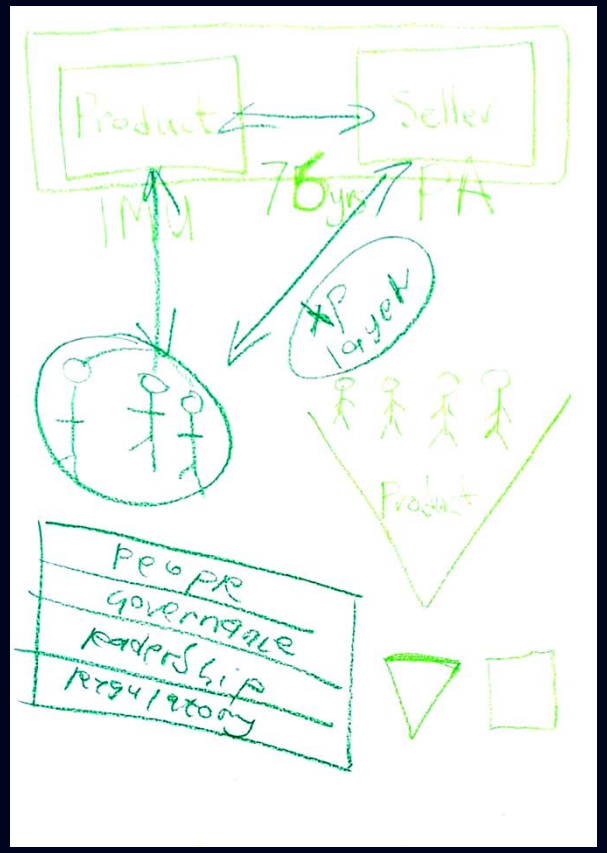
Culture = the foundation for leading change, innovation and developing our people

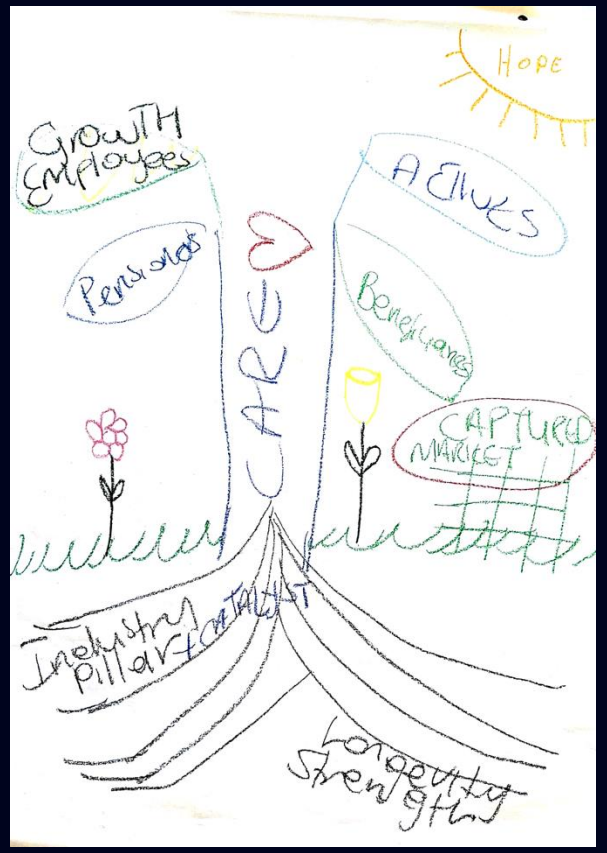
EPPF Legacy

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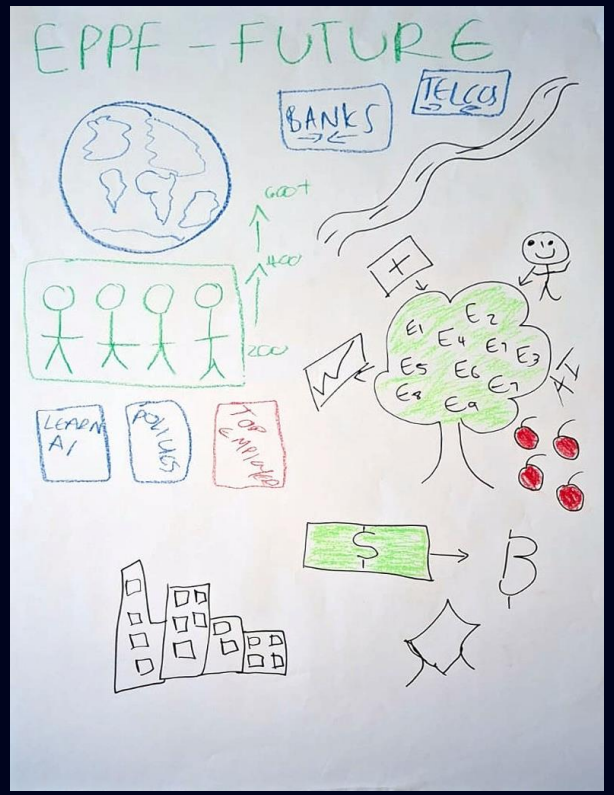


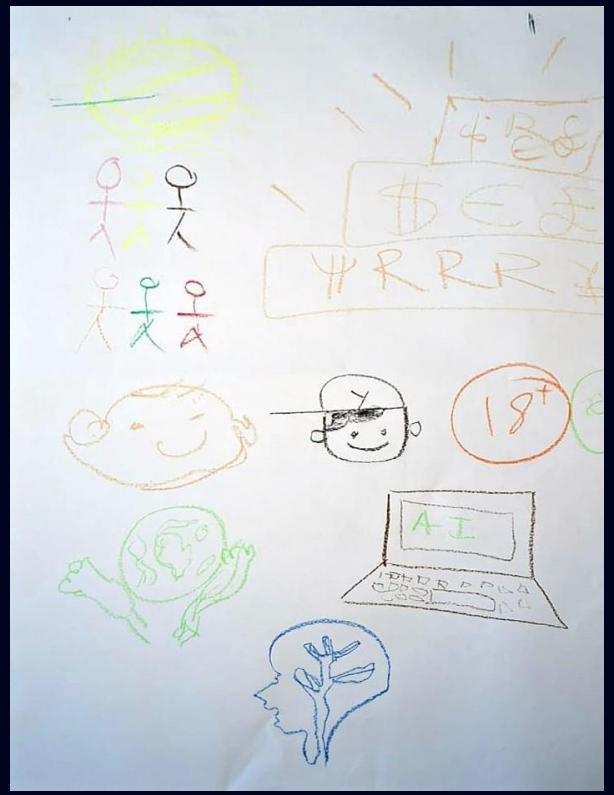


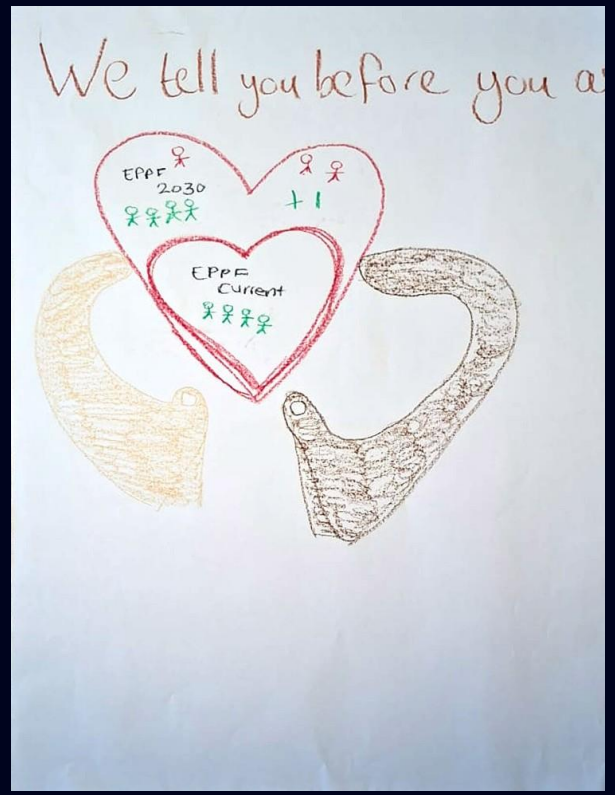


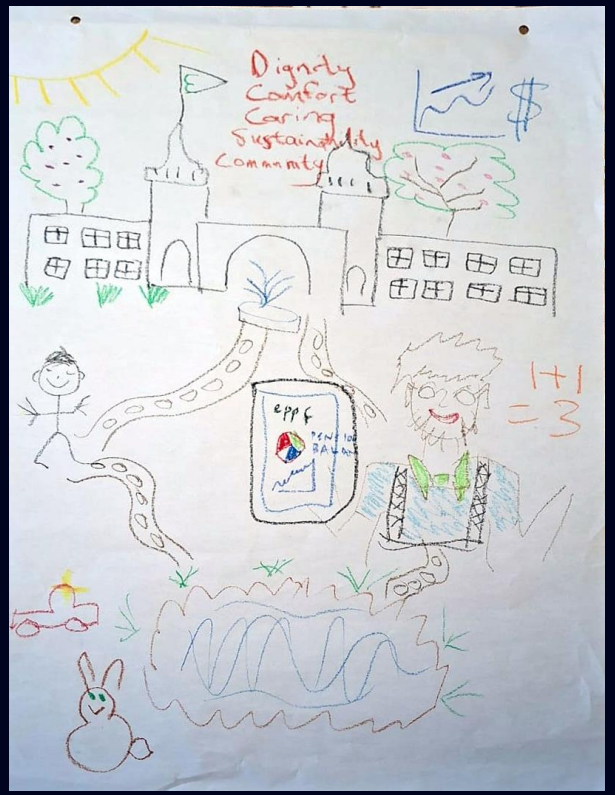
> EPPF Reimagined

Created by you









BUILDING ON THE JOURNEY

Where we left off

Two earlier sessions pointed us here. Both ended with the same question: What kind of environment are we creating?

LEADING CHANGE

"This is what we **WANT** to change. The next question is… **CAN** we change?"

Transformational change is geared towards changing behaviours and culture, not only processes.

Dostal (2005)

LEADING INNOVATION

"The soil new ideas grow in."

High standards and high psychological safety create the learning zone. The leader sets that climate.

Edmondson (2018)

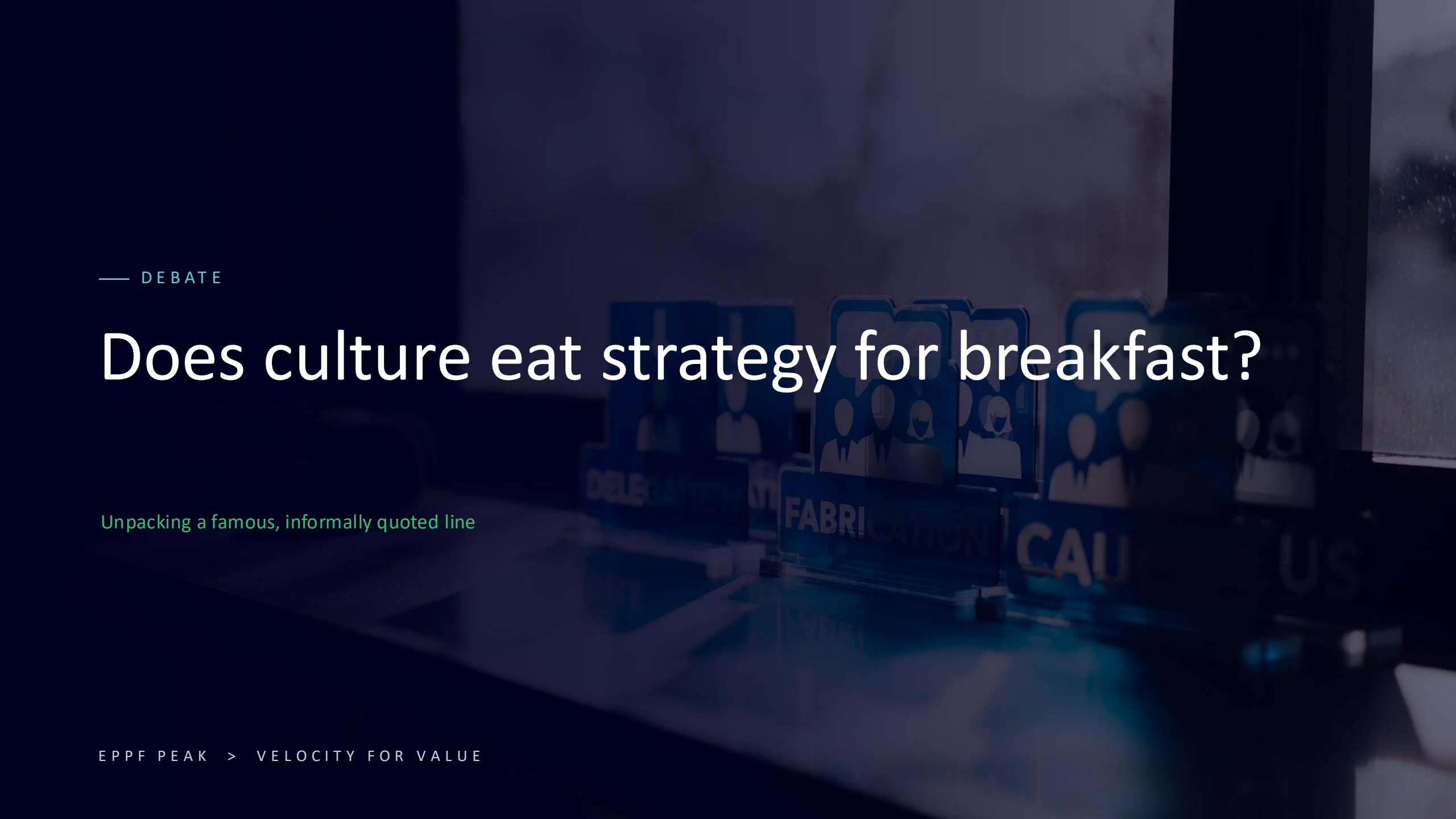
CHECK-IN · YOUR 30-DAY COMMITMENT

"In the next 30 days I will test ___ with ___ to learn ___."

- What did you test?
- What in our environment helped it, or got in the way?

Today's question: What culture and climate are we creating at EPPF, and how do we, as leaders, shape it?

Source: Dostal (2005) Biomatrix; Edmondson (2018) The Fearless Organization, Wiley.



DEBATE

Does culture eat strategy for breakfast?

Unpacking a famous, informally quoted line

BEFORE THE DEBATE

Mentimeter

Where do you stand?

"Culture eats strategy for breakfast."
To what extent do you agree?

1 Strongly disagree | 2 | 3 Neutral | 4 | 5 Strongly agree

ACTIVITY · DEBATE

The great breakfast debate

Argue the side you are given, not the side you believe.

TEAM FOR

Culture eats strategy for breakfast

TEAM AGAINST

Strategy matters as much or more (or neither eats the other)

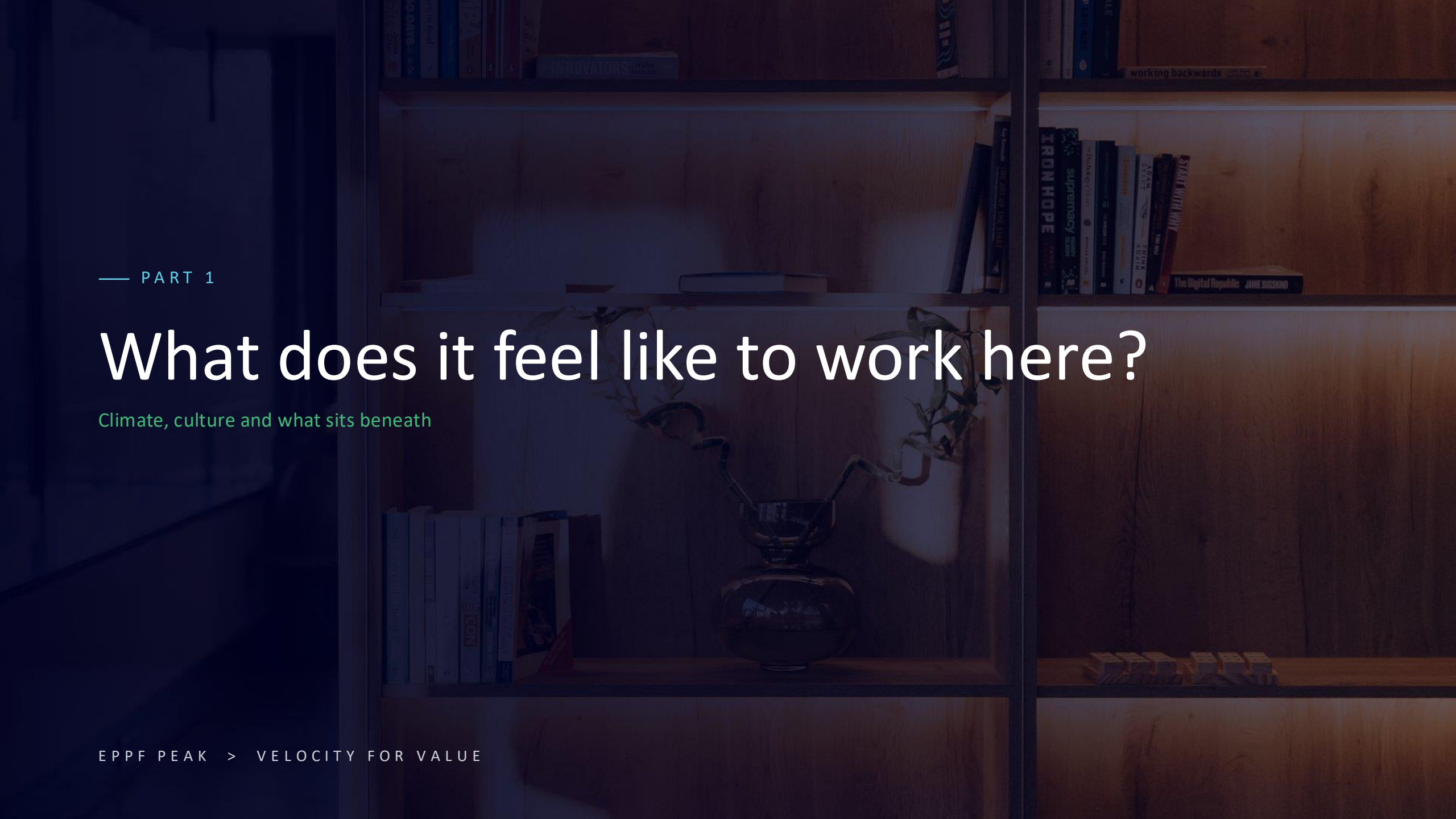
DEBRIEF

So what does this mean for EPPF?

Strategy sets the direction. Culture sets the velocity.

It is not culture versus strategy. A strategy is only as fast as the culture that carries it.

WHICH EPPF REIMAGINED OBJECTIVE WOULD OUR CURRENT CULTURE MOST QUIETLY ‘EAT’?



PART 1

What does it feel like to work here?

Climate, culture and what sits beneath

CLIMATE CHECK

Mentimeter

The climate at EPPF today

Describe the organisational climate of EPP

What does it feel like to work at EPPF right now?

ROUND 1

EPPF overall

Across the whole organisation

ROUND 2

My own team

The people I lead day to day

BELOW THE SURFACE

Mentimeter

What is creating this climate?

Spread 100 points across the factors you think most shape how it feels to work at EPPF.

Leadership behaviour

What leaders say, do, notice and tolerate

Workload and pace

Volume, deadlines and capacity

Communication and clarity

Knowing what is decided, and why

Recognition and reward

What gets noticed and rewarded

Structure and silos

How functions connect and hand over

Systems and controls

Risk, compliance and approval routes

Change and uncertainty

Two-Pot, Eskom unbundling, Reimagined

Trust and relationships

How safe it is to be candid

Source: Factors drawn from Burke & Litwin (1992) transactional drivers of work-unit climate and Schneider, Ehrhart & Macey (2013).

CLIMATE DRIVERS

What is creating our climate?

Results from two sessions



#1 IN BOTH GROUPS

Leadership behaviour (20 and 25)

The single biggest driver of how it feels to work here is what leaders say, do, notice and tolerate.

WITHIN OUR CONTROL

More than half the points

Leadership, communication, recognition and trust: 52 points in Group 1 and 65 in Group 2.

WHERE THE GROUPS DIFFER

Workload and silos vs recognition

Group 1 points to workload (16) and silos (13). Group 2 points to recognition (15) and trust (13).



Which of the top three do we, as leaders, directly control? And which are we using as an excuse?



Describe the difference between culture and climate?

CULTURE VS CLIMATE

The personality and the mood

Related but different. Leaders need both, and need to know which one they are working on.

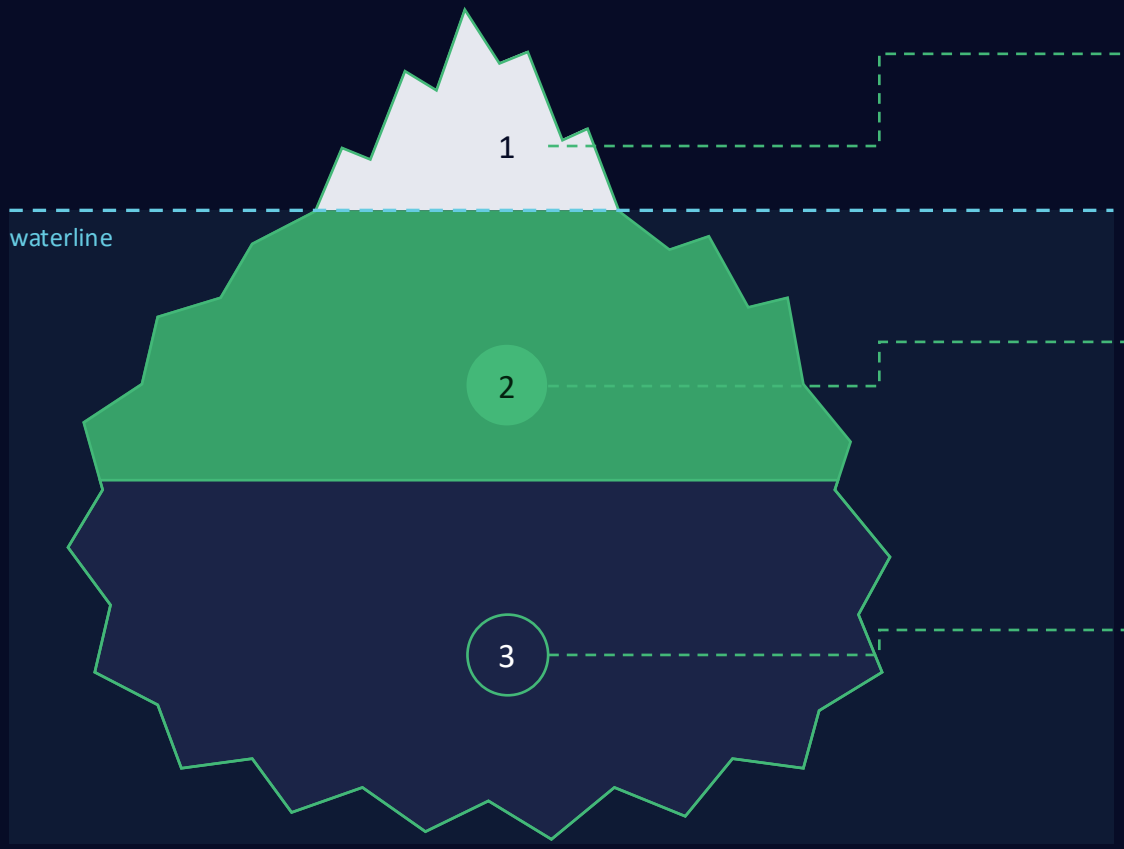
CULTURE the personality		CLIMATE the mood
	shapes →	
	← sustained, reshapes	
Shared assumptions, values and norms: 'how we do things here'	WHAT IT IS	Shared perceptions of what is rewarded, supported and expected: 'what it feels like here now'
Below the surface: history, stories, beliefs	WHERE IT LIVES	In daily experience: meetings, feedback, workload
Years: slow, sticky, self-reinforcing	SPEED OF CHANGE	Months: shifts with leaders, events and policies
Patterns that repeat, whoever is in the room	HOW WE SEE IT	Energy, trust and willingness to speak up
Dialogue, observation, cultural web, culture surveys	HOW WE MEASURE	Climate and pulse surveys, e.g. psychological safety

Source: Schneider, Ehrhart & Macey (2013) Annual Review of Psychology 64, 361–388; Denison (1996) Academy of Management Review 21(3); Van der Waldt (2024) Administratio Publica 32(4); Gifford & Wietrak (2022) CIPD.

WHAT CULTURE CONSISTS OF

Three levels of culture

Schein's iceberg: what we see is only a clue to what people really believe.



1 ARTEFACTS · WHAT WE SEE AND HEAR

Language, processes, meeting habits, layout, dress. Easy to see, hard to decode.

EPPF: how meetings run, approval routes, the words in our climate word cloud

2 ESPOUSED VALUES · WHAT WE SAY

Strategies, values statements, charters. May not match how people behave.

EPPF: C.A.R.E. – Customer-centricity, Accountability, Resourcefulness, Excellence

3 ASSUMPTIONS · WHAT WE TAKE FOR GRANTED

Unspoken beliefs that really drive behaviour. The most powerful and the hardest to change.

EPPF: what we're discussing today

Source: Schein, E. H., & Schein, P. A. (2017). Organizational culture and leadership (5th ed.). Wiley.

ACTIVITY · SURFACING ASSUMPTIONS

Dig beneath the surface

Take the biggest word in our climate cloud. What would someone have to believe for it to make sense?

People here believe…

1 Artefact

The behaviour we see

e.g. Decisions go up several levels before anyone acts

2 Assumption

The belief that makes it logical

e.g. “A mistake will be remembered longer than a success”

3 Keep or shift?

Does it serve members today?

e.g. Protect: care with members' money. Shift: fear of blame



PART 2

Measuring where we stand

If we can't see it, we can't shape it

HOW TO MEASURE

Two speeds, two toolkits

Measure climate often and quickly. Read culture slowly and through dialogue. Do both.

CLIMATE · FAST, SURVEY-BASED

Team psychological safety

Edmondson (1999)

Edmondson's 7-item scale: can we speak up, take risks, ask for help?

Information flow

Westrum (2004); DORA

Westrum's 6 items: are messengers trained or shot? Is failure a chance to learn?

Pulse and climate surveys

Gifford & Wietrak (2022)

Short, repeated checks on trust, workload, recognition and fairness

CULTURE · SLOW, DIALOGUE-BASED

Competing Values Framework

Cameron & Quinn (2011)

OCAI: clan, adhocracy, market or hierarchy: now vs preferred

Cultural web

Johnson (1992)

Stories, rituals, symbols, power, structures, controls

Iceberg dialogue

Schein & Schein (2017)

Observe artefacts, test values, surface assumptions

Best practice: combine culture and climate measures, and read them at three levels: me, my team, EPPF.

Source: Edmondson (1999) ASQ 44(2); Westrum (2004) Quality & Safety in Health Care 13; Forsgren, Humble & Kim (2018) Accelerate; Cameron & Quinn (2011) Diagnosing and Changing Organizational Culture, 3rd ed.; Johnson (1992); Van der Waldt (2024).

ACTIVITY · SELF-ASSESSMENT

Mentimeter

EPPF culture and climate pulse

Rate 1 (strongly disagree) to 5 (strongly agree). Round 1: EPPF overall. Round 2: my team.

SPEAKING UP	1	People can raise problems and tough issues without fear.	1	2	3	4	5
	2	If you make a mistake here, it is not held against you.	1	2	3	4	5
INFORMATION FLOW	3	Bad news is welcomed and the messenger is thanked.	1	2	3	4	5
	4	Teams across functions work together, not in silos.	1	2	3	4	5
VALUES IN ACTION	5	How we actually behave matches our C.A.R.E. values.	1	2	3	4	5
	6	When things go wrong, we look for learning, not blame.	1	2	3	4	5
LEADERSHIP SIGNALS	7	Leaders role-model the behaviour they ask of others.	1	2	3	4	5
	8	New ideas and constructive challenge are recognised.	1	2	3	4	5

Source: Adapted from Edmondson (1999) team psychological safety scale; Westrum (2004) / DORA generative culture items; Schein & Schein (2017) leader-embedding mechanisms.

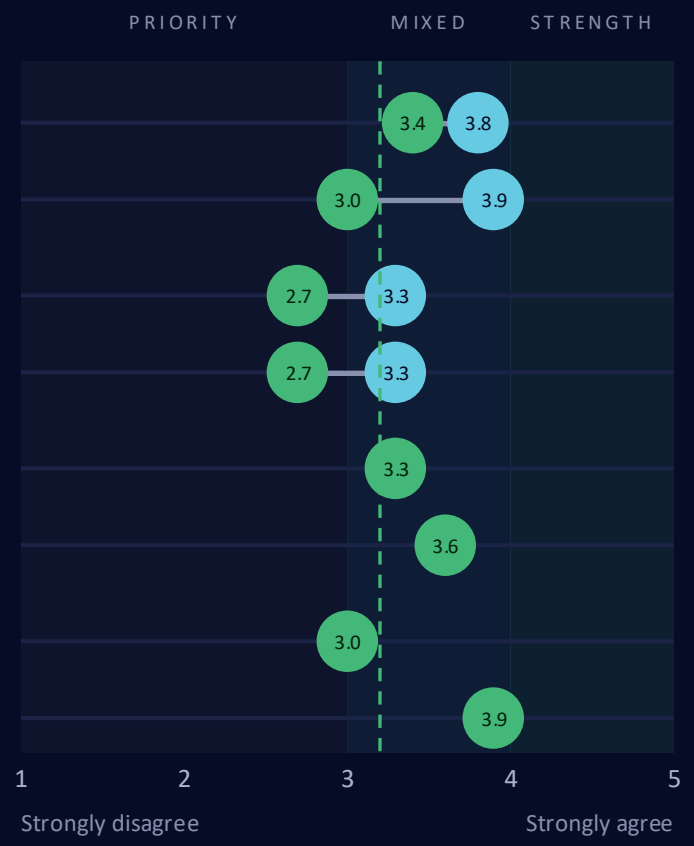
PULSE RESULTS - OVERALL

What the pulse is telling us

Average scores from Mentimeter. 1 = strongly disagree, 5 = strongly agree.

Group 1 · items 1–4

Group 2 · all 8



LOWEST IN BOTH GROUPS

Information flow

Bad news welcomed and cross-functional teamwork: 2.7 in Group 2, 3.3 in Group 1.

STRONGEST

New ideas recognised (3.9)

Group 2's highest item, followed by learning, not blame (3.6).

THE GAP

Group 1 scored higher

On all four shared items, Group 1 was 0.4 to 0.9 points higher. Same organisation, different experience.

PULSE RESULTS · MY TEAM

What the pulse says about our teams

Average scores from Mentimeter. 1 = strongly disagree, 5 = strongly agree.



STRONGEST IN BOTH GROUPS

Speaking up (4.5 and 4.6)

People can raise problems and tough issues without fear in their own teams.

LOWEST

Silos (3.3 in both groups)

Cross-functional teamwork is lowest in both. Group 1 also rated bad news low (3.1).

MY TEAM VS EPPF OVERALL

Teams feel safer than EPPF

Group 2: 4.1 for my team vs 3.2 for EPPF overall. If every team is better, where does EPPF's climate come from?

Ask: What do our best teams do that others could copy?

DEBRIEF

What are the scores telling us?

Four lenses for reading our own results.

The gap

EPPF overall vs my team

Big gaps mean local climates. What do the best-scoring teams do that others could copy?

The spread

How much we agree

A wide spread means a weak, inconsistent climate. Whose experience are we not hearing?

The blind spot

Leaders vs their teams

Would your team score you the same? Predict their score before you look.

The lowest item

Our first lever

Pick the lowest-scoring statement. That is where a 30-day climate move should start.

RULE OF THUMB

4.0 – 5.0	Strength to protect
3.0 – 3.9	Mixed: watch and test
Below 3.0	Priority for action

Source: Climate level and climate strength: Schneider, Ehrhart & Macey (2013) Annual Review of Psychology 64, 361–388.



SOMETHING'S BREWING

Quick break

Back in 5 minutes. Cameras can rest.

PART 3

Leaders cast long shadows

From culture and climate to the impact of leadership



THE LINK

Culture is experienced through leaders

Climate is the leader's most direct lever, and leaders create it mostly through everyday signals.

70%

of the variance in team engagement is attributable to the manager

Gallup (2025)

43%

report a positive team climate, the strongest driver of psychological safety

McKinsey (2021)

10.4×

toxic culture vs pay as a predictor of attrition

Sull, Sull & Zweig (2022)

WHAT CULTURE LEARNS FROM LEADERS · SCHEIN'S EMBEDDING MECHANISMS

- What we pay attention to and measure
- How we react in a crisis
- Where we put time and money
- What we role-model and coach
- What we reward and promote
- Whom we hire, promote and exit

Source: Gallup (2025) State of the Global Workplace; De Smet, Rubenstein, Schrah, Vierow & Edmondson (2021) McKinsey; Sull, Sull & Zweig (2022) MIT SMR; Schein & Schein (2017) ch. 10.

REFLECT

Your best and worst leader

ROUND 1

Your best leader

In one word: how did you feel working for them?

Follow up: what did they do that created that feeling?

ROUND 2

Your worst leader

In one word: how did you feel working for them?

Follow up: what did they do that created that feeling?

PRIVATE REFLECTION · 1 MINUTE

On my most pressured day, which of these two leaders is my team more likely to experience?

THEORY · TOXIC LEADERSHIP

Not all bad leadership looks the same

Leaders can harm people, the organisation, or both, and toxicity needs a system to survive.

ORGANISATION

Tyrannical

Delivers for the organisation, but through people, not with them: humiliates, bullies, manipulates.

Constructive

Pro-people and pro-organisation: the positive leader.

Derailed

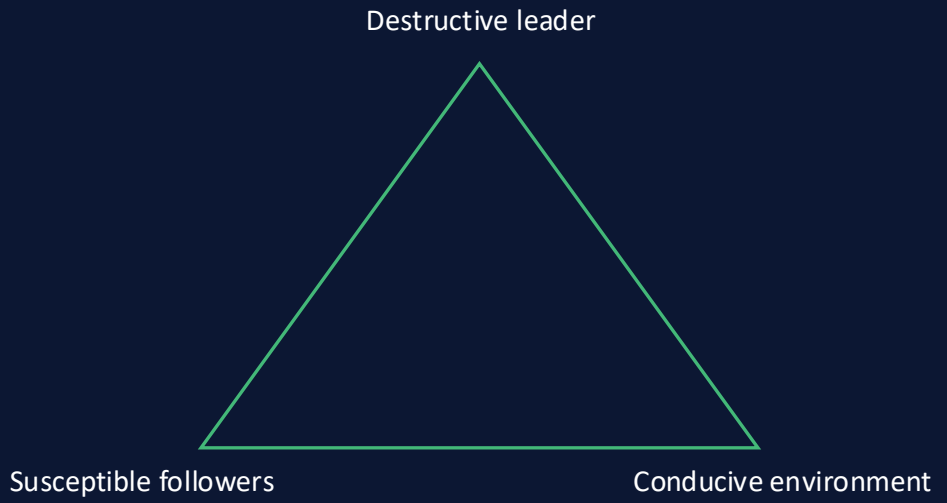
Anti-people and anti-organisation: bullies and also shirks, deceives or steals.

Supportive-disloyal

Kind to people, but lets goals slide or works against the organisation.

Behaviour towards PEOPLE: anti → pro

THE TOXIC TRIANGLE



Instability, perceived threat and weak checks and balances let destructive leadership grow. Fixing the leader without the system rarely works.

Source: Einarsen, Aasland & Skogstad (2007) The Leadership Quarterly 18(3), 207–216; Padilla, Hogan & Kaiser (2007) The Leadership Quarterly 18(3), 176–194.

THEORY · TOXIC VS POSITIVE LEADERSHIP

What people experience

The same leader can drift either way, especially under pressure.

Toxic: the ‘toxic five’

Disrespectful	No courtesy, consideration or dignity
Non-inclusive	Some people matter less
Unethical	Dishonesty and rule-bending
Cutthroat	Colleagues undermine each other
Abusive	Bullying and hostility from leaders

Impact: lower wellbeing and performance; higher turnover intention and counterproductive behaviour (57 studies).

Positive: Cameron's four strategies

Positive climate	Compassion, forgiveness, gratitude
Positive relationships	Energising networks, strengths
Positive communication	Supportive, affirming, curious
Positive meaning	Work linked to purpose and impact

Impact: energy from leaders predicts higher engagement and job performance.

Source: Sull, Sull, Cipolli & Brighenti (2022) MIT SMR; Schyns & Schilling (2013) The Leadership Quarterly 24(1), 138–158; Cameron (2012) Positive Leadership, 2nd ed., Berrett-Koehler; Owens, Baker, Sumpter & Cameron (2016) Journal of Applied Psychology 101(1), 35–49.

APPLYING POSITIVE LEADERSHIP

Positive leadership at EPPF

Four strategies, each with an everyday move a leader can make

Positive climate

Model compassion, forgiveness and gratitude, especially after mistakes.

"Thank you for flagging this early. What do you need?"

Positive relationships

Build energising networks across silos; play to people's strengths.

"Who in Member Services should we bring in?"

Positive communication

Ask more than tell; give far more affirming than critical feedback.

"What's your read on this? What am I missing?"

Positive meaning

Connect daily work to members and to people's own values.

"This is what it means for a pensioner waiting on a payment."

Positive is not soft: high standards plus high support is the learning zone from Leading Innovation.

Source: Cameron (2012) Positive Leadership, 2nd ed.; Cameron (2021) Positively Energizing Leadership, Berrett-Koehler; Edmondson (2018) The Fearless Organization, Wiley.



PART 4

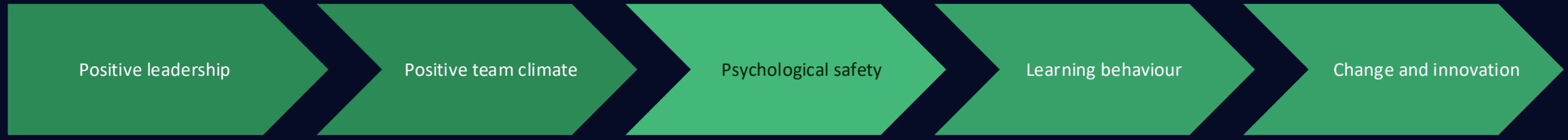
From positive leadership to psychological safety

Creating a climate where people speak up

THE LINK

From positive leadership to safety

Build climate first, then challenge. Safety is the bridge to learning, change and innovation.



Supportive and consultative behaviours

Trust, respect, care

Safe to take interpersonal risks

Speak up, ask, experiment

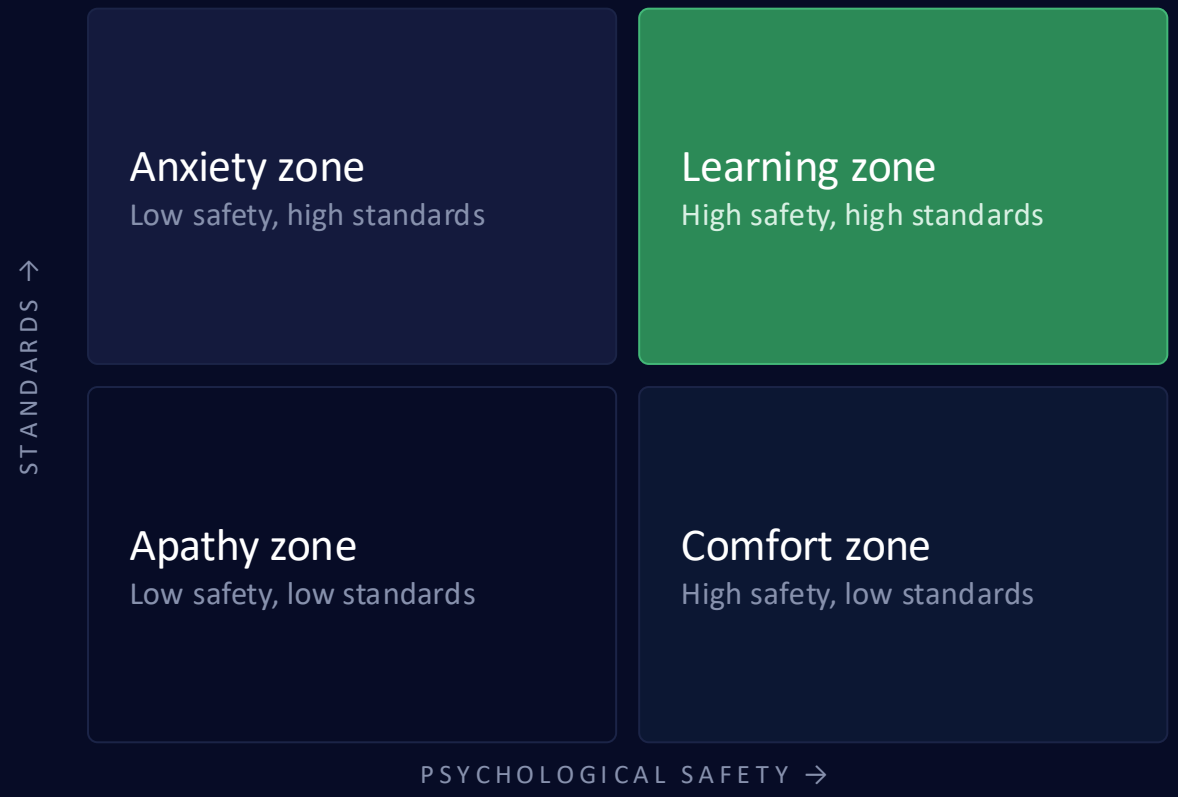
That actually lasts

Remember the reference to the soil from Study School 2?

PSYCHOLOGICAL SAFETY

The soil new ideas grow in [Study School 2]

High standards AND high safety create the learning zone – this is not about lowering the bar.



WHAT CAN YOU DO?

1. **Frame the work**
   Call it a learning problem: “We haven’t done this before. We need everyone’s input.”

2. **Invite participation**
   Ask genuine questions, speak last in meetings.

3. **Respond productively**
   Thank people for bad news and failed experiments; ask “What did we learn?”

Source: A. Edmondson, The Fearless Organisation (Wiley, 2018); Google re:Work, “Understand team effectiveness” (Project Aristotle).

MODEL · STAGES OF SAFETY

The four stages of psychological safety

People need to feel safe to belong before they will feel safe to challenge.

Leader toolkit (Leading Innovation):

Frame the work · Invite participation · Respond productively

1 Inclusion safety

"I belong here"

Welcome people as they are; include them in the real conversations.

2 Learner safety

"I can learn and grow"

Treat questions and mistakes as part of the work, starting with your own.

3 Contributor safety

"I can add value"

Give real autonomy and credit for contributions.

4 Challenger safety

"I can challenge the way we do things"

Invite dissent and reward people who challenge you.

Source: Clark (2020) The 4 Stages of Psychological Safety, Berrett-Koehler; Edmondson (2018) The Fearless Organization, Wiley.

REFLECTION

Where are we on the stairs?

Which stage of psychological safety does my team mostly experience today?

1 · Inclusion

2 · Learner

3 · Contributor

4 · Challenger

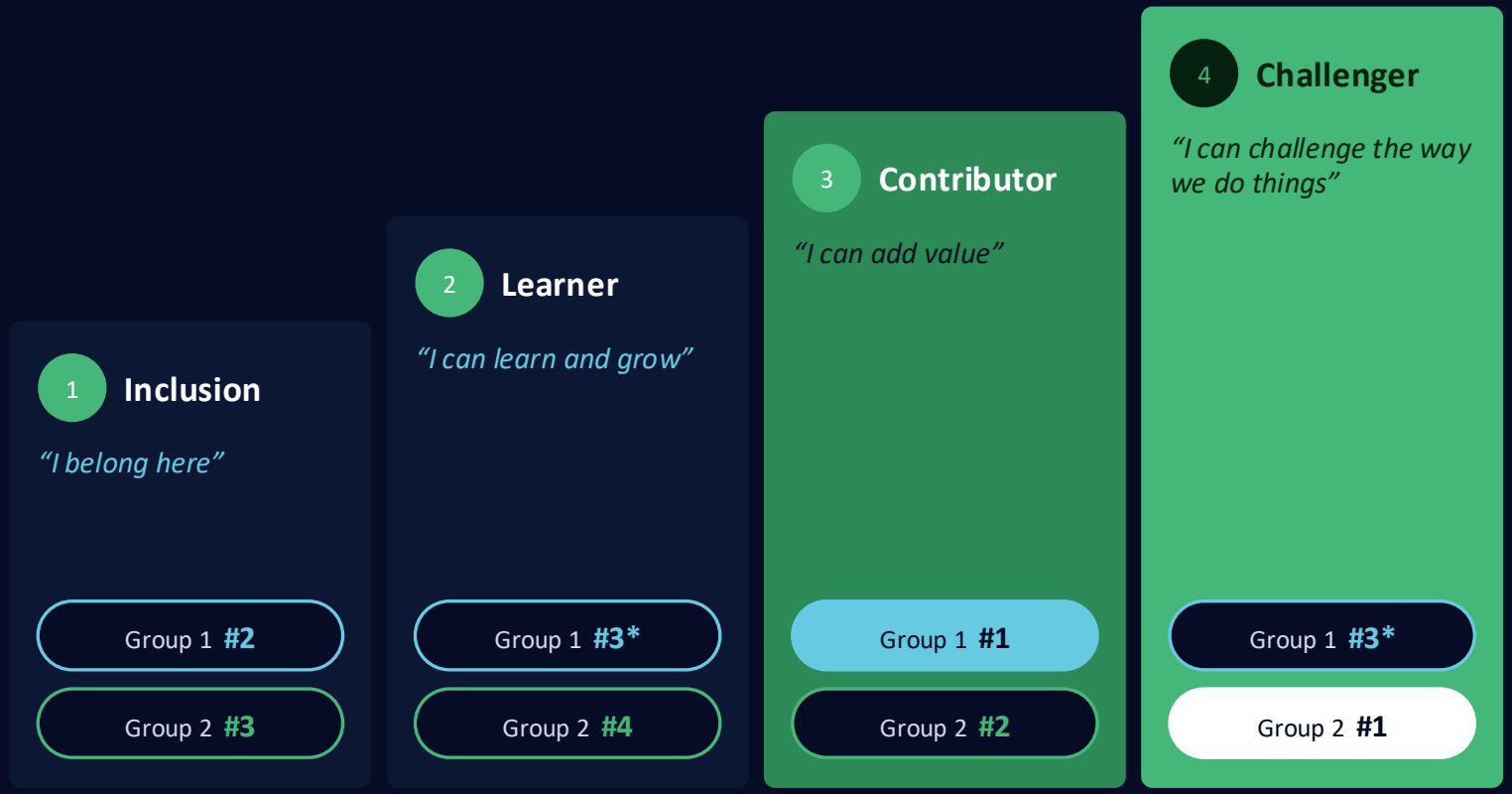
THEN, IN ONE SENTENCE

What is one thing I could do to move my team up one stage, and is EPPF overall on the same stage as my team?

PSYCHOLOGICAL SAFETY

Where our teams are on the stairs

Mentimeter ranking: which stage of psychological safety does my team mostly experience today?



Group 1: Learner and Challenger tied in third place.

#1 = ranked highest · filled = each group's top stage

LOWEST IN BOTH GROUPS

Learner safety

Last for Group 2, tied last for Group 1. Is it safe to ask, experiment and get things wrong?

WHERE THE GROUPS DIFFER

Contributor vs Challenger

Group 1 ranked contributor safety first; Group 2 ranked challenger safety first.

WHY IT MATTERS

The stages build on each other

Challenge lasts only when people also feel safe to belong and to learn



PART 5

I undertake to…

From insight to action

CHALLENGE YOURSELF

My 30-day culture commitment

1

behaviour I will START, from positive leadership

1

behaviour I will STOP, because it costs safety

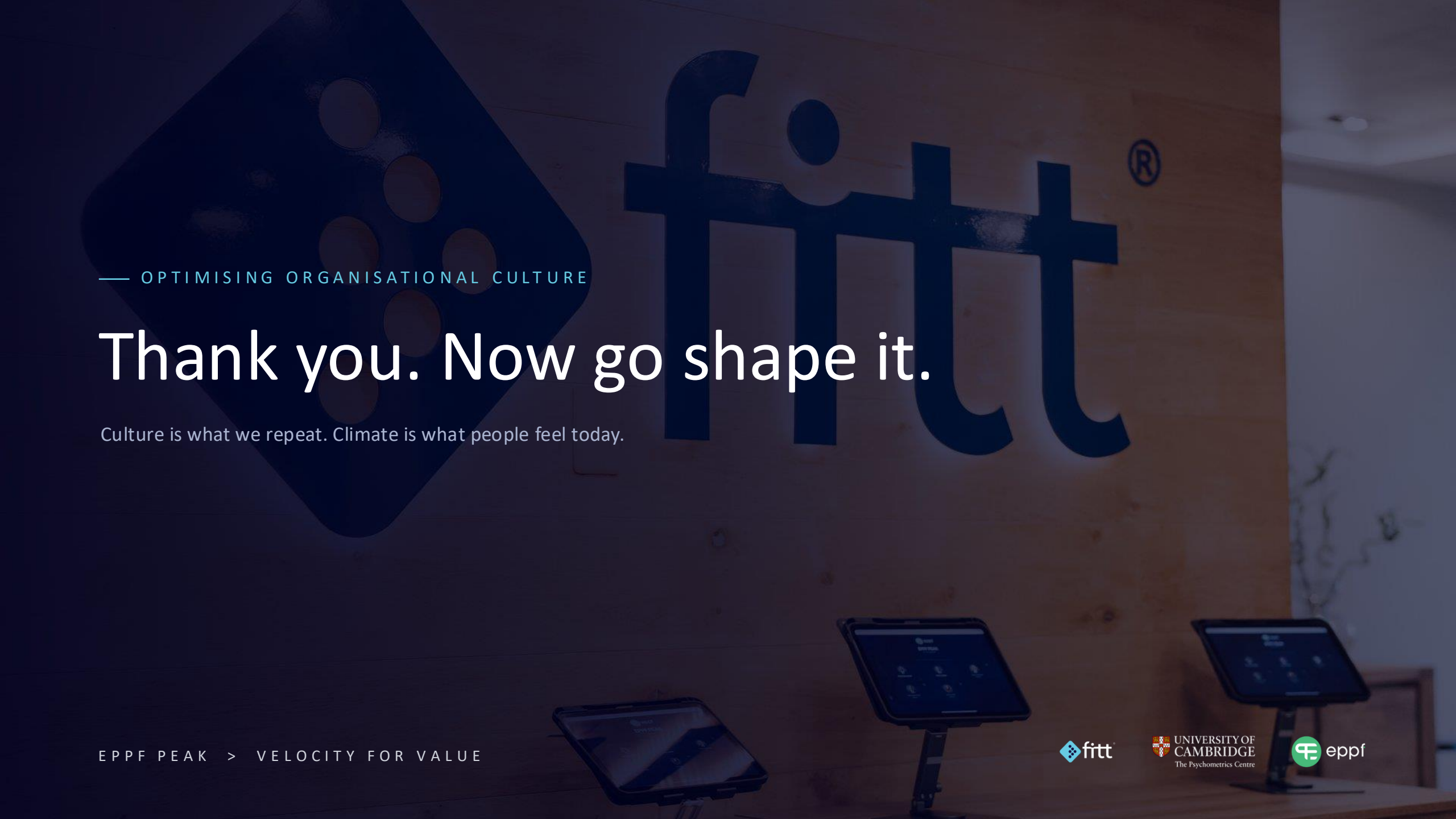
2

pulse items I will ask my team about in 30 days



MY COMMITMENT

“I undertake to _____ so that my team _____. I will know it is working when _____.”



OPTIMISING ORGANISATIONAL CULTURE

Thank you. Now go shape it.

Culture is what we repeat. Climate is what people feel today.

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