



FOSTERING COLLABORATIVE CULTURES FOR INCREASED ENGAGEMENT AND PRODUCTIVITY

How deliberate change helps businesses
increase engagement, productivity, and revenue



DREXEL UNIVERSITY
LeBow
College of Business

CHIEF LEARNING OFFICER®
Solutions for Enterprise Productivity

INTRODUCTION

In today's atmosphere of workplace disruption, organizations are looking to transform their workplace culture into one that's more collaborative. Employees who work better together are more engaged, creative, and innovative than their non-collaborative counterparts. Collaborative cultures allow for the free exchange of ideas, which facilitates work and reduces barriers to productivity.¹ But despite these advantages, some organizations struggle with creating or nurturing collaborative cultures. Whether by design or neglect, these organizations risk losing competitive advantage or personnel to their competitors.

Creating a truly collaborative culture doesn't happen overnight. It takes the right kind of environment to thrive. However, it seems as if organizations are throwing many different things at the problem to see what sticks. While they may stumble on a solution that works for a team or business line, creating an holistic environment for collaboration takes effort, time, and thoughtful purpose.

To discover how organizations are creating more collaborative work cultures, Drexel University's LeBow College of Business and *Chief Learning Officer* undertook the *Fostering Collaborative Culture* survey. We polled HR leaders for opinions on their organization's current state of transitioning to a more collaborative workplace culture. From there, we examined specific survey groups to see how organizations that are further along in their efforts tackle culture change. We also explored the differences in approach between face-to-face and virtual organizations. The survey findings show that when culture change is initiated purposefully, employees are more engaged, feel more productive, and take on responsibilities beyond their job titles.

DEMOGRAPHICS IN BRIEF²

The *Fostering Collaborative Culture* survey was conducted between December 2019 and January 2020. It received nearly 600 responses from individuals at a variety of organization sizes. At nearly 60% of organizations work takes place mostly face to face, while more than 40% of organizations are mostly virtual.

¹Alton, L. (2016). "The future of digital workspaces means more meaningful collaboration." *Forbes*.

²For comprehensive demographics information, see Appendix.

KEY FINDINGS

89.6% of organizations have tasked either their HR or L&D functions with fostering a more collaborative work culture.

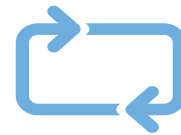
Two survey groups stand out for having achieved success in fostering collaboration:



25.7% have either recently implemented a strategy to improve culture or have **fully implemented a strategy** AND seen results of their efforts.



Organizations with mostly virtual teams have experienced **greater success with collaboration** than their face-to-face counterparts.



These organizations **provide a model** for others to follow.

Positive outcomes of thoughtful attempts to foster collaboration align to business objectives:

Organizations with collaborative cultures report **higher levels** of employee trust, engagement, and productivity.

Successful organizations **report outcomes more often** than organizations just starting their culture change journey.

To increase collaboration, organizations must act more strategically and purposefully regarding:

- » Gaining leadership buy-in.
- » Breaking down workplace silos.
- » Incorporating the right technology for collaboration.
- » Engaging in honest and thoughtful communication between managers and employees.
- » Adapting the physical work environment to foster collaboration.
- » Mitigating challenges to culture change.
- » Building employee trust.
- » Giving employees a say in change management.

SURVEY GROUPS AT A GLANCE

Planners

Organizations in the planning stages of developing a culture of collaboration.

Starters

Organizations just beginning to develop a culture of collaboration.

- » May lack a comprehensive strategy.
- » Might not have fully implemented a strategy.

Virtual organizations

Organizations with mostly remote workforces.

- » May have a physical office.
- » Most day-to-day operations happen virtually.

Implementers

Organizations with an implemented strategy for developing a culture of collaboration.

- » May have yet to see conclusive results but expect them soon.
- » May have experienced deliberate improvements after strategy implementation.

Face-to-face organizations

Organizations where employees work mostly on-site.

- » May have remote employees.
- » Most day-to-day operations happen in person.

ORGANIZATION BREAKDOWN

FIGURE 1 organization breakdown (by strategy implementation)



FIGURE 2 organization breakdown (remote work)

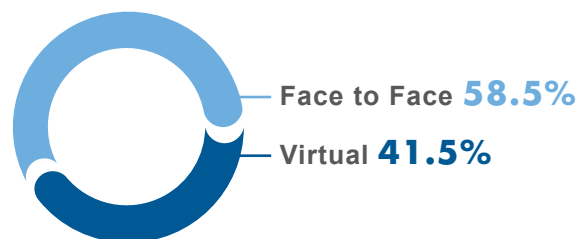
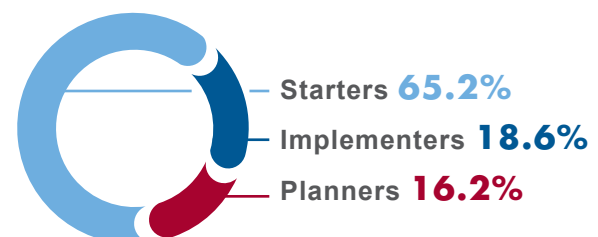


FIGURE 3 virtual organization breakdown



FIGURE 4 face-to-face organization breakdown



COLLABORATION — WHO DOES IT WELL?

If you're reading this, your organization has likely tried to improve its workplace culture. Nearly ninety percent of organizations (89.6%) have tasked their HR leaders to improve collaboration at their organizations. It's not surprising organizations want more collaboration among their workers. Research links a host of benefits to improved workplace collaboration, including increased employee engagement and higher levels of creativity and innovation. Organizations with more collaborative cultures have an easier time attracting and retaining talent.³

In a highly collaborative culture, employees are happier and more productive; they volunteer for more tasks and exhibit more leadership behaviors (even if they don't have a formal title). Research also suggests that teams with informal leadership perform at higher levels than those with a single formal leader.⁴

Yet fostering a true culture of collaboration is difficult to do. While almost all HR leaders have received the directive, few feel successful at the task. What can be done?

To uncover which organizations had more success with collaboration and why, we divided survey respondents into groups: **Implementers**, **Starters**, **Planners**, **Virtual organizations**, and **Face-to-face organizations**. Generally, Implementers have devised and followed through on a strategy for change — with tangible results. Starters have begun creating a strategy, while Planners are still in the early stages.

Virtual organizations are the 41.1% of respondent organizations whose workforce is more virtual than physical. Both Virtual and Face-to-face organizations are made up of Planners, Starters, and Implementers.

When reviewing the survey results for evidence of collaboration success, two groups stand out: Implementers and Virtual organizations. Both groups have experienced greater success with their collaborative culture initiatives than the other three.

THE BENEFITS OF HAVING A STRATEGY FOR COLLABORATIVE CULTURE CHANGE

Both **Implementers** and **Virtual organizations** have seen a wide range of positive outcomes from their culture change efforts. Their positive outcomes align to a number of business objectives, such as increasing employee engagement and productivity, while also increasing revenue, agility, and innovation.

Positive gains include the following (Figure 5):

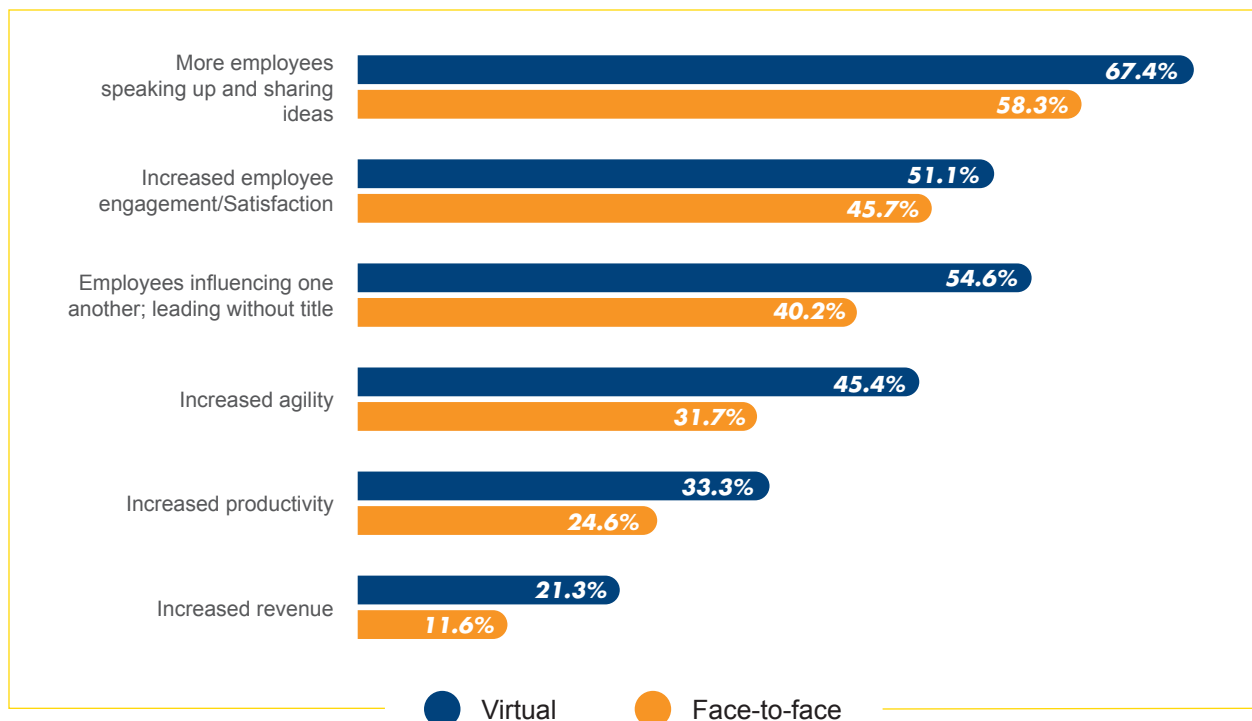
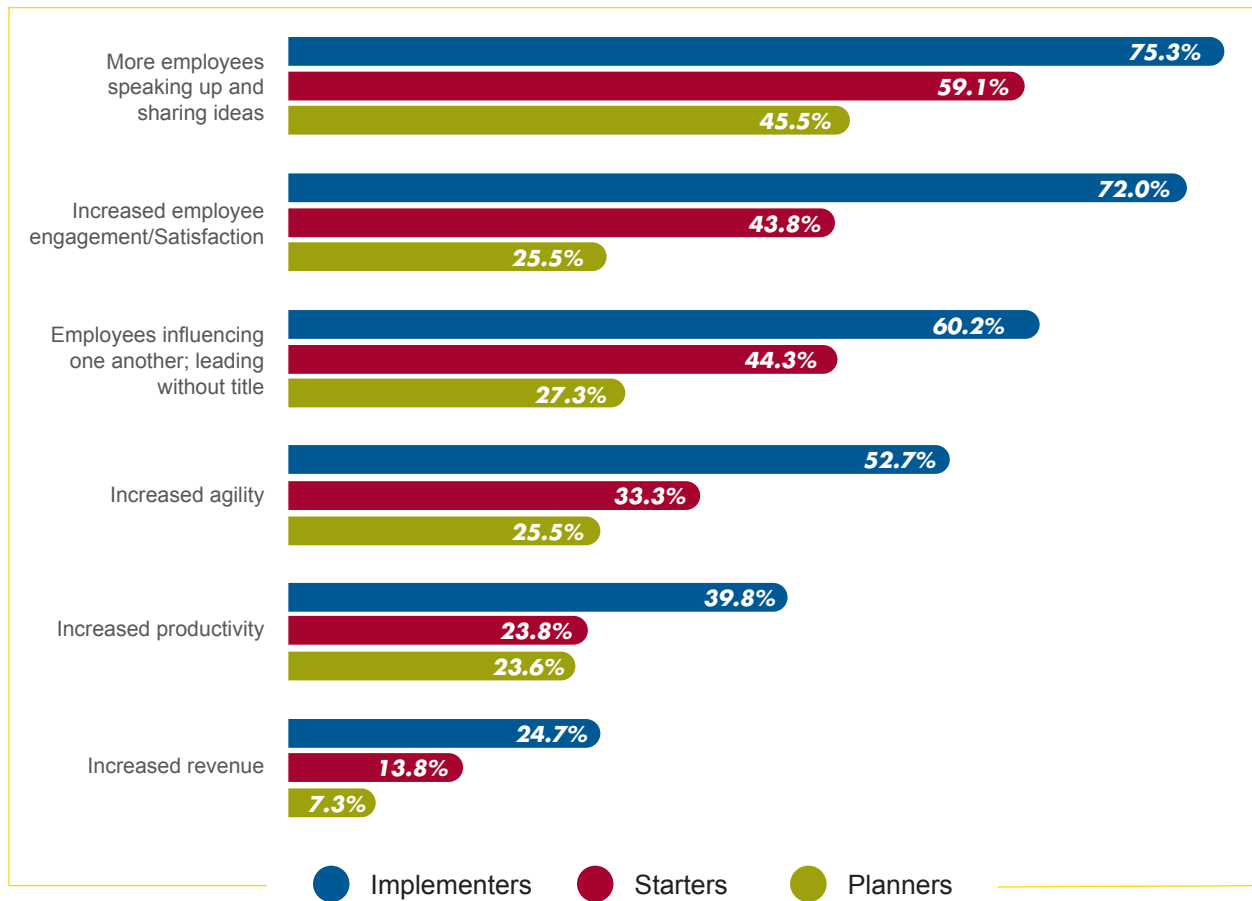
- | | |
|---|------------------------|
| » Better employee trust. | » Higher productivity. |
| » Higher levels of employee initiative. | » Greater revenues. |
| » increased agility. | |

³Staff writer (2020). *The Benefits of a Collaborative Workplace*. Kelly Services.

⁴D'Innocenzo, L., Mathieu, J. E., & Kukenberger, M. R. (2016). *A meta-analysis of different forms of shared leadership—team performance relations*. *Journal of Management*, 42(7), 1964-1991.

FIGURE 5:

Positive outcomes realized as a result of initiatives to increase collaboration (by survey group)



What are these two groups doing differently? Are their strategies unique or repeatable? As it turns out, the answer is yes. If your organization is just starting its collaboration journey, there are actionable measures you can take to foster collaboration. Efforts should be deliberate: successful culture change comes from being purposeful about workspaces, intentional about communication, and thoughtful about driving development throughout the entire organization.

Collaboration starts with buy-in.

BUILDING COLLABORATION BUY-IN WITH MANAGERS AND LEADERS

Collaborative organizations understand that leadership buy-in has the greatest impact on fostering collaboration. Supplying leaders with the right training and development so they can foster development is key too. Internalizing the need for greater collaboration is **one of the most effective ways leaders can enact culture change**.

Q: What is the primary obstacle at your organization that impedes fostering a culture of collaboration?

A: Leadership buy-in and consistency in leadership messaging.

— *Survey respondent, Planner organization, open comments*

Tactics for gaining leader buy-in include the following:

» Include collaboration strategies in leadership training.

» Provide toolkits or checklists about collaboration to managers and leaders.

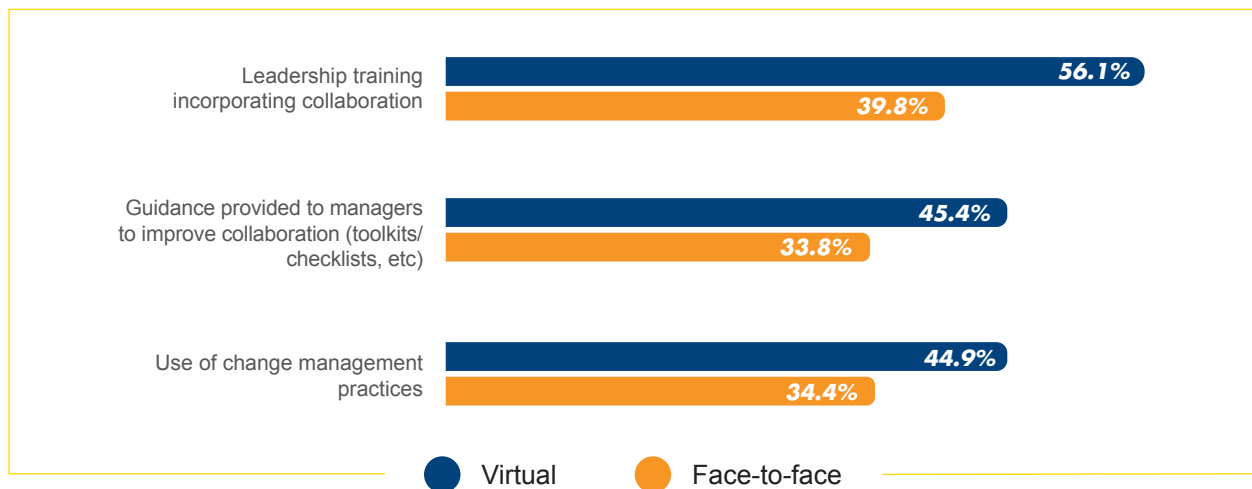
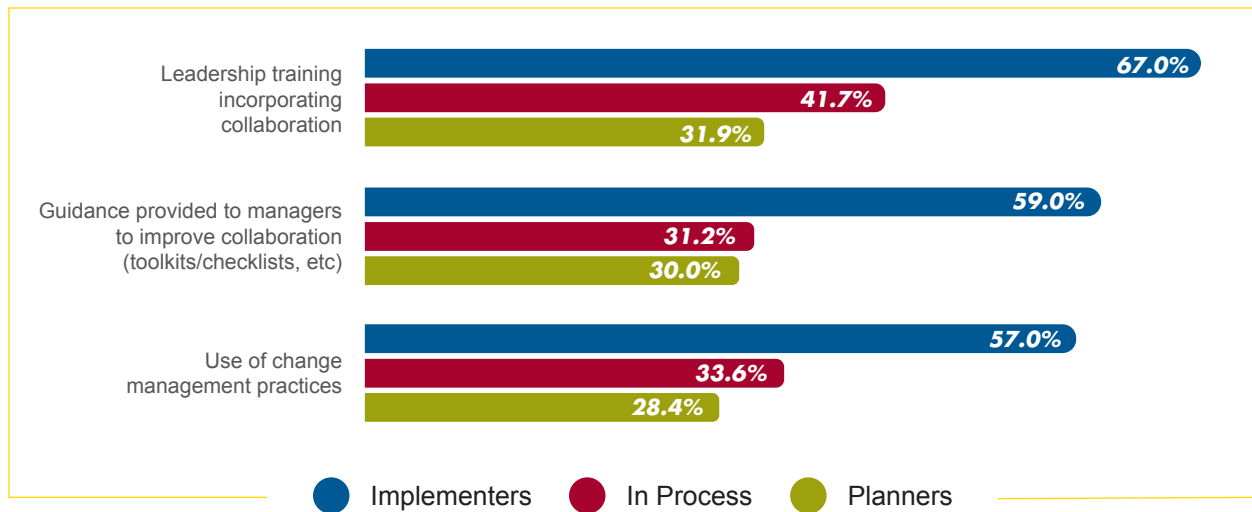
» Use change management best practices, including articulating the need and reasons for change and keeping everyone properly informed.

When leaders recognize the need for change and act accordingly, they can help affect change among their direct reports. Including collaboration in leadership development drives home the importance of working together to achieve business objectives. Toolkits provide guidance as needed, while following change management best practices helps minimize challenges to culture change.

These three changes to management strategies are effective at improving collaborative culture efforts. Implementers and Virtual organizations explicitly testify to the effectiveness of these strategies. For example, 67% of Implementers say leadership training that includes collaboration has proven effective in their efforts, compared to 41.7% of Starters or 31.9% of Planners (Figure 6).

FIGURE 6:

Effectiveness of changes to management strategies on collaborative culture efforts (by survey group)



ENCOURAGING LEADERS AND EMPLOYEES TO BREAK DOWN SILOS

Leadership buy-in is essential for workplace collaboration. Without senior leadership support, collaboration initiatives can't move forward. But leaders aren't the only ones who need to internalize collaboration — employees do too.

As the backbone of any organization, employees can advance organizational objectives better collectively than individually. When employees understand how their role fits, their work better aligns to the organization's vision. On the other hand, when employees are siloed, their ability to work collaboratively is diminished and strategic alignment isn't possible. **In the survey open comments, many respondents identified a siloed work mentality as one of the biggest roadblocks to fostering collaboration.**

Q: what is the primary obstacle at your organization that impedes fostering a culture of collaboration?

A: our teams working in silos to achieve their own goals/vision, as opposed to working collectively.

— Survey respondent, Starter organization, open comments

Many survey respondents recognize the positive contributions employees have both on customers and business outcomes (Figure 7). Greater and more productive collaboration will only increase these outcomes.

FIGURE 7:

How employees impact the organization (all organizations)

Employees at my organization have a positive impact on our customers

94.5%

Employees at my organization feel that their work is meaningful

82.5%

Employees at my organization buy into the value of collaboration

78.0%

Employees at my organization can bring up problems and tough issues

71.7%

Leaders must address the prevalence of work silos if they hope to advance collaboration and culture change. Once buy-in exists, leaders can address breaking down silos within the enterprise or business unit.

Tactics for fostering collaboration by empowering employees and breaking down silos include the following:

» Give more responsibilities to employees who demonstrate competence.

» Include empowerment in employee training at various levels.

» Publicly recognize examples of employee empowerment to demonstrate this expectation.

» Change performance review variables to encourage this behavior.

» Remove layers of approval for decision making.

MAKING TECHNOLOGY WORK FOR YOU (NOT AGAINST YOU)

Now is the time to invest in workplace technology for collaboration. A recent survey suggested that a third of workers called their workplace's technology *outdated*. Further, workers waste an average of 22 minutes each day on workforce technology problems.⁵ Taking the time to upgrade systems with the goal of using technology to increase employee collaboration will help organizations in their collaboration efforts. Research suggests that as much as 30% of the workforce could be working from home multiple days a week by the end of 2021.⁶ Upgrading technology will prove especially useful as more organizations incorporate remote working practices.

But technology shouldn't be implemented without purpose, or an understanding of adoption challenges. **Fostering collaborative cultures requires thoughtful implementation of technology.** Used correctly, technology can potentially increase collaboration, whether employees are in the same office or working with counterparts in remote offices. Technology can break down silos, allowing for more frequent communication and transparency within the organization. But without intention behind technological adoption, efforts to foster collaboration through technology will fail.

Q: What is the primary obstacle at your organization that impedes fostering a culture of collaboration?

A: [There's a] gap between the technologies and how people understand them. [We also have an] overflow of platforms and no clear leadership to show how to make the most out of them.

— Survey respondent, Starter organization, open comments

Organizations have tried many different technology solutions to increase workplace collaboration. This includes the following:

» Office chat programs.

» Virtual environments.

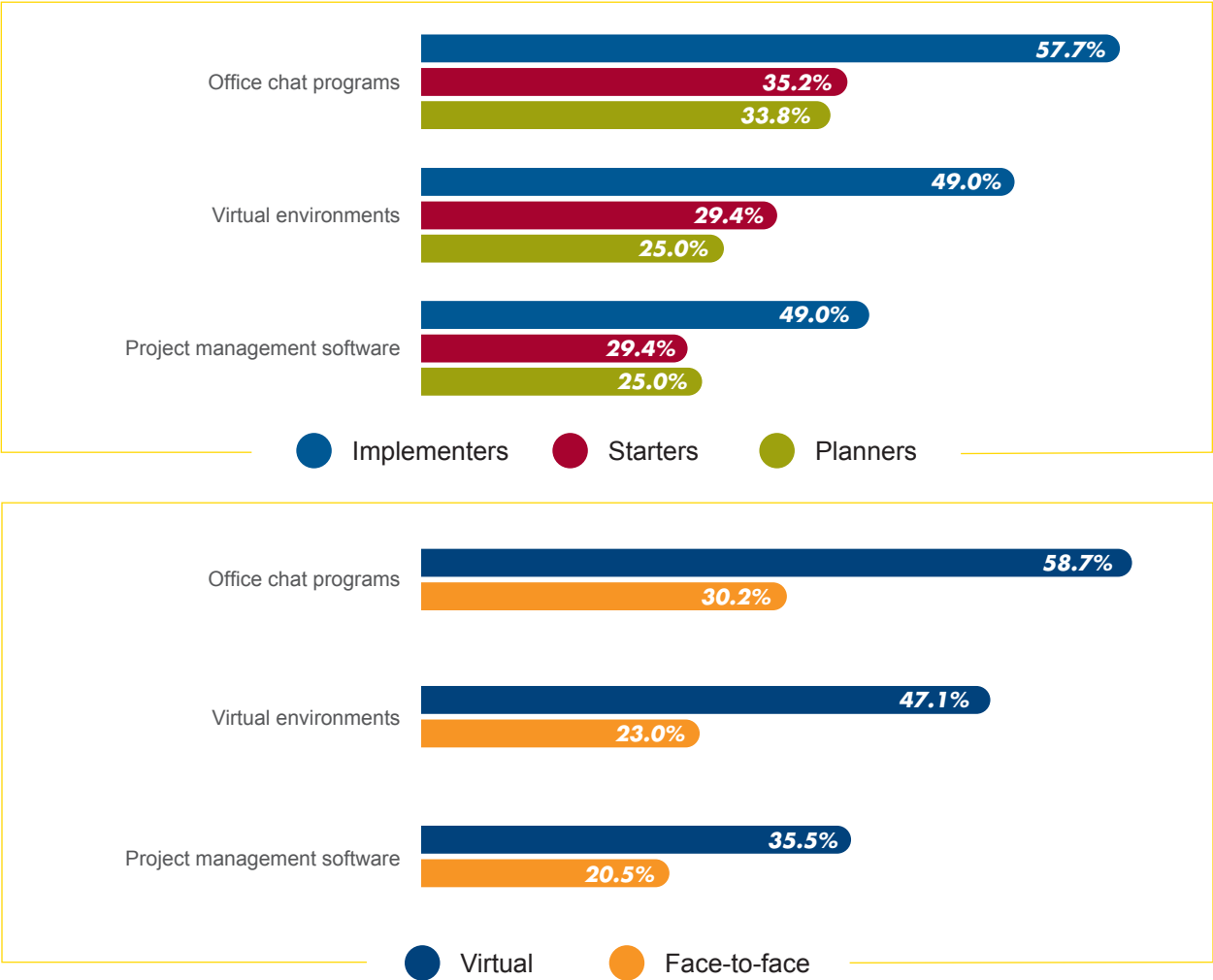
» Project management software.

⁵Fox, F. (2020). *Exclusive workplace experience survey cites need for better technology*. Envoy.

⁶Lister, K. (2020). *Global work from home experience survey, key findings*. Global Workplace Analytics.

Implementers and Virtual organizations are ahead of the curve in achieving positive outcomes with all these technologies. From office chats to virtual environments, Implementers and Virtual organizations are 15-20% more likely than Planners, Starters, or Face-to-face organizations to find their technology implementation effective in increasing collaboration than other survey groups (Figure 8).

FIGURE 8:
Effectiveness of changes to technology on collaborative culture efforts (by survey group)



Why are some technologies more effective than others? The things that connect people are often more effective than the very involved software solutions that might require additional training. Technology should be intuitive to a degree — without proper training employees will resist anything with a steep learning curve.

Complex software will often face adoption issues if employees don't immediately see the value in the application. For example, while office chat programs are easier to grasp, project management software might have a steeper learning curve — and thus face more employee resistance. Nearly 40% of all organizations (38.4%) say that resistance from employees is a challenge to overall culture development efforts, which includes how technology is adopted.

For more successful implementation, new technologies should be framed as change management tools. Work with employees to bring them on board and involve them in the process of learning and using any new technology.

NEED TO ENACT CHANGE? START BY TALKING (NOT EMAILING)

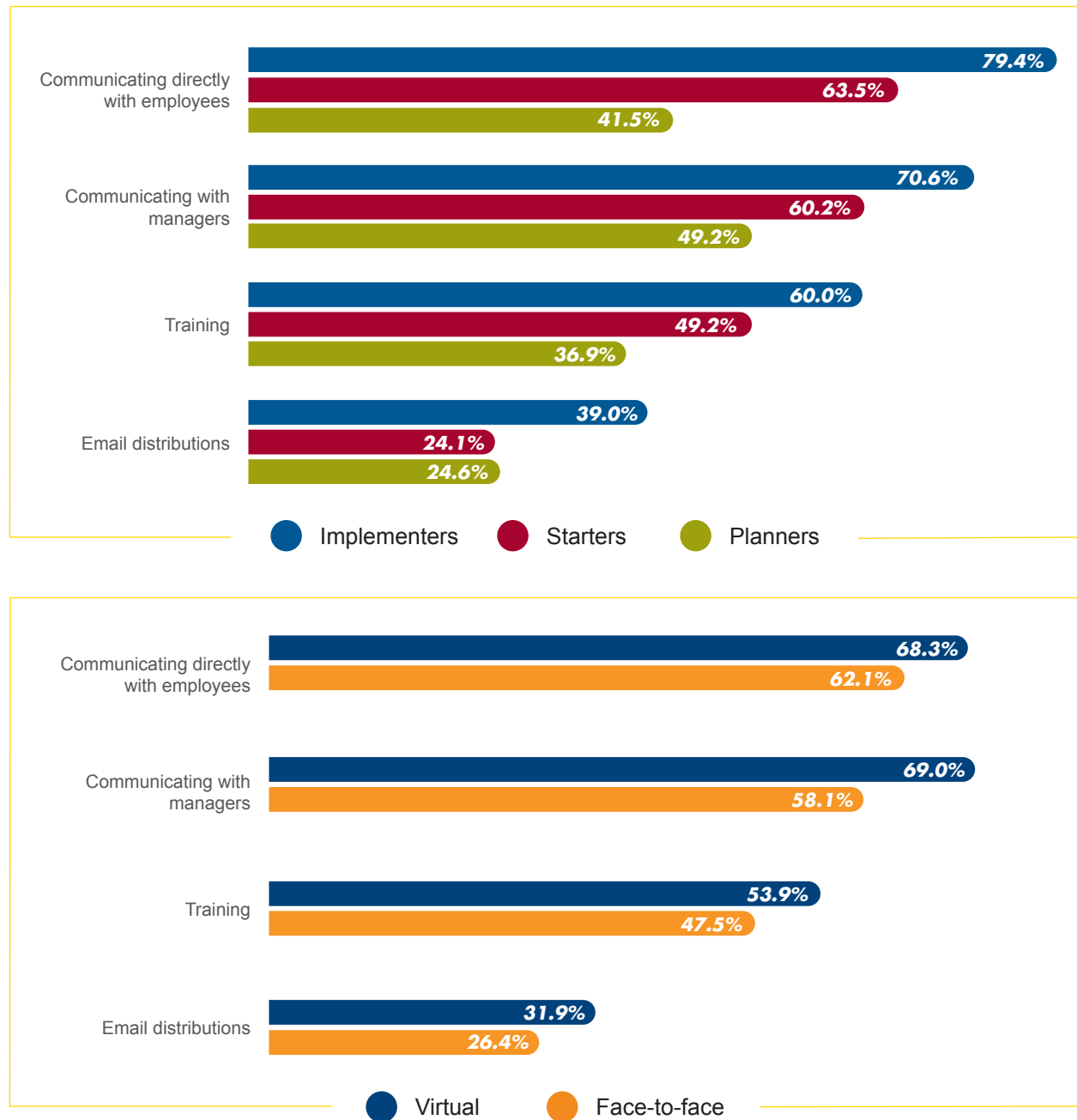
At its core, collaboration is about working together, sharing ideas, and soliciting feedback among teammates. **Collaboration requires open, honest, and frequent communication.** Employees need a shared understanding of organizational goals and how they can contribute, which helps align their work to the organization's mission. Strategic alignment can be achieved by working together. This means communication needs to happen effectively.

While technology can be used for communication, collaboration initiatives can and should go beyond email. Email might reach a large audience, but it isn't the most effective way to enact real change. Personal communication between managers and employees is more effective — and also demonstrates leadership buy-in first-hand.

Among all respondents (but especially Implementers and Virtual organizations), direct communication is more effective than email in preparing employees for change. Email communication lagged in effectiveness among all survey groups (Figure 9).

FIGURE 9:

Effectiveness of communications methods in preparing employees for change (by survey group)



Organizations should prepare employees for change through direct communication whenever possible. Email can supplement personal discussions, but it shouldn't be used as the sole means of communicating with employees to prepare them for culture change.

DEDICATING PHYSICAL SPACES TO COLLABORATION

While changing employees' hearts and minds may take time, thoughtfulness and attentiveness to the physical space workers occupy can also increase collaboration across the enterprise.

Historically, offices were designed to fit management styles or conform to the limits of the space. These days; however, there's more to consider in office design. Organizations now have more options to choose from than ever before, including open office designs, collaborative workspaces, or rooms that facilitate interactions with remote workers. But among this wealth of options, what are the best choices? When deciding how to design the physical space to achieve maximum collaboration, what should organizations look for?

Tactics to improve collaboration through changing the workplace include the following:

» Having dedicated collaborative spaces in the office.

» Hot desking (having employees share office space rather than giving each their own desk).

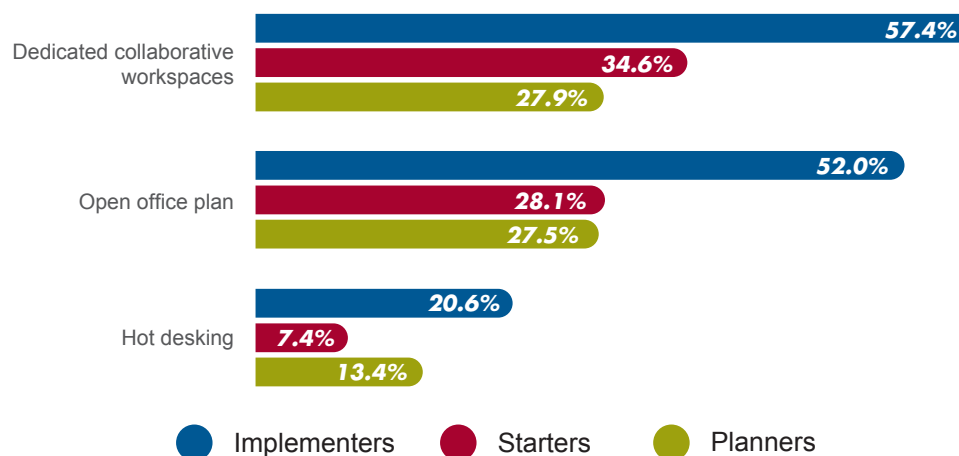
» Transitioning to an open office floor plan.

Dedicating offices or areas as collaborative workspaces is one of the most effective things organizations can do to encourage collaboration by addressing the physical space. Such workspaces can ease collaboration between office employees or accommodate any mix of in-office and remote workers.

This is especially true for Implementers, who are 20% more likely than Starters to identify collaborative workspaces as effective (Figure 10).

FIGURE 10:

Effectiveness of specific changes to physical environment on collaborative culture efforts (by survey group)



A note about open office floor plans. Recent research suggests that open offices limit productivity and face-to-face interaction.⁷ However, our survey respondents said the opposite; 52% of Implementers said open office floor plans were effective on their collaborative culture efforts. It's possible that success with open office plans will come in conjunction with direct communication and other initiatives designed to foster collaboration. More research is needed.

ANTICIPATING AND MITIGATING COLLABORATION CHALLENGES

As organizations move forward with efforts to foster more collaboration, they must be aware of the risks, roadblocks, and challenges that come with culture change. Identifying potential challenges helps organizations meet roadblocks head-on.

Potential roadblocks to collaborative culture change include the following:

» Culture change efforts may increase cross-functional conflict.	» Employees may be confused about expectations. » Culture change efforts might be inefficient.	» There may be a lack of leadership buy-in for change efforts. » Employees may resist culture change.
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Proper leadership development around collaboration especially has a trickle-down effect. Effective leader development and buy-in can help leaders communicate the importance of collaboration to the line level. On the other hand, if managers and leaders haven't bought into culture change, they can be the organization's greatest obstacle to fostering a more collaborative culture.

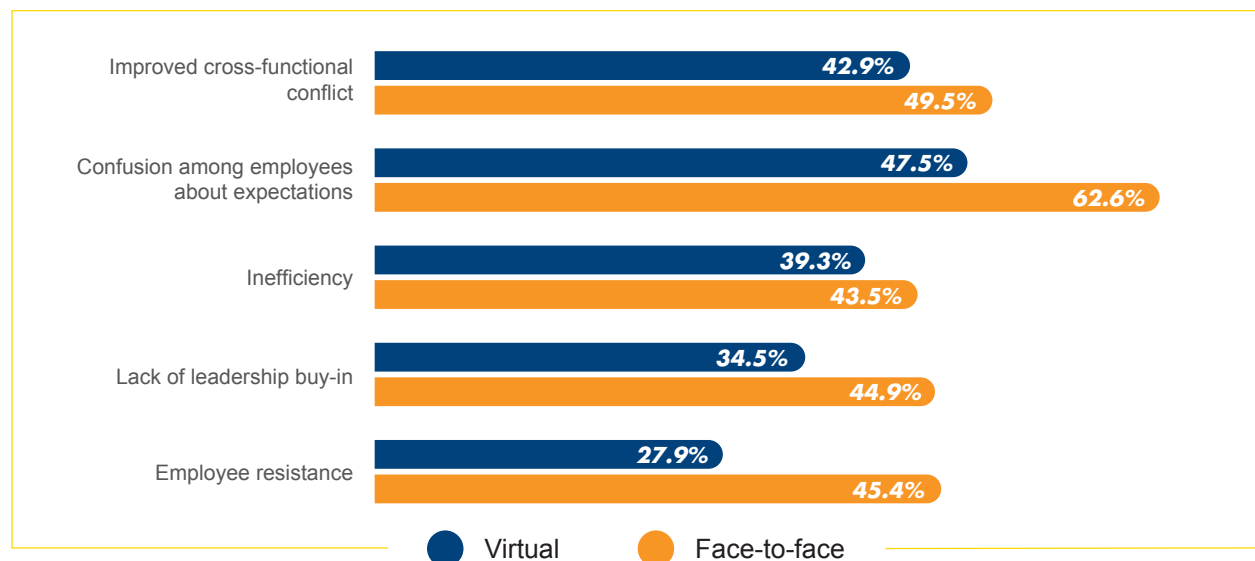
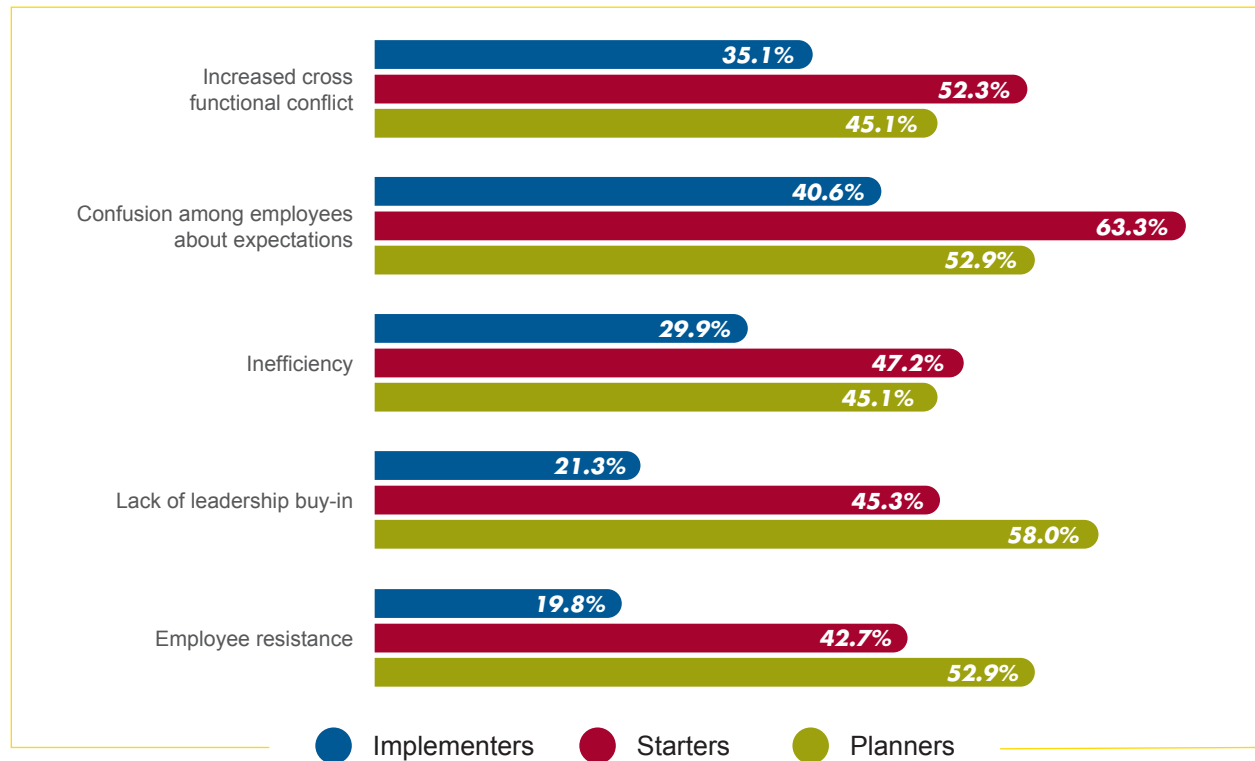
Organizations shouldn't let these challenges stop them from deploying collaboration initiatives. In the end, a more collaborative culture will help employees do their jobs better. Creating a strategy before deploying an initiative can help mitigate possible challenges. The strategy should include employees' voices and concerns in the conversation. By involving and influencing (rather than instructing), leaders can build employee buy-in for any new initiatives. Employees are more likely to accept change when they know it's coming and have been given the chance to communicate their concerns beforehand.

Having a strategy or roadmap to affect culture change can help address issues as they arise. As evidenced, Implementors reported fewer challenges than all other organizations — in part because they've already executed their strategy (Figure 11).

⁷Bernstein, E., and Turban, S. (2018). "The impact of the 'open' workspace on human collaboration." Phil. Trans. R. Soc. B37320170239

FIGURE 11:

Top challenges to collaborative culture efforts (by survey group)



Q: How did your organization address challenges as they arose?

A: Increased focus on communicating the why.

— Survey respondent, Implementer organization, open comments

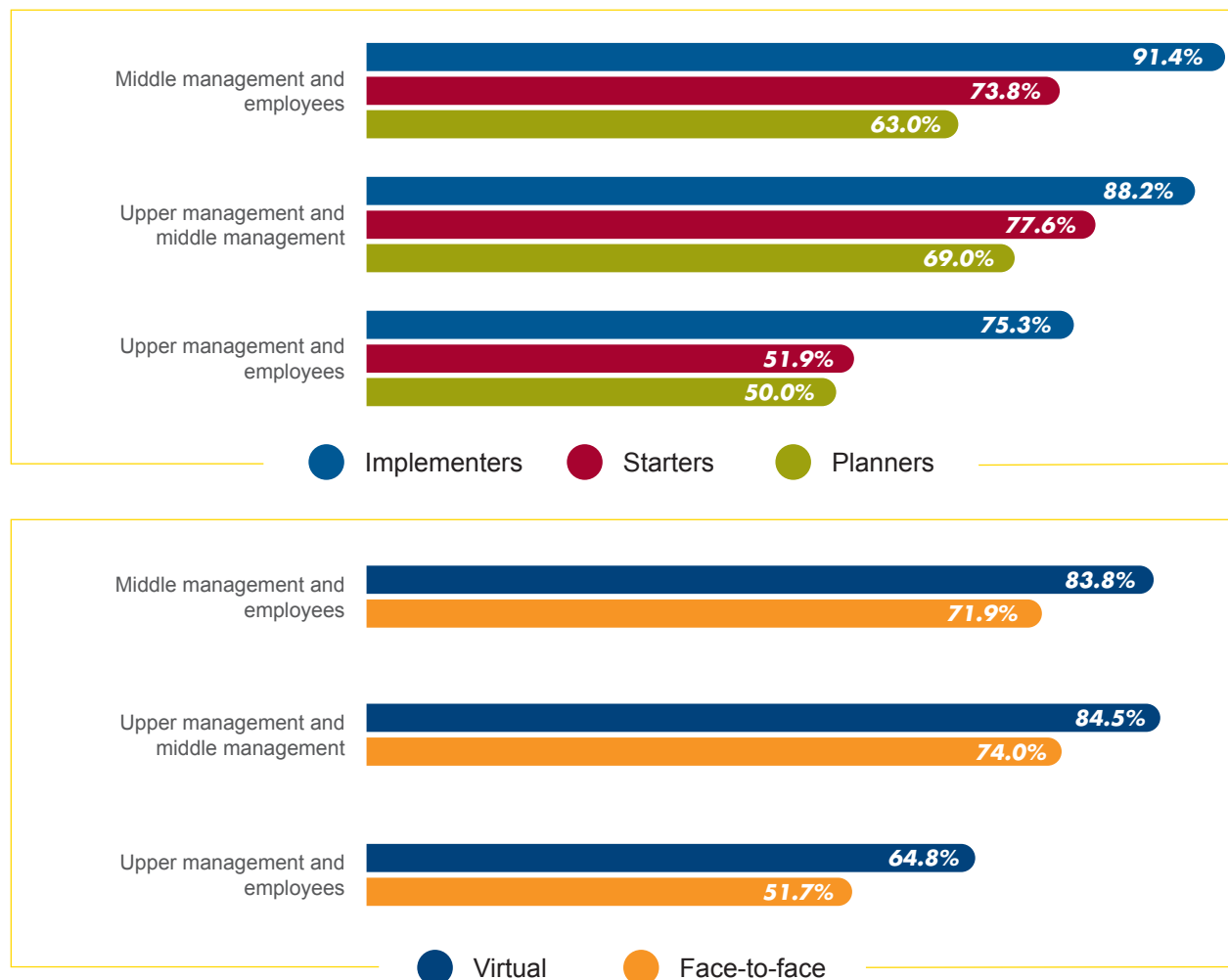
BEATING ROADBLOCKS BY BUILDING TRUST

Collaborative cultures have the potential to create a great deal of trust between employees and managers. **Trust is a critical component to successful collaboration and has been demonstrated to impact performance in teams.** Research suggests that trust alone accounts for nearly 10% of variance in performance — an effect that is even stronger for virtual teams.^{8,9}

The differences between survey groups here are stark. While the majority of all organizations say there exists a great deal of trust between various employee levels, a great deal more trust exists for Implementers and Virtual organizations (Figure 12).

FIGURE 12:

Where trust exists between employee groups (by survey group)



⁸De Jong, B. A., Dirks, K. T., & Gillespie, N. (2016). "Trust and team performance: A meta-analysis of main effects, moderators, and covariates." *Journal of Applied Psychology*, 101(8), 1134.

⁹Breuer, C., Hüffmeier, J., & Hertel, G. (2016). "Does trust matter more in virtual teams? A meta-analysis of trust and team effectiveness considering virtuality and documentation as moderators." *Journal of Applied Psychology*, 101(8), 1151.

Leaders need to understand why employees may resist culture change. Resistance is often rooted in fear — sometimes employees need assurance that the change won't affect their job security. Employees need to know that they'll be trained on any new initiative. Often, employees want to be heard or involved in the process, or feel their concerns have been heard. **Communicating the why behind changes gives employees greater insight into the big picture of how their role and the changes that may come to it fits into the organizational strategy.**

In short, it's important to understand the employees' motivations and fears to properly build trust and manage resistance. **Tactics to build trust with employees include the following:**

- | | |
|--------------------------------------|---|
| » Be open and honest with employees. | » Be approachable. |
| » Admit mistakes when they happen. | » Show respect — trust is a two-way street. |

CONCLUSION

Fostering a culture of collaboration builds trust among leaders, managers, and employees, which can translate to higher engagement levels, greater productivity, and greater initiative within the workforce.

There are ways to build trust, develop leaders, improve engagement, and foster collaboration by being purposeful about working together. Including change management in leadership development creates buy-in for culture change. Securing leadership buy-in means organizations can leverage leaders as collaboration champions. Eliminating workplace silos helps organizations work more collaboratively. Using communications tools and face-to-face conversations develops trust between employees and managers. When employees understand the why behind culture change and have opportunities to give input, there's greater trust and less resistance for culture change. Employees need to know where they fit into the enterprise and how they can contribute to organizational goals.

While those without a plan forward have yet to see the benefits of improved collaboration, organizations that have already tried (and succeeded) developing more collaborative cultures leave behind examples for others to follow. These organizations have communicated the importance of collaboration to leaders, implemented technology with thoughtfulness and purpose, and communicated frequently with employees to build trust and empower workers with the knowledge of how they contribute to the mission. As a result, they've experienced greater employee engagement levels and increased revenue, while experiencing fewer roadblocks to change.

This is especially true of organizations whose workers are mostly remote. Without a physical space to hamper their efforts, virtual organizations must build their cultures from the ground up. This gives those companies the freedom to try new things as they seek better collaboration among business lines.

Organizations can take cues from these two survey groups — implementers and virtual organizations — as they're tasked with bettering collaboration. Give thought and purpose to the space you occupy, the technology you use, the leadership and technical development you give to your managers, leaders, and employees, and the way you communicate about your efforts to improve collaborative culture. At the end of the day, **being purposeful yields results.**

HOW CAN I MAKE MY ORGANIZATION'S CULTURE MORE COLLABORATIVE? A GUIDE

Gain buy-in among leaders and managers.

- » Include collaboration, shared leadership, and strategic alignment in leadership training materials.
- » Instill the importance of collaboration in leaders through development.
- » Provide toolkits or checklists about collaboration to managers and leaders.
- » Use change management best practices.
- » Adjust management strategies to encourage collaboration.

Empower employees and break down silos.

- » Give more responsibilities to employees who demonstrate competence.
- » Include empowerment in employee training at various levels.
- » Publicly recognize examples of employee empowerment to demonstrate this expectation.
- » Change performance review variables to encourage collaboration.
- » Decrease levels of approval for decision making.
- » Help employees understand the need for change.

Incorporate technology thoughtfully.

- » Make office chat programs available for instant communication.
- » Use virtual environments where appropriate.
- » Add project management software to the mix if needed.

Communicate change management efforts directly with leaders, managers, and employees.

- » Supplement direct communication efforts with email.
- » Communicate frequently.

As necessary, redesign offices for collaboration.

- » Have dedicated collaborative spaces within the office.
- » Use hot desking where appropriate.
- » Transition to an open office floor plan if necessary.

Plan and execute a thoughtful strategy to mitigate challenges.

- » Leverage leaders as change champions.

- » Make employees aware of how they can contribute to organizational goals.
- » Give employees a say in change management.
- » Encourage employee buy-in.

Build trust within managers and employees to encourage collaboration and initiative.

- » Give high-performing employees the chance to innovate and perform above their job functions.
- » Be open and honest with your employees.
- » Admit mistakes when they happen.
- » Be approachable.
- » Show respect — trust is a two-way street.
- » Give employees a role and voice in change management.
- » Help employees understand how their role aligns to the organization's mission.

Appendix

Demographics in Full

Survey name

Fostering Collaborative Culture

Survey dates

December 2019–January 2020

Number of respondents

580

Organization size

Less than 1,000: 60.9%

1,000–2,499: 12.2%

2,500–4,999: 5.8%

5,000 or more: 21.2%

Geographic distribution

One country, one location: 34.7%

One country, multiple locations: 37.6%

One country, some global distribution: 12%

Highly distributed: 15.7%

Virtual nature of organization

41.2% of respondent organizations have a mostly virtual workforce.

About

Drexel LeBow College of Business

Drexel University's LeBow College of Business is a top-ranked, AACSB-accredited business school offering undergraduate, MBA, MS, DBA, PhD and corporate and executive programs, including part-time and online graduate programs that have been ranked among the top 20 globally. Housed in Gerri C. LeBow Hall at the heart of Drexel's University City campus, in Philadelphia, PA, LeBow enrolls approximately 3,000 undergraduates, 800 master's and 100 doctoral students across all major business disciplines, including an Executive Doctorate in Business Administration (DBA), and boasts a vibrant global alumni network of over 40,000. The College is a leader in research and experiential education and maintains strong industry ties through Drexel's cooperative education program and innovative talent and R&D partnerships, including the Drexel Solutions Institute.

For more, visit <https://www.lebow.drexel.edu/executive/research>.

To contact the Drexel Faculty Research Lead or Executive Education at Drexel University:

Lauren.Dinnocenzo@drexel.edu

Lauren D'Innocenzo, PhD, Associate Professor of Organizational Behavior

Krisrisi@drexel.edu

Kris Risi, MBA, PhD, Associate Dean, Corporate, Executive Education, and Innovation

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For inquiries contact Grey Litaker, director of research: glitaker@humancapitalmedia.com



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