

Culture Transformation Flywheel: Making culture change in an organization actually stick



Creating a high-performing organization goes beyond superficial changes; it takes a profound culture shift. Arbinge's *Culture Transformation Flywheel* offers a strategic approach to operationalize and sustain this shift, addressing the root cause of negative work cultures affecting most organizations today.

What does culture transformation actually mean?

The performance of organizations is intrinsically linked to their culture, yet most struggle with toxic work environments.

On the surface, employees recognize that they should put aside their personal motives and focus on the greater good of the team. But their mindset is internally focused. As a result, following through with the right behaviors seems almost irrational.

We call this “self-deception.”

“It blinds us to the true causes of problems, and once we’re blind, all the “solutions” we can think of will actually make matters worse. Whether at work or at home, self-deception obscures the truth about ourselves, corrupts our view of others and our circumstances, and inhibits our ability to make wise and helpful decisions.”

–Leadership and Self-Deception

[According to Gallup](#), half of the U.S. workforce is “not engaged” at work – meaning they do the minimum required and are psychologically detached from their job. You may also know this as “quiet quitting,” a phenomenon that’s leading to \$1.5 trillion in corporate losses every year.

On the other hand, companies with highly engaged employees [outperform their peers by 147%](#) and employees who feel their voice is heard are 4.6x more likely to perform their best work.

To build that type of high-performing organization, you need to fundamentally shift how employees approach their work and relationships with each other. Transforming these relationships is the not-so-secret strategy for driving culture transformation.

Why the current approach to culture transformation is broken

Despite the evident need for change, a staggering 70% of culture transformations fail.

The traditional approach, centered on “fixing” behaviors, creates a counterproductive cycle. *The Vicious Cycle of Fixing Behaviors.*



Organizations try to **push** culture change by imposing new programs that aim to “fix” behaviors. Unsurprisingly, employees resist. And any positive changes are based on compliance, not commitment.

Training programs are delivered, but not embraced, further worsening the time and cost of negative culture. As a result, changes don't last because they merely address *behaviors*, not the underlying *mindset* driving them.

No matter how much you invest in these programs, they are destined to fail if met by resistant team members. Like planting seeds in toxic soil—growth becomes impossible.

That's why you need a holistic approach that gets to the root of the problem—***leadership and employee mindset***.

A holistic approach to culture transformation that's actually sustainable

The Culture Transformation Flywheel

So how are some organizations able to transform their culture and make it actually stick? The key lies in adopting a holistic perspective with a primary focus on **mindset**.

Lasting change doesn't come from simply buying more tech, increasing budgets, or changing processes. It starts with a people-centric approach. An investment in people-oriented solutions to spark innovation, engagement, and productivity in your workforce.

Success depends on the interconnected relationships of your people, and to impact that, you need a shift in mindset, operationalized in three ways:

- Developing leaders who empower others
- Developing engaged and accountable employees
- Unlocking potential with an inclusive workplace

Together, these initiatives create a *Culture Transformation Flywheel*. A continuous, self-reinforcing cycle that leads to lasting culture change.



The role of mindset in culture transformation

Beliefs, values, and attitudes (aka. our mindset) influence our behavior. In many ways, you can think of your culture as the output of the collective mindset of your organization.

So, if you want to change your culture, you need to break the vicious cycle of trying to fix behavior, and, instead, address the mindset that drives it.

Toxic Culture

Healthy Culture



A [McKinsey study found](#) that organizations are 4x more likely to succeed in their transformation efforts when they address mindset.

That means focusing on training programs that aim to [shift employee mindset](#) and help them see themselves and others differently.

The rest of this article will break down the Culture Transformation Flywheel into more actionable steps, providing a roadmap for organizations to embark on their transformative journey.

Develop leaders who empower others

Creating a supportive workplace starts with leaders who know how to help others shine. Organizations must invest in [developing leaders](#) who can expand their influence, encourage teamwork, and build trust. By setting the right cultural tone at the leadership level, organizations can create a healthier, happier, and more successful place to work.



Develop self-awareness

Self-awareness is the cornerstone of building high-performing, accountable teams. A leader who understands their own strengths, weaknesses, and biases can navigate challenges more effectively and inspire trust. This self-awareness fosters open communication, where team members feel comfortable sharing ideas and holding each other responsible.

Leaders who are self-aware can also delegate effectively, empowering their teams to take ownership and maximize their

potential. Ultimately, a leader's self-awareness sets the tone for the entire team, fostering a culture of accountability and driving results.

Foster a collaborative culture

Leaders set the tone for collaboration by emphasizing teamwork and mutual respect, creating an environment where diverse perspectives are valued and team members feel [psychologically safe](#).

Through transparent communication and active listening, a leader cultivates trust among team members, encouraging them to exchange ideas and collaborate towards common goals freely. If you build a collaborative culture where all employees feel seen and valued, it will naturally lead to improved employee attrition, as people rarely leave jobs where they feel seen, appreciated, and valued.

Enhance productivity

Ensuring leaders can effectively connect business goals to their employees' roles and purpose means teams are more motivated and focused on achieving impact-focused objectives.

This, in turn, influences performance and productivity, as employees know exactly what they're working towards. When leaders are aligned on strategic priorities, especially when navigating changes and uncertainty, it keeps everyone on track. A culture of enhanced performance fosters an environment that unlocks creativity and innovation, driving continual growth and adaptability.

Reduce friction and create trust

Reducing friction among team members helps maintain a positive and productive work environment for everyone.

When communication breaks down or challenges arise, a leader should act as a coach helping employees to problem solve in

effective ways. Enabling teammates to address the mindset that sits at the root of workplace conflict helps everyone feel more secure in their roles, resulting in increased levels of trust and innovation across the organization.

Develop engaged and accountable employees

To transform your culture, it's essential to invest in [team performance](#) and focus on developing engaged and [accountable employees](#) who take ownership of their actions and work collaboratively towards shared goals. By fostering accountability, cultivating relationships, promoting meaningful collaboration, providing meaningful work, and empowering ownership, you can create a supportive and productive work environment where individuals thrive.



Become fully accountable

Instead of holding people accountable, develop a workforce of accountable people.

When it comes down to it, the root cause of most workplace challenges is that people naturally focus on themselves—prioritizing their own needs and challenges without thinking about other team members' goals, objectives, or obstacles. By shifting mindsets to foster a culture of accountability, employees take ownership of their actions and how they impact others, leading to increased levels of trust and collaboration among team members.

Cultivate relationships with others

A true high-performing team puts a premium on authenticity and interpersonal relationships, knowing that building strong connections with others is the key to achieving goals together.

Rather than clocking overtime and burning out, positive relationships help us maximize the time we have at work to make us significantly more productive. Building connections in the workplace is the first step towards improving knowledge sharing, collaboration, and conflict resolution, which ultimately leads to growth for individuals and the organization as a whole.

Collaborate effectively

Meaningful collaboration leads to more innovative solutions and creative problem-solving.

It fosters a sense of unity and camaraderie among team members, creating a positive work environment and improving employee morale and satisfaction. Not only that, but collaboration enhances productivity and efficiency by streamlining processes and facilitating effective communication, contributing to the organization's overall success and competitive advantage.

Transform conflict

Some level of [conflict in the workplace](#) is inevitable, but how

it's handled determines the impact on your team. Suppressing it stifles innovation and accountability. Left unchecked, disagreements can morph into negativity and hinder progress. The key lies in transforming conflict into a constructive force.

When diverse viewpoints are encouraged through healthy debate, teams can unearth creative solutions and spark innovation. This open exchange fosters a sense of ownership and shared responsibility. Team members feel empowered to voice concerns and hold each other accountable for achieving shared goals. By harnessing the power of productive conflict, organizations can drive employee engagement and propel the team toward achieving their full potential.

Unlock potential with an inclusive workplace

Embracing inclusivity is essential to unlocking your team's full potential. By fostering psychological safety, nurturing belonging, recognizing individuality, and encouraging innovation, you can cultivate a work environment where everyone feels valued and empowered to contribute their best.

While many organizations *are* investing in DEI, the reality is, many are focused on ineffective approaches that don't actually influence change. To build an inclusive culture, DEI training programs should create psychological safety, transform team dynamics, and ultimately [foster a culture of belonging](#) where everyone feels like they can thrive.



Foster psychological safety

According to a Google study, psychological safety is the most important factor in effective teams. Fostering psychological safety at work encourages open communication and the expression of ideas without fear of judgment, leading to increased innovation and creativity within teams.

It promotes a supportive and inclusive work environment where individuals feel valued, respected, and empowered to take risks and contribute their best work. This, in turn, boosts employee morale, engagement, and overall well-being.

Create a sense of belonging

When employees feel valued, respected, and accepted for who they are, you'll see increases in morale, motivation, and commitment to the organization.

A sense of belonging creates a supportive environment where individuals feel connected to their colleagues and the

company's mission while reducing turnover rates and fostering a diverse and inclusive workplace culture.

Reduce bias

By actively reducing bias in the workplace, we create a truly inclusive environment.

This means everyone feels valued, respected, and empowered to contribute their best thinking. Unimpeded by bias, a wider range of ideas can flourish, leading to more creative solutions and innovation. When diverse perspectives are welcomed and celebrated, the collective potential of the team is unleashed, driving success and a more dynamic company culture.

Spark innovation

When everyone's contributions are valued, it creates an environment where [diverse perspectives and ideas are encouraged](#) and respected.

This unlocks the full potential of individuals and provides the space for ideas to flourish. An inclusive approach to organizational culture not only promotes creativity and problem-solving but also cultivates a safe space where individuals feel empowered to take risks and explore new possibilities.

Where do you start?

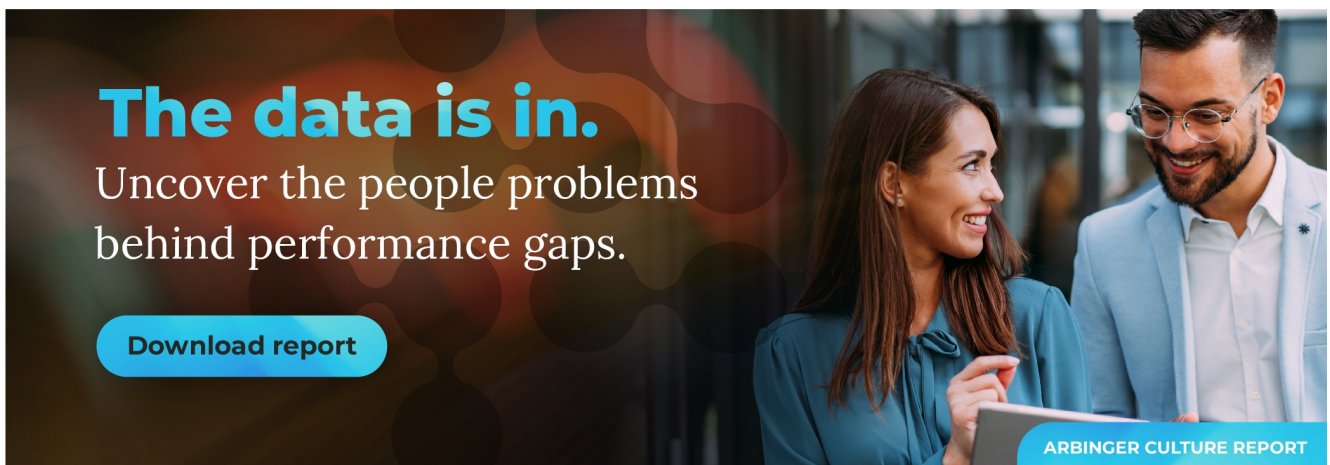
Embarking on your culture transformation journey may seem daunting, but the good news is you can start at any stage in the flywheel. It doesn't need to be a leadership-down initiative.

Start by identifying the most pressing pain points within your organization. It may be leadership dynamics, employee engagement, or inclusivity issues.

Once you start to drive meaningful change in one area, you'll often see a ripple effect, setting the entire Culture Transformation Flywheel in motion.

Remember that culture transformation is an ongoing process, and success hinges on continuous evaluation and adaptation. Set key performance indicators, regularly measure your progress, and solicit feedback from employees at all levels.

By breaking down your journey into actionable steps and continuously reassessing, your organization can elicit a meaningful culture shift and actually make it stick.



The data is in.
Uncover the people problems
behind performance gaps.

[Download report](#)

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