



## AUDITING ORGANISATIONAL CULTURE

A strong organisational culture is the backbone of a successful business. It not only enhances performance and productivity but also ensures long-term sustainability and growth. This toolkit will provide advice and guidance on how to carry out an audit of your organisation's culture.

### What is company culture?

Company culture is, put simply, the standards, beliefs and behaviours of an organisation and its employees, the personality of the company. Company culture is the embodiment of how company goals are achieved through the rules of engagement, formal and informal, for employees, leaders and customers.

Company culture is illustrated by the experience of customers and employees as well as the company's reputation in the marketplace. Successful companies will build a sense of belonging, an understanding that you are respected for customers and employees alike.

It has many components; all can have a positive or negative effect on company performance that can manifest by changes to:

- Company productivity

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- Company profits
- Employee attraction, sickness levels, attrition
- Customer service
- Customer loyalty
- Innovation

It is therefore important to understand, grow and monitor a positive company culture.

### Why do an audit?

The answer is simple, you can't change what you don't measure. Understanding the status of your company culture also becomes critical in these times of hybrid and flexible working. This doesn't have to be a complicated exercise; using company results and initiating an employee/customer questionnaire can build a baseline view of any company that can then be tracked to give a holistic view of company performance.

Setting a baseline culture score will allow you to identify problem areas, gaps and good practice so you can create a meaningful and actionable plan to take necessary corrective actions before any underlying issues can have serious repercussions for your company.

Additionally, the act of undertaking a culture audit can build a stronger company culture as employees see their company taking proactive steps to assess, improve company culture. This in turn can lead to increased employee loyalty, increased employee retention and, if these actions are made visible externally, can build the company reputation and help you become an 'Employer of Choice'.



### Where to start?

There are many ways to start a culture audit, and you can do additional research beyond this document to select a method that will work best for your company.

A culture audit is an evaluation of your company's culture across a range of factors, and can include areas such as:

- Company Vision, including Mission Statement and Strategy, including ED&I (Equality, Diversity & Inclusion) Strategy
- Company Goals and Objectives/Measures
- Productivity and Performance levels
- Company Policies supporting Employees and Customers
- Working Environment
- Employee Satisfaction, Promotion Rates and Retention levels
- Customer Satisfaction and Retention levels
- Company reputation

## First steps

There are many options available to creating and completing a culture audit including asking an external auditor/organisation to complete this exercise on your behalf. If you choose to take this option, remember you will need to work with the external auditor to understand what is to be measured and:

- How results are stored
- Actions are identified and tracked
- How the exercise can be repeated

The steps above also apply if you wish to create and run your culture audit internally.

### Remember to:

- Document any known areas of concern before starting the process
- Document any measures you have previously taken that you believe have had or will have a positive effect on your organisation's culture



## The audit process

As above, the audit can focus on some of the areas below (not an exhaustive list):

- Company Vision, including Mission Statement and Strategy, including ED&I (Equality, Diversity & Inclusion) Strategy
- Company Goals and Objectives/Measures
- Productivity and Performance levels
- Company Policies supporting Employees and Customers
- Working Environment
- Employee Satisfaction, Promotion Rates and Retention levels
- Customer Satisfaction and Retention levels
- Company reputation

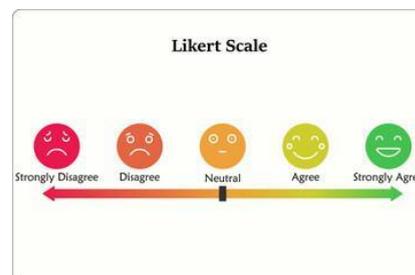
An excellent starting point is to assess the list below using an Employee Survey:

- Company Vision, including Mission Statement and Strategy, including ED&I (Equality, Diversity & Inclusion) Strategy
- Company Goals and Objectives/Measures
- Company Policies supporting Employees and Customers
- Working Environment
- Employee Satisfaction, Promotion Rates and Retention levels

## Some useful examples of Employee Survey questions are:

- Do you know our [Org Name] Company Vision and Strategy, or do you know where to find these?
- Do you know our [Org Name] Goals and Measures, or do you know where to find these?
- Do you know our [Org Name] ED&I Strategy, or do you know where to find this?
- How do you rate [Org Name] Leadership?
- Do you feel that you belong at [Org Name]?
- Do you believe that [Org Name] believes and promotes a culture of respect and integrity at all levels of the Organisation?
- Do you feel that you are supported by your Line Manager?
- Do you feel that you and your team have a common goal?
- Do you feel your career ambitions can be met or exceeded at [Org Name]?
- Do you want to be working at [Org Name] 24 months from now?
- Do you believe that your talents are best used in your current role?
- How satisfied are you with your work-life balance?
- How do you feel [Org Name] supports your work-life balance?
- Do you believe that any actions identified from this questionnaire will be actioned by [Org Name]?
- Do you believe that all [Org Name] employees have equal opportunities to grow and progress their career?
- Do you believe [Org Name] policies and procedures are consistently and fairly applied to all employees?
- How do you rate [Org Name] employee morale?
- How do you rate [Org Name] employee job satisfaction?
- Do you feel that [Org Name] recognises and rewards you fairly?
- Do you feel that [Org Name] promotes a culture of inclusivity and innovation where every voice is heard?

It should be noted that anonymous Employee Surveys are recommended as they will attract more open and honest feedback. All of the above questions, or the questions you choose to best assess employee experience, can be structured to give a score from 1-10 or a Likert scale such as the examples below.



- strongly agree
- agree
- neutral
- disagree
- strongly disagree

A selection of the above questions can also be used to survey your customer base alongside some wider questions, appropriate for your customer base, such as:

- On a scale of 1 to 10 (or using the Likert scale):
- How satisfied are you with [product/service]?
- Would you recommend [product/service] to friends and family
- How would you rate the helpfulness of our customer service representatives?
- How satisfied are you with the pricing of our [product/service]?
- Do you view [Company Name] as a leader in promoting ethical behaviour
- Do you view [Company Name] and as a champion of social causes
- Do you view [Company Name] as a brand you can trust

### Action Plan

The last step in creating your baseline view is to take the results from your employee and/or customer questionnaire plus Company results to build an initial report on Company Culture. The report will also highlight areas requiring further work to address any areas of concern. Setting up small working groups, using employee focus groups from all levels of the Company is a great way to discuss results and build trackable action plans.

The last step is to work through the action plan, completing the actions so that, for example, 12 months later, the questionnaires and Company results can be re-run to show progress, highlight areas that need more work.



## Additional Notes

[Questionnaires Best Practice](#)

[Case Study | Barclays Bank - Auditing culture](#)

## References

[Culture Audits: 3 Tips for Assessing Your Corporate Culture | AuditBoard](#)

[18 Factors For Effectively Measuring Company Culture \(forbes.com\)](#)

[How Do You Measure Company Culture? \(forbes.com\)](#)

[What is a Culture Audit? Tips and Best Practices \(connecteam.com\)](#)

[How to audit culture | ICAEW](#)

## ENJOYED THIS CONTENT?

You might also like to:

- [find out more about BITCNI's diversity and inclusion work](#)
- [learn more about Diversity Mark's initiatives and events](#)
- [join us for one of our upcoming Inclusive Insights sessions](#)