



Culture Indicators: Understanding corporate behaviour

Board Briefing **ibe**

Board
Briefing

By Peter Montagnon

Summary

Most directors agree that culture cannot easily be measured. However, boards can and do have access to a range of information that will shed light on the drivers of behaviour within their organisation and help them to shape it.

This Board Briefing sets out to help them through its examination of a range of relevant indicators and how to interpret them.

Chapter 1 presents the results of an IBE survey into the information boards currently receive, how they consider it and how they report on culture to the outside world.

This is followed by analysis drawn from a series of interviews with directors and those that advise them. A positive finding is that boards do discuss culture and receive a lot of relevant information. However, this is not necessarily presented systematically so boards may find it difficult to make connections and draw conclusions about culture.

The survey results set out the challenge, which is then picked up in **Chapter 2**. The starting point is that there can be no effective oversight of corporate culture unless boards have first set and promulgated a statement of values and purpose.

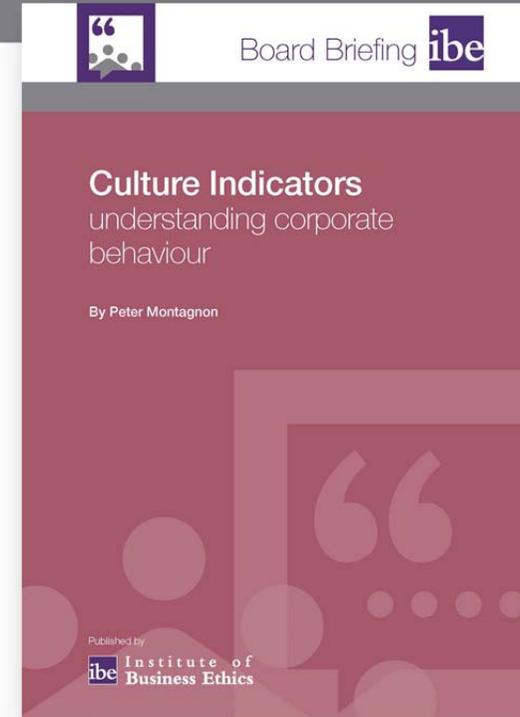
A board that lacks a clear view of the values and purpose of the company for which it is responsible will have no benchmark against which to measure.

Boards are rightly worried about being drowned in information. Many address this by tailoring the information flows they receive to suit their particular needs into dashboards. Critical indicators might be based on the expectations of key stakeholders.

Chapter 3 looks at getting the right information across a range of indicators: health and safety, employee surveys, Speak Up, codes of behaviour, staff turnover, stakeholder engagement and customer satisfaction.

The Board Briefing concludes by turning to how boards report on their engagement with culture. The key word here is 'authentic'. Boards will not be believed if their communication is spun in a way that simply presents a positive gloss.

IBE Board Briefings aim to support board members and those who advise them by drawing their attention to and suggesting ways to approach particular ethical issues.



Culture Indicators: understanding corporate behaviour by Peter Montagnon

Price: £30 plus £2.50 P&P (*IBE subscribers £24 plus £2.50 P&P*)

Available here: <http://www.ibe.org.uk/list-of-publications/67/47#pub3340>

Publication date: **01 March 2018**