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The Future-Ready Culture

Proven traits of agile, engaged, and prepared workforces



Today's Speakers



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THE 2025 CONFERENCE

Next Practices Now

March 3 – 6, 2025

Scottsdale, AZ & Virtual

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Peter Cappelli

George W. Taylor
Professor of Management,
The Wharton School



Avani Prabhakar

Chief People Officer,
Atlassian



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Chief Justice Earl Warren
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Kristen Bauer

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Dimitra Manis

EVP, Chief Purpose
Officer, S&P Global



Anne Chow

Bestselling Author,
Culture Expert, and Founder,
The Rewired CEO



**We discover the people practices
that drive high performance**

to help you see what's
coming around the curve.



High-Performance Defined

- Revenue growth
- Profitability
- Market share
- Customer satisfaction

Over a five-year period.

Our Research Focus

- What do high-performance organizations do differently?
- Do those practices correlate to market performance?

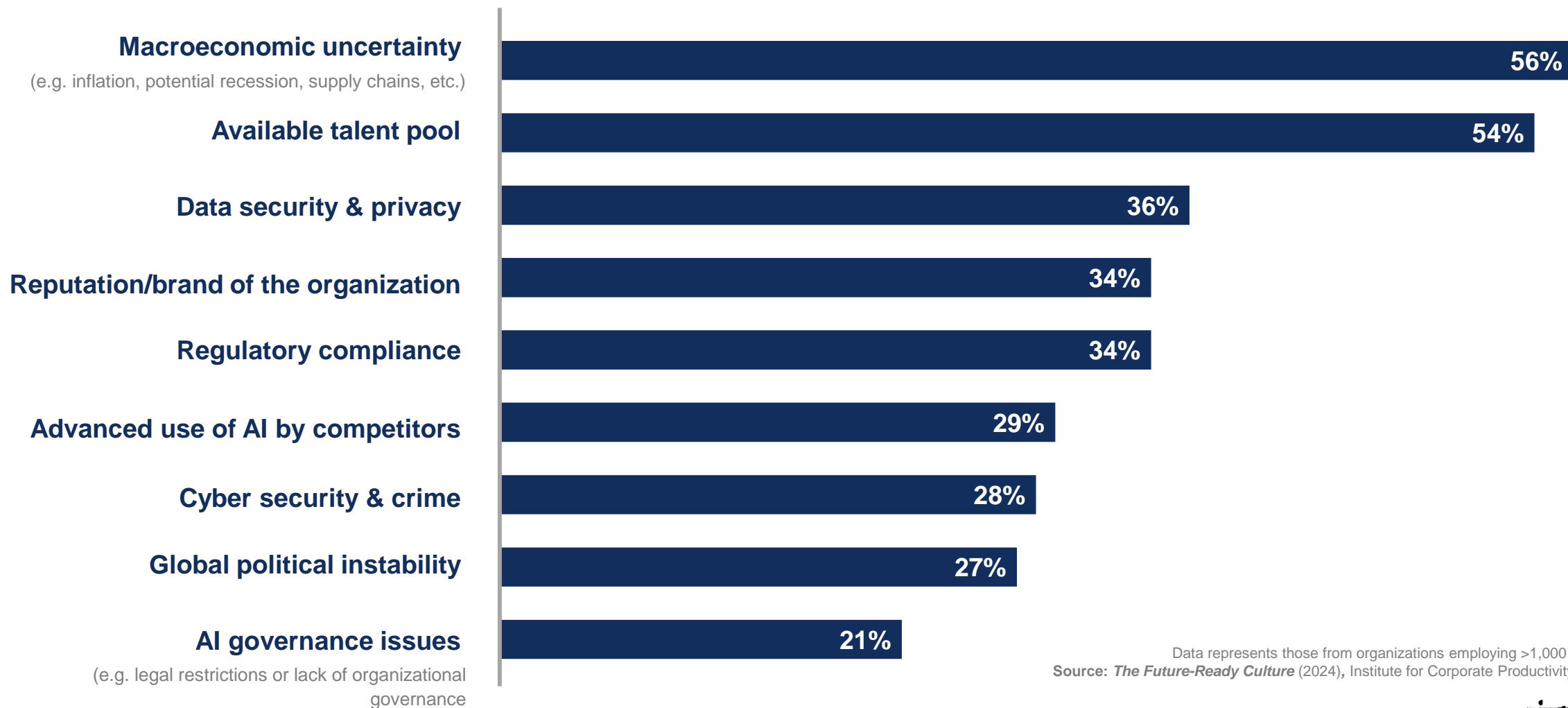


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The only thing
predictable about life is
its unpredictability.

Remy, *Ratatouille* (2007)

External issues of greatest concern in the coming year



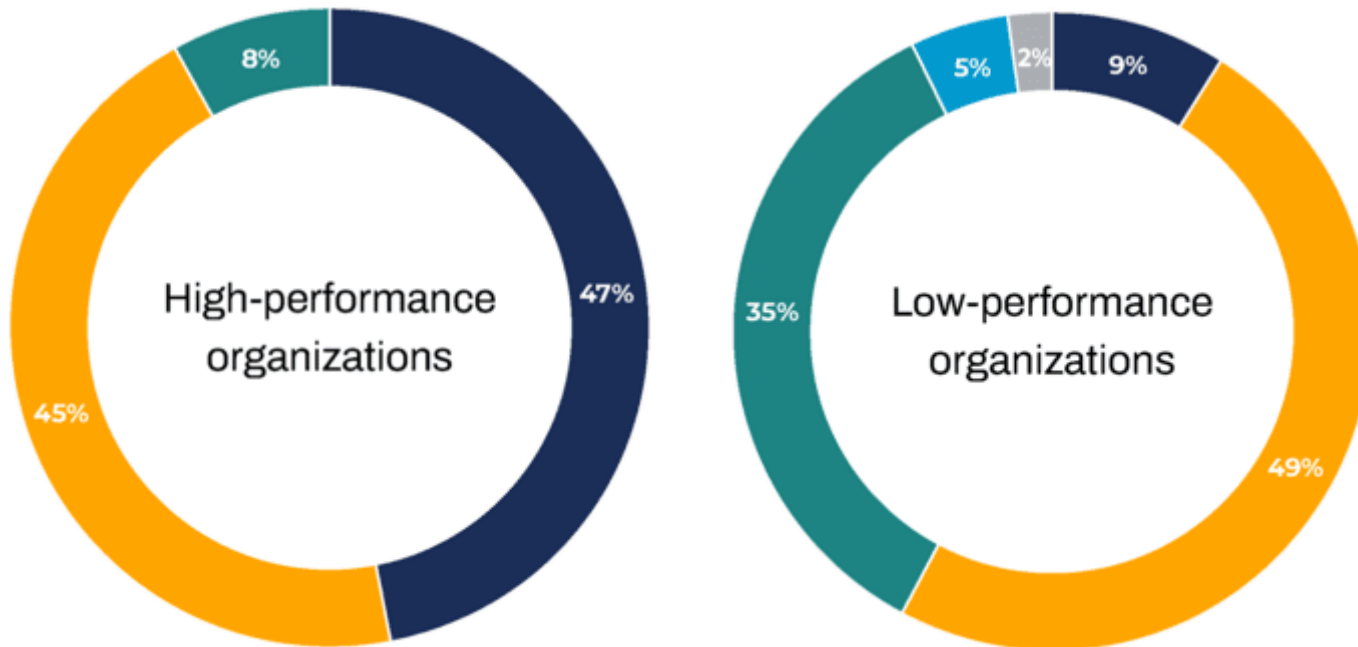
Data represents those from organizations employing >1,000 people.
Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).



Leaders of
high-performance
organizations understand
there is one thing that
gives them an edge in
unpredictable times:
their cultures.

State of Culture Health Today

■ Very healthy ■ Somewhat healthy ■ Somewhat toxic ■ Very toxic ■ Don't know



Respondents from high-performance organizations were

5x more likely

to report that they have “**very healthy**” cultures than those from lower-performance organizations.



What's different?

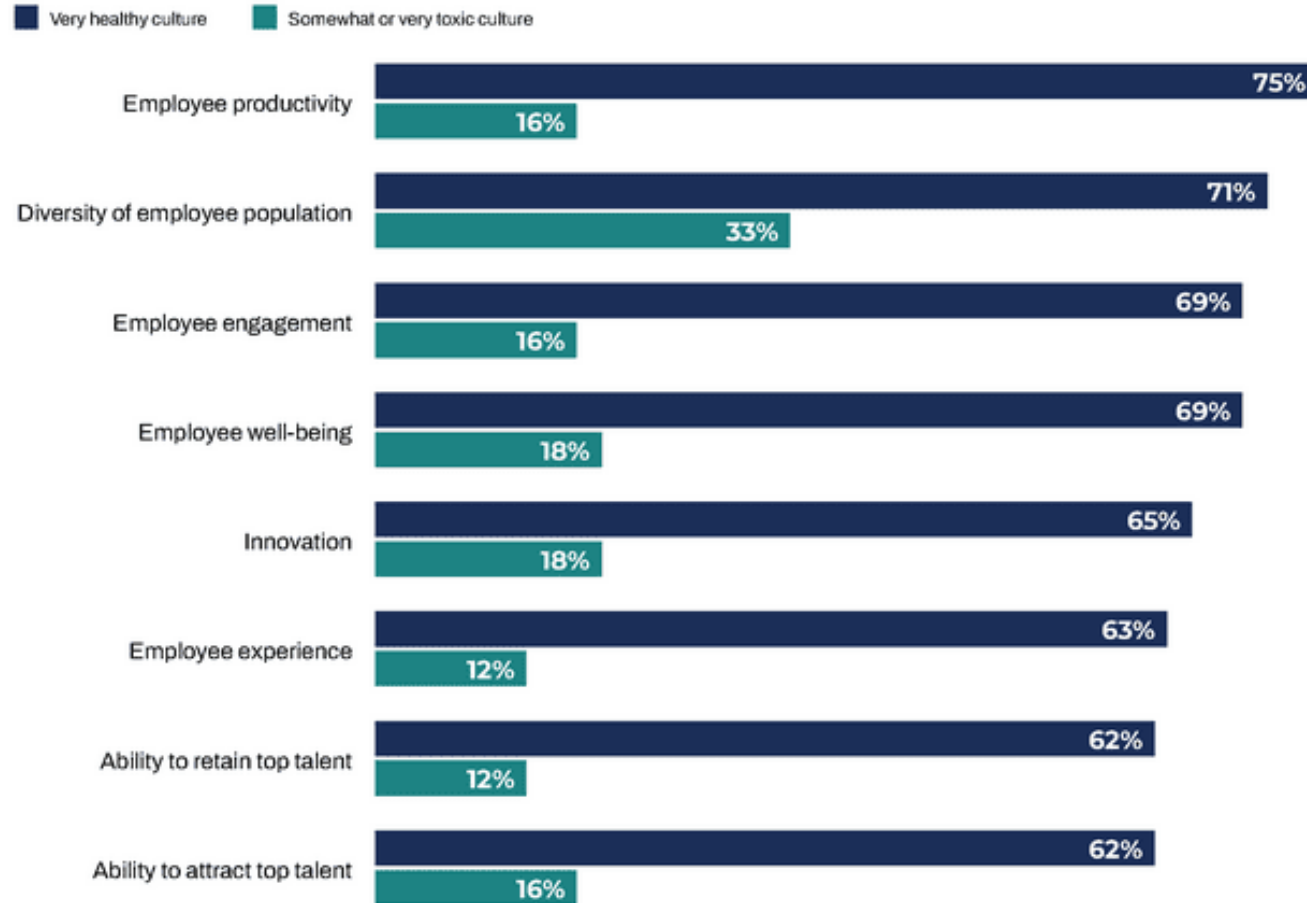


- The pandemic changed some of the dynamics.
- The explosion of hybrid and distributed workforces created work environments that are much less dependent on physical location or formal structure.
- Culture has increasingly become difficult to control, and organizations with weaker cultures—and disappointing financial results—have suffered.
- In fact, **52%** of low-performance organizations said their cultures have become somewhat-to-much worse over the last two years.

Key Findings

1. Future-ready cultures are employee-focused, mission-driven, and change-ready.
2. Change-averse cultures are characterized by individually focused incentives, excessive hierarchy, and complacent behaviors.
3. Healthy cultures have leaders whose behaviors align with organizational values.
4. Companies with unhealthy or toxic cultures suffer tremendously from lack of trust.
5. Those from high-performance organizations were nearly twice as likely to report that their boards of directors place high importance on organizational culture.

Advantages of Healthy Cultures



Data represents those from organizations employing >1,000 people.
Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).



Culture Renovation®

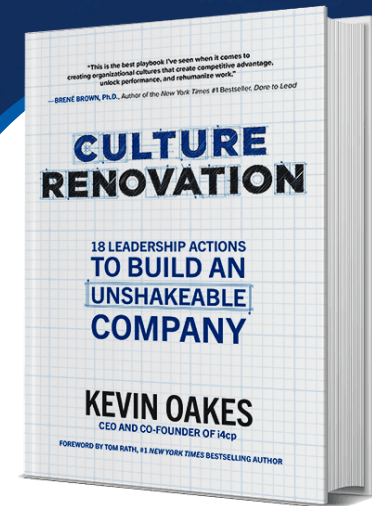
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This is the best playbook I've seen when it comes to creating organizational cultures that create competitive advantage, unlock performance, and rehumanize work.



Brené Brown, PhD

Author of New York Times #1 bestseller *Dare to Lead*



www.culturerenovation.com



Only **15%**
of culture change
efforts are viewed
as highly or very
highly successful.

Source: i4cp, *Culture Renovation*

18 Actions



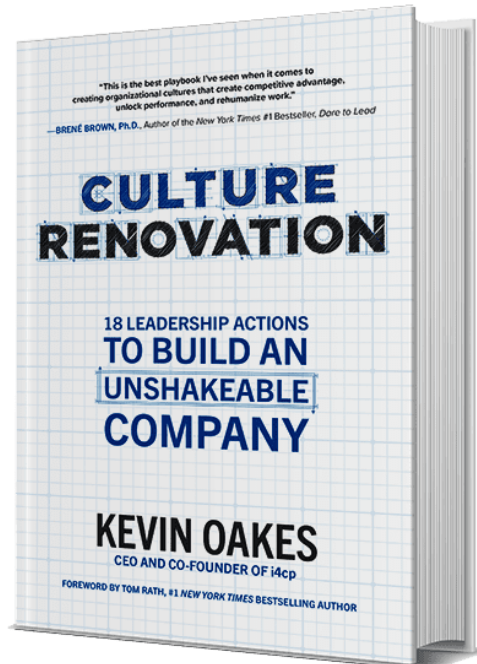
PLAN



BUILD



MAINTAIN



7,662
global respondents



976
companies > 50,000 employees



64%
have experience with
a culture change



348
companies with highly
successful change

Featuring insights from
executives at:



abbvie



Microsoft



Booz | Allen | Hamilton

servicenow | T-Mobile

zumiez

18 Actions



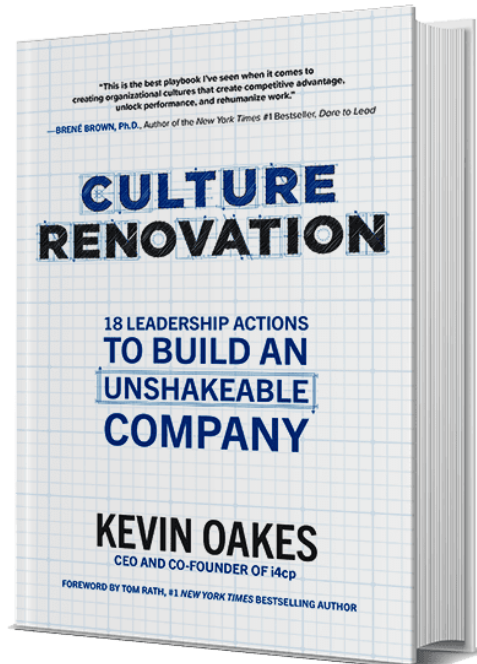
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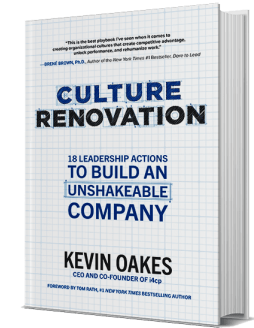


MAINTAIN

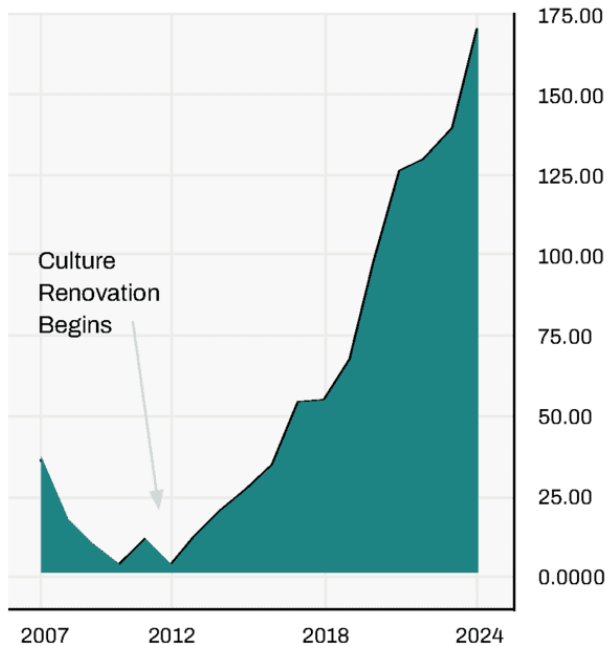


1. Develop and deploy a comprehensive listening strategy
2. Figure out what to keep
3. Set a cultural path
4. Define the desired behaviors
5. Identify influencers and blockers
6. Determine how progress will be measured, monitored, and reported
7. Clearly communicate that change is coming
8. Ferret out the skeptics and non-believers early
9. Paint a vision for the future
10. Consciously collaborate
11. Establish a co-creation mindset
12. Provide training on the desired behaviors
13. Make onboarding about relationships vs. red tape
14. Promote those who best represent the new
15. Change performance management practices
16. Leverage employee groups
17. Increase the focus on talent mobility
18. Don't underestimate the value of external sentiment

Three Culture Renovation[®] Stories

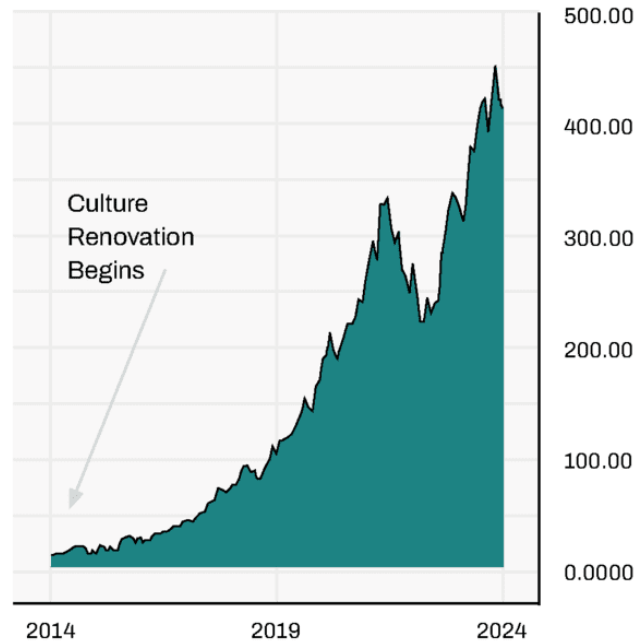


T-Mobile stock price, 2007-2024



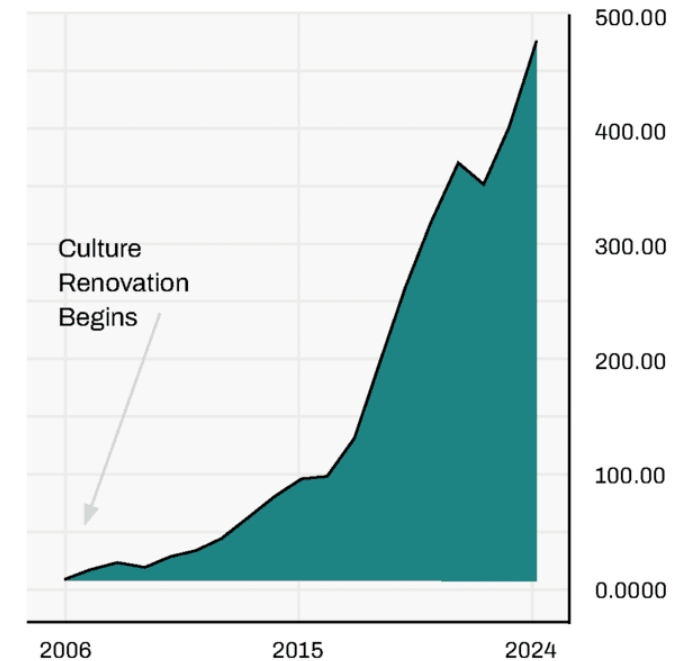
Source: Yahoo Finance

Microsoft stock price, 2014-2024



Source: Yahoo Finance

Mastercard stock price, 2006-2024



Source: Yahoo Finance



Key Finding #1

**Future-ready cultures
are employee-focused,
mission-driven, and
change-ready.**

Core Principles of Future-Ready Cultures

1. **Employee-focused:** Employee growth, well-being, and engagement are core to employee-focused organizations. These cultures grow and engage their workforces by being learning centered, inclusive, caring, and safety conscious.
2. **Mission-driven:** North star clarity on mission and purpose of work create non-political, results-driven workforces that are purpose and mission-driven, customer-centric, performance oriented, and quality-focused.
3. **Change-ready:** Fluidity of mindset and collaboration enables workforces that embrace change and innovation, and as a result are creative, collaborative, and—most critical to a future-ready culture—agile.



Elements of a Future-Ready Culture

Employee-focused – **19x**

Creative – **7.5x**

Learning centered – **7x**

Inclusive – **6x**

Collaborative – **5x**

Caring – **5x**

Customer-focused – **4x**

Innovative – **4x**

Quality-focused – **3x**

Agile – **2x**

Purpose/mission driven – **2x**

Safety-focused – **2x**

Performance driven – **2x**

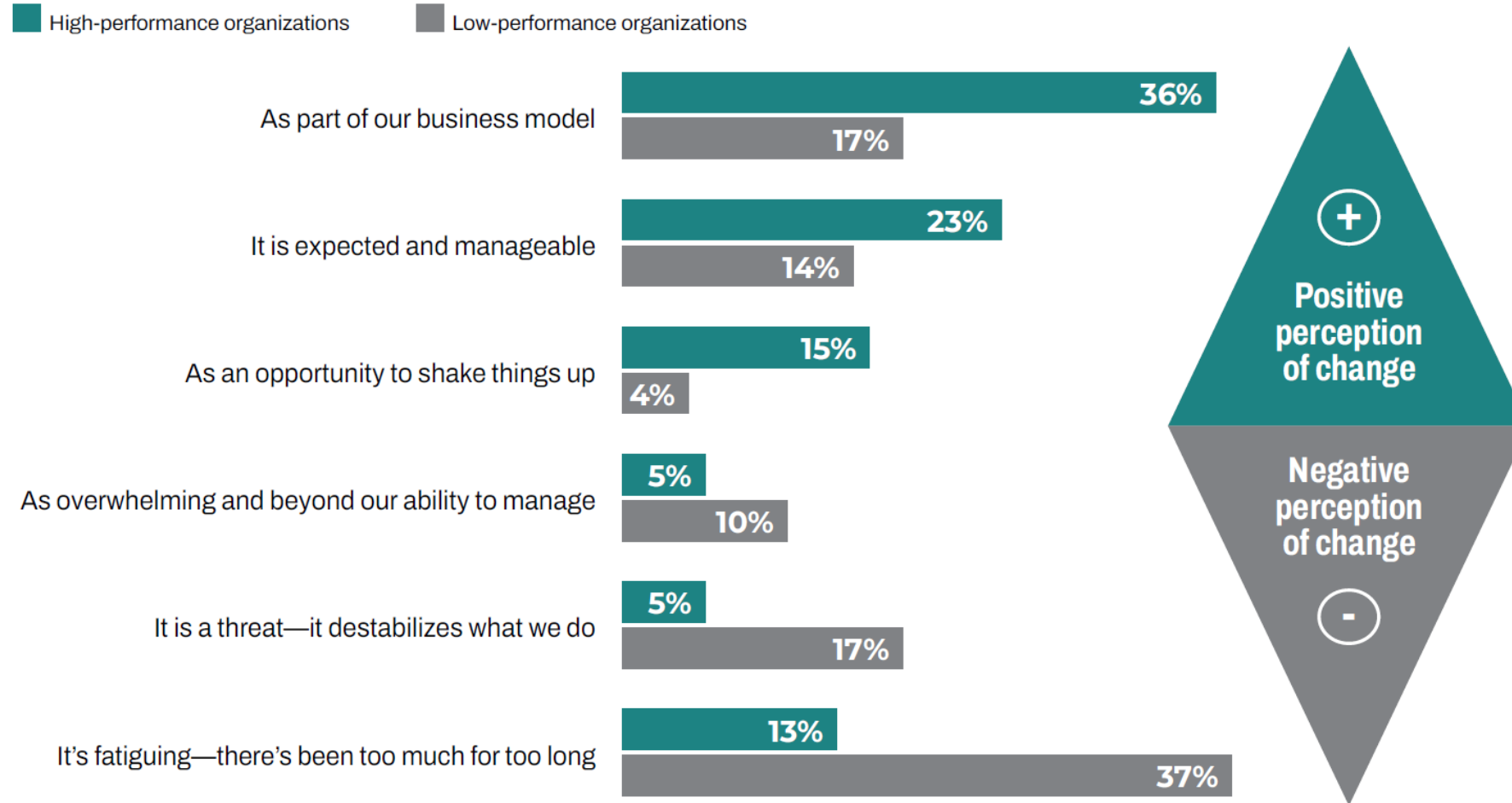
Frequency mentioned by very healthy cultures versus those with toxic cultures



Key Finding #2

Change-averse cultures are characterized by individually focused incentives, excessive hierarchy, and complacent behaviors.

How Change is Perceived is an Indicator of Culture Health



Data represents those from organizations employing >1,000 people.
Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).

Core Symptoms of Change-Averse Cultures

1. **Me vs we:** Lacking a north star, toxic cultures are characterized by excessive individually focused incentives, know-it-all attitudes, disrespectful, insensitive, and even abusive behavior. “The end justifies the means” is practiced throughout the organization, and “brilliant jerks” are not only tolerated, but often celebrated.
2. **By-the-book:** Gridlock is created through excessive hierarchy or focus on process that results in rewarding rule followers vs. those who innovate and execute. “That’s the way we’ve always done it,” is a common phrase.
3. **Content and complacent:** Lack of purpose or results orientation often leads to marginal efforts and weak results. These cultures are usually over-inclusive as a means of minimizing risk, and the workforce is generally complacent and conflict avoidant. “The meeting after the meeting” is a common occurrence—employees don’t speak up, but later talk amongst themselves—many times because there is lack of psychological safety, which inhibits employees from voicing their opinions.



Characteristics of Toxic Cultures

Bureaucratic – **13x**

Conflict avoidant – **10x**

Hierarchical – **7x**

Risk averse – **6x**

Complacent – **5x**

Consensus-driven – **3x**

Frequency mentioned by very healthy cultures versus those with toxic cultures

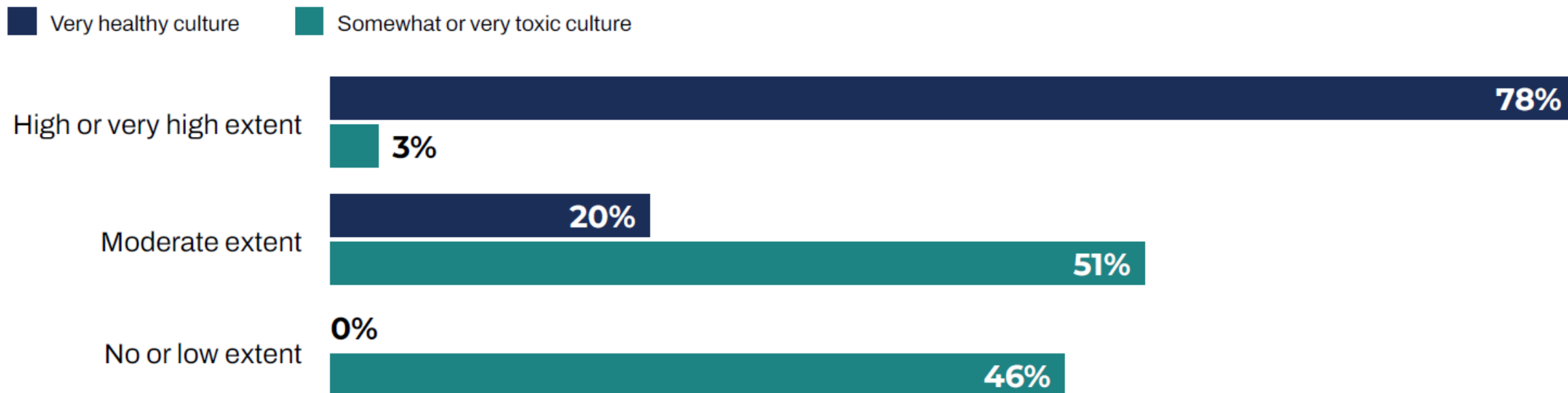


Key Finding #3

Healthy cultures have leaders whose behaviors align with organizational values.

Leaders must “Walk the Talk”

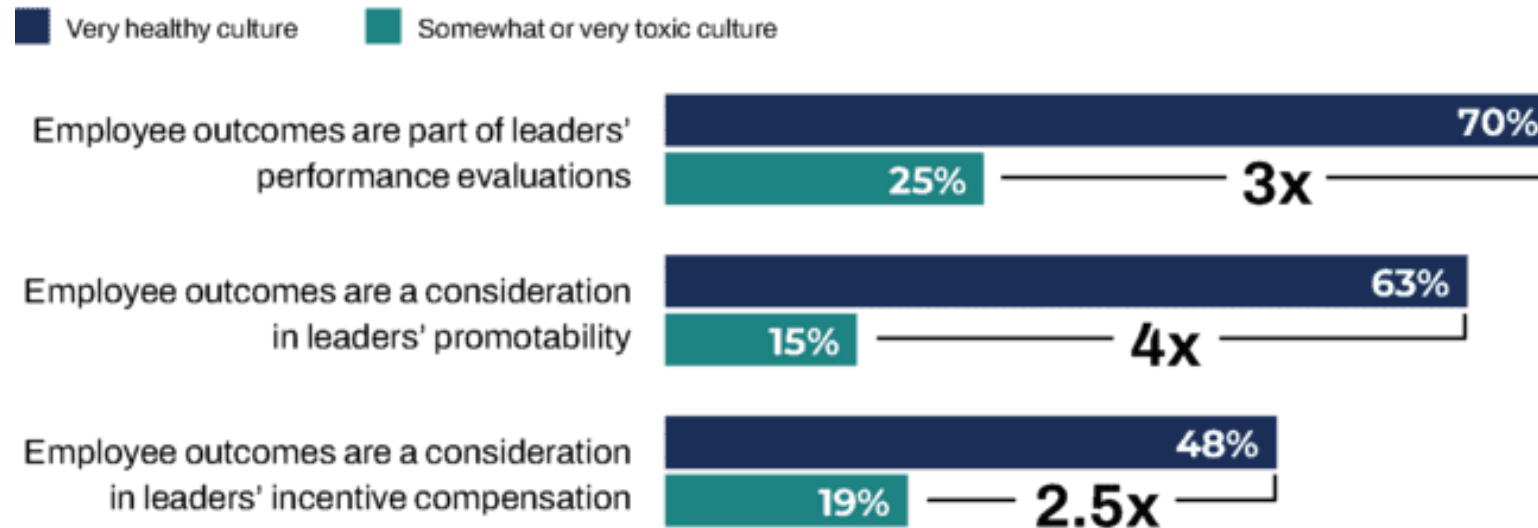
To what extent do leader’s behaviors align to organizational values?



Data represents those from organizations employing >1,000 people.
Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).

It's Not All About Business Outcomes

How healthy organizations hold leaders accountable for employee outcomes

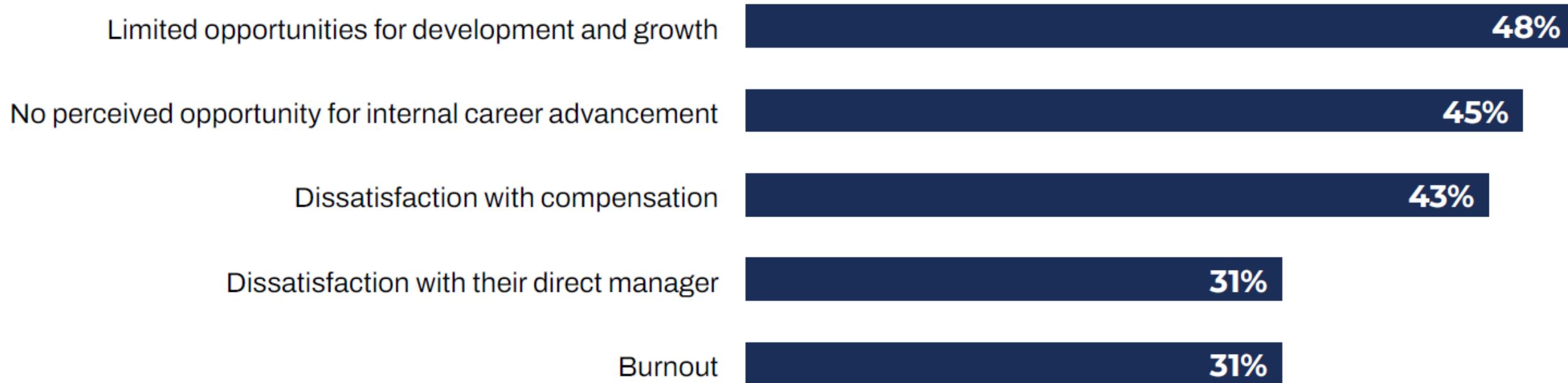


Data represents those from organizations employing >1,000 people.
Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).

What are employee outcomes?

- Retention
- Development
- Promotion and mobility
- Engagement
- Job satisfaction

Why People Leave



Data represents those from organizations employing >1,000 people.
Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).

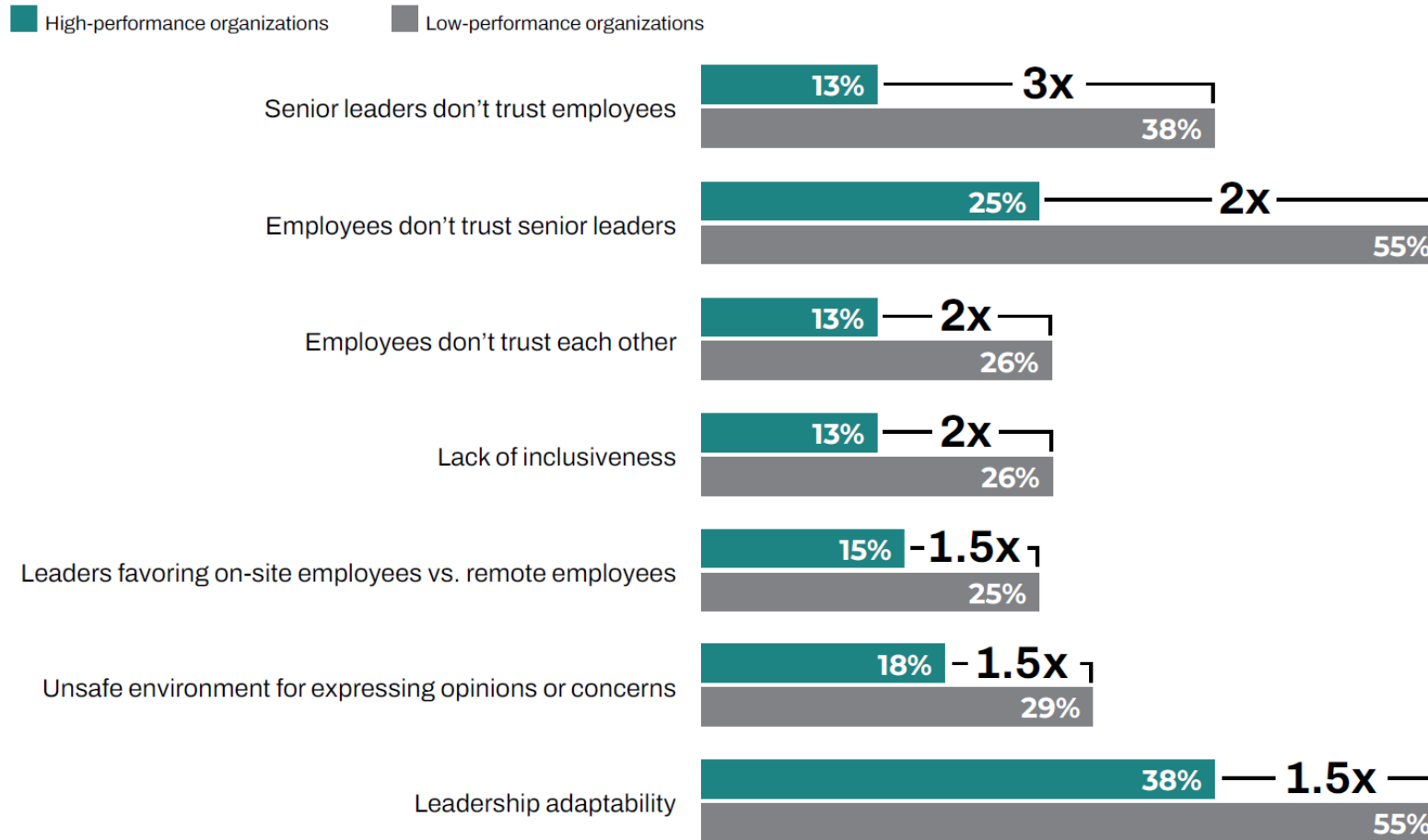


Key Finding #4

**Companies with
unhealthy or even toxic
cultures suffer severely
from lack of trust.**

The Importance of Trust

Top organizational challenges



Those from high-performance organizations are **significantly less likely to view trust issues** as a top challenge in their companies.

Data represents those from organizations employing >1,000 people.

Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).

Levels of Trust

Benevolence based trust	76%
Competence based trust	72%
Dependability based trust	55%



Key Finding 5

Those from high-performance organizations were nearly twice as likely to report that their boards place high importance on organizational culture.

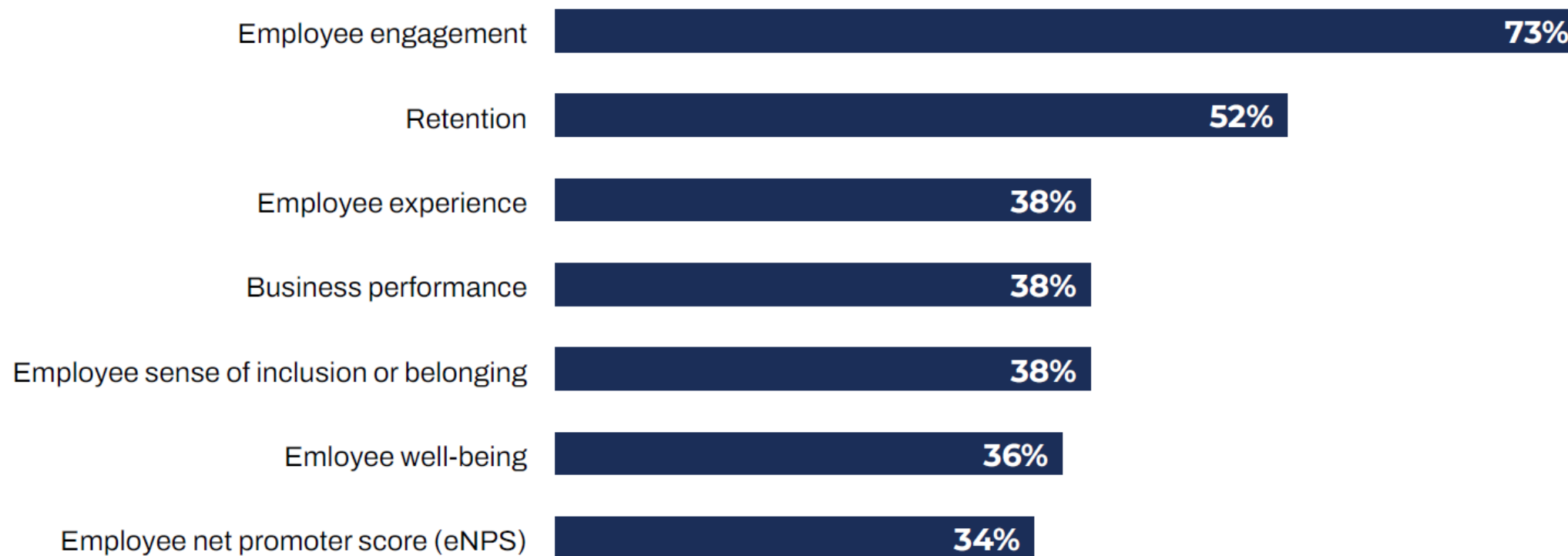
Future-Ready Organizations Have Board Buy-In



- Those from organizations with cultures they described as “toxic” were **11x more likely** to say that their boards of directors place **no importance** on organizational culture.
- In contrast, those from high-performance organizations were:
 - **Nearly 2x** more likely to indicate that their boards place high importance on organizational culture.
 - **Nearly 2x** more likely to have defined sets of culture metrics that are routinely shared with the board.

How to Measure Culture Health

Most commonly used metrics to assess culture health



Data represents those from organizations employing >1,000 people.
Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).

The Key Metrics of Future-Ready Organizations

- Companies with future-ready workforces tend to use more insightful metrics.
- To assess the health of their cultures vs. very toxic cultures, they are more likely to use:

Metric	Frequency (very healthy over very toxic)
Innovation	5.5x
Healthcare Costs	4x
Employee Well-being	4x
Candidate Experience	3.5x
Inclusion/Belonging	3x
Employee Referrals	3x
Internal Mobility	2x

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Source: *The Future-Ready Culture* (2024), Institute for Corporate Productivity (i4cp).

Culture Health Measurement

Standalone culture metrics

- Engagement
- Employee NPS
- Attrition
(voluntary/involuntary,
by demographic)
- Top talent retention
- Employee referrals
- Rehires
- Hotline activity
- EAP usage
- OKRs, KPIs, MBO
goals
- Safety incidents

Culture measurement methods

- Employee sentiment
surveys
- Focus groups
- Exit interviews
- Customer surveys
- Social sites

Next Practice Culture Measures: Indexes

Well-being

Inclusion

Employer Brand

Trust

Collaboration

Innovation

Recommendations

- ✔ **Create a culture** that is employee-focused, mission-driven, and change-ready.
- ✔ **Walk the Talk:** Train leaders on behaviors that align with the organization's values and consistently reenforce expectations of what they need to model.
- ✔ **Evolve beyond simple empathy** and instill dependability-based trust.
- ✔ **Hold people leaders accountable** for employee outcomes.
- ✔ **Use indexes** to measure the culture.



MEMBER-EXCLUSIVE
REPORT

The Future-Ready Culture

*Proven traits of agile, engaged,
and prepared workforces*



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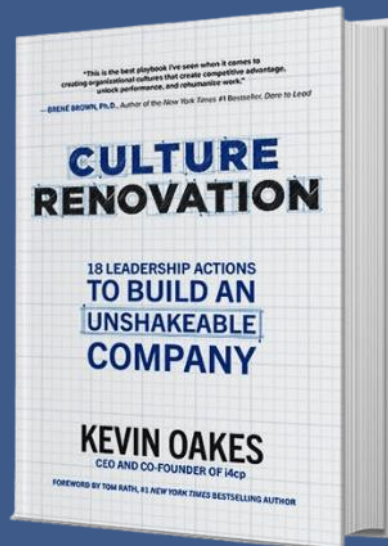


i4cp Advisory Services

Creating healthy cultures to build unshakeable companies.



i4cp Advisory Services leverages i4cp's groundbreaking Culture Renovation® research to guide and advise organizations to create cultures that boost performance and establish long-term competitive advantage.



Services include:

- Support and delivery of the 18 action steps of the Culture Renovation® Blueprint
- Executive briefings and workshops
- Comprehensive employee listening initiatives
- Organization culture assessments
- Culture scorecards, dashboards, and measurement strategies

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Thank You!

Questions or Comments? Let us know!



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