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A silhouette of a person on a ship's deck, using a sextant to measure the sun's position against a sunset sky. The person is on the right side of the frame, looking towards the horizon. The sky is a mix of orange, red, and blue, with the sun just below the horizon. The ocean is visible in the background. The ship's railing is in the foreground on the left.

Shaping Coast Guard Culture to **Enhance** the Future Workforce

MICHELLE D. ZIEGLER, AARON C. DAVENPORT, SUSAN A. RESETAR,
SCOTT SAVITZ, KATHERINE ANANIA, MELISSA BAUMAN, KARISHMA PATEL

Perspective

EXPERT INSIGHTS ON A TIMELY POLICY ISSUE

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The Homeland Security Act of 2002 authorizes the Secretary of the Department of Homeland Security (DHS), acting through the Under Secretary for Science and Technology, to establish one or more federally funded research and development centers (FFRDCs) to provide independent analysis of homeland security issues. The RAND Corporation operates the Homeland Security Operational Analysis Center (HSOAC) as an FFRDC for DHS under contract HSHQDC-16-D-00007.

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To cultivate an effective future workforce, the U.S. Coast Guard is purposefully considering ways to reshape its organizational culture. The service wants its 2030 workforce to have greater technological fluency, human-centric skills, and the ability to develop new skills and capabilities within the force.¹ The Coast Guard's organizational culture—the behavioral norms and shared values consistently exhibited by its personnel—will play a critical role in creating an environment in which the workforce can put those skills into action. However, the service is increasingly concerned that its current policies for managing personnel, a homogeneous workforce, and the way it prioritizes specific skills could, over time, become barriers to fostering the workplace culture required to meet future challenges. Changing parts of the culture of a large, complex organization is difficult; doing so in the Coast Guard requires the service to address recruiting, training, retaining, and empowering the future workforce.

To realize its workforce objectives, the Coast Guard will need to identify the aspects of its cur-

rent organizational culture that it wants to retain, recognize which aspects require change, and make a plan to overcome any cultural barriers to achieving the desired change. The overall goal of this report is to inform the effort for culture change in the Coast Guard by stimulating thoughtful exploration of how the Coast Guard can adapt its culture to cultivate a more agile, adaptable, and diverse future workforce. The narrative steps through the basics of organizational culture and how it can be important, then focuses on the opportunities and barriers for the Coast Guard that were identified in workshops. Because some examples and lessons learned might come from organizations with which the service is not often compared, the narrative also lays out examples of how to use similar, underlying organizational traits for determining whether another organization's efforts and lessons learned might benefit the Coast Guard. Finally, this Perspective highlights necessary elements of the change-management process to maximize the potential of recruitment, retention, career development, and modernization practices. Dispersed throughout are

intriguing accounts from naval historians, agency leaders, business executives, and other sources of how other organizations have deliberately leveraged organizational culture with the goal of shaping outcomes related to what Coast Guard members have identified as needed for the future of the force.

What Is Organizational Culture, and Why Does It Matter?

Culture is what keeps the heart beating. Organizational culture is your company's DNA, a sequence of millions and millions of data points that in its entirety makes a living, breathing corporate organism. It is the intangible sum of an organization's history, principles, traditions, actions, language, perks, policies, accomplishments, failures, procedures, ambitions, fears, expectations, values, benefits, and leadership, among other things. Organizational culture, if done well, guides your team towards the right decisions in the absence of direction. If done poorly, culture becomes a cancer that drains morale and drives up risk.²

There are many definitions of and nuances surrounding organizational culture, but they gener-

ally relate to the behavioral customs and common values regularly demonstrated by an organization's personnel. These behavioral norms and shared values are established consciously and unconsciously through common experiences and interactions over time, such as through leadership, communication and language, expectations, values, customs, and practices. An organization's culture is not homogeneous—a large organization might have many subcultures—nor is it necessarily static over time.³ Some key aspects of culture should be highlighted:

- First, even though a group's culture evolves over time, culture provides a level of stability to an organization.
- Second, the more deeply that culture is ingrained in a group—often in ways that are not necessarily visible—the more stable it likely is.
- Finally, culture is comprehensive: It is present in all functions of a group or organization and furnishes an overarching frame for engaging and operating within the broader environment, which provides consistency and predictability to individuals.⁴

An organization should care about its culture because culture determines how people apply or operationalize policies and procedures to pursue the organization's mission and how people respond to change. In effect, culture serves as a control mechanism that encourages people to act in ways that will achieve the organization's mission objectives and

Abbreviations

HSOAC	Homeland Security Operational Analysis Center
USSF	U.S. Space Force
VA	U.S. Department of Veterans Affairs

contribute to its survival, as well as keep those who would not effectively contribute or thrive from joining or staying. It follows that a successful organization would align its culture with its strategy and structure.⁵

Regardless of level or location, culture is important because it can powerfully influence human behavior, because it can be difficult to change, and because its near invisibility makes it hard to address directly. Generally, shared values, which are less apparent but more deeply ingrained in the culture, are more difficult to change than norms of behavior.⁶

Evergreen Workshop Participants Cited Cultural Barriers to Attracting and Adapting to the Workforce Needed for the Future

Project Evergreen is the Coast Guard's program for exploring potential scenarios that could occur decades in the future and analyzing how the Coast Guard can prepare for those scenarios to reduce future risks. Nearly half of Project Evergreen's eight Pinecone workshops conducted between 2018 and 2021 revealed that the Coast Guard's future workforce and culture are central to meeting a wide array of anticipated challenges. This Perspective builds on several of the common themes that connect to organizational culture, as identified in the multiple workshops. Participants specified several examples in which the service needs to evaluate and address

aspects of the organizational culture by 2030 and how that culture could support or hinder the identified goals and changes:

- **technological fluency.** As information technology and data science become more pervasive, the Coast Guard will need to cultivate a culture that embraces and enables a workforce that can more effectively work with both, even as technology obviates the need for people to perform some routine tasks. People at all levels of the organization will need to exceed a “high floor” for technical skills in diverse fields to be able to leverage these technologies and to contribute effectively. And the service will need a culture that empowers it to regularly adopt and adapt to the changing availability of various technologies and data analytics.⁷
- **human-centric skills.** Even as technology eliminates some roles, the need will only increase for personnel who are not only trained but also encouraged and empowered to do what technology cannot, such as build partnerships, creatively solve problems, apply judgment, and cultivate leadership.
- **adaptive and evolving skill sets.** The pace of change in the technological and operational environments will require fostering a climate that embraces continuous learning and personnel who can build multiple skill sets over the course of their careers, both through

formal training and through informal experience and mentoring.

Project Evergreen V

Project Evergreen employs scenario-based planning to identify strategic needs for incoming service chiefs, with the goal of supporting executive leaders in their roles as the Coast Guard's strategic decisionmakers.

The topic of this report emerged in a series of workshops with Project Evergreen strategic foresight subject-matter experts that were conducted by the U.S. Coast Guard Office of Emerging Policy (DCO-X) from 2018 to 2021. Three of the workshops—Workforce 2030, Semper Adaptus, and Flash to Bang—explored how organizational culture relates to cultivating the desired workforce of the future, enabling the workforce to harness and employ the technologies aboard assets that are being developed and fielded, and utilizing these developments in the coming decades. Each workshop involved 20 to 70 participants from the Coast Guard, academia, government agencies, and the maritime industry.

Like previously published Perspectives from Project Evergreen, this Perspective is intended to provide an overview of a particular issue of concern and suggest potential changes based on the expertise of the participants and the authors.^a It is not intended to be an exhaustive, authoritative report but to spur thoughtful discussion and ideas and suggest where the service's senior leadership might effect change for the future of the force.

^a Resetar, Ziegler, et al., 2020; Davenport et al., 2020; Savitz, Davenport, and Ziegler, 2020.

Workshop participants enumerated several cultural barriers to developing these skill sets and an organization to employ them. The usual assumption is that Coast Guard culture is most closely tied to recruiting, training, and retaining, but culture also reflects the organization itself: how it embraces or resists change, how it empowers innovation or adheres to history, and how the priorities of the service align with the priorities of the people. The table in the appendix provides additional insights into the connections between the identified culture-related topics and the proposed needs for the Coast Guard in the future. Workshop participants listed three key cultural barriers:

- **valuing generalists over specialists.** Some point out that the service has historically focused more on creating and valuing generalists than specialists, as manifested in the assignment and promotion processes. The rigid processes for entry and departure provide few opportunities to bring in midcareer talent or to allow personnel to leave the service then return. Providing more flexibility and choice in Coast Guard career paths could help the service retain members with technical savvy, experience, and good judgment. The service can also do more to reward the skills that it wants to retain and to offer more-diverse career progressions that would enable personnel to take risks. In several Pinecones, “stitched careers” were identified as a way to retain certain skills and demographics, as well

as allow people to leave, gain new training and experience, and then bring that experience back to the service. However, these ideas are often in conflict with the “up-or-out” culture and policies, in which time away from active duty would result in a delay of advancement and no longer being eligible for a billet because of rank gaps, despite one potentially having exceptional skills in a particular area of focus. Placing greater value on knowledge, skill, and experience rather than on titles alone in assigning roles would also help to ensure that the strengths of the workforce are being effectively leveraged. In the words of RDML Grace Hopper, “The most dangerous phrase in the language is, ‘We’ve always done it this way.’”⁸

- **a culture that has not successfully enabled diversity and inclusion.** Despite a desire to further diversify the Coast Guard, the proportion of people at each rank who are from underrepresented groups declines as rank increases, ultimately resulting in a less diverse senior leadership (Office of the Under Secretary of Defense for Personnel and Readiness, 2020). The Coast Guard’s “Diversity and Inclusion: Action Plan 2019–2023” states,

To ensure we remain Ready, Relevant, and Responsive, we must continue to recruit and retain a highly skilled total workforce that reflects the people we serve. Diverse representation alone will not increase our readiness if we do not retain our diverse total workforce.

Inclusion in the workplace drives employee engagement and is paramount for attracting and retaining employees.⁹

In its final report, the Military Leadership Diversity Commission recommended making diversity a critical part of the service’s organizational culture and fostering a culture in which,

faced with a choice between two very different individuals of equal qualifications, he or she [a leader] must be ready to choose the person who best enhances the effectiveness of the work unit, knowing that diversity has the potential to improve the work of that unit. This “difference” could relate to race/ethnicity, gender, or religion, but it could also relate to educational background, specialty, or international experience.¹⁰

Although the Coast Guard has made strides in identifying and addressing diversity and inclusion challenges, because of such issues as subtle bias, people tend to hire and promote those who look like them.¹¹ This can result in potential recruits perceiving that the service is not inclusive. Because organizations seen as not inclusive can struggle to recruit a diverse population, the Coast Guard’s current lack of diversity likely limits its ability to draw from the largest pool of qualified candidates and harness diverse perspectives.¹² This representation problem is not only critical but also potentially growing, given that half the Coast Guard’s future recruiting pool

Decentralized Decisionmaking Can Provide Agility in Conflict

British Royal Navy Captains Lost Autonomy—and Battles—After Technical Advancements Enabled Centralized Control

Not all aspects of organizational culture should be changed. In one historical example, unwelcome culture change brought on in part by technological shifts had disastrous consequences for the Royal Navy. In the 18th and 19th centuries, Royal Navy fleets fought with little centralized direction, and captains had great autonomy. In key struggles, such as the Battle of the Nile (1798) and the Battle of Trafalgar (1804), fleets relied minimally on signal flags to coordinate their actions, recognizing that they could not depend on them in battle: The flags could be obscured by smoke, and the masts from which they flew could be knocked down. Moreover, winds and enemy action inevitably disrupted initial battle plans. However, captains knew the Royal Navy's doctrine, they knew the overall battle plan, and they knew each other. This shared understanding allowed them to continually and dynamically respond to the situation as it evolved, by adhering to their collective doctrine and their knowledge of what the plan was meant to achieve.

In the 20th century, wireless telecommunication technology enabled a far greater degree of centralized control than could possibly have been exerted using signal flags. The Royal Navy command culture and doctrine adapted to use these communication channels extensively such that captains were expected to act in response to direction from above. Instead of responding to the situation as they perceived it, they increasingly had to wait for direction from levels of command that had less immediate awareness than they did and that could coordinate actions only with a substantial delay. This cultural evolution, influenced by technology, contributed to the tied outcome of the Battle of Jutland in 1916, as described in historian Andrew Gordon's book *The Rules of the Game*.^a Captains were reliant on communication channels, many of which were damaged by the battle, and they did not have the degree of autonomy needed to respond rapidly and effectively to a dynamic situation.

The U.S. Coast Guard's existing culture delegates considerable autonomy to personnel at various levels of command. A key risk in the next several decades is that, as communication technology becomes even more ubiquitous, high-bandwidth, and reliable, the Coast Guard will shift to relying on communications and centralized control at the expense of command autonomy. Cultural choices, continuous awareness, and vigilance can help to prevent this and ensure that commands have the devolved authority to make decisions.

SOURCES: Gordon, 1996; Hughes, 2000; Roberts, 2018.

^a Gordon, 1996.

(Americans younger than 15) are members of racial or ethnic minority groups. If the service cannot adjust to this apparent demographic shift, it will continue to lose opportunities to access the talents and capabilities of the

majority of that pool. Pinecone participants reported seeing this as a barrier to developing human-centric and “soft” skills, especially those that will be crucial for personnel as they increasingly interact with people from

cultures around the world. As commandant ADM Karl L. Schultz announced in his diversity and inclusion statement in 2018,

The Coast Guard's ability to respond to emerging threats in a fast-paced, ever changing world requires that we maximize the full potential of our diverse workforce. It is our duty to ensure that all members belong and are valued in solving the complex problems that the Coast Guard faces. This is paramount to improving productivity, performance, innovation, job satisfaction, and achieving mission excellence. Diverse representation without inclusion degrades our readiness. Barriers to inclusion are the unconscious biases we carry without our awareness. As individuals, we will identify and mitigate our biases and work to build bridges that connect us to one another. As an organization, we will identify bias and barriers within the system, policies, and procedures and take action to mitigate them. Achieving and maintaining a culture of respect begins with understanding and exhibiting inclusive behaviors that are fair, open, cooperative, supportive, and empowering. Diversity and inclusion are cornerstones of high organizational performance and mission effectiveness. A diverse workforce stimulates innovation, new approaches, and fresh perspectives to solve complex organizational challenges.¹³

- **unclear cultural priorities.** Clarity in human resource management policy about what new skills and traits are explicitly valued,

promoted, and communicated to various stakeholders is an important consideration.¹⁴ Many workshop participants reported that the service defaulted to a set of cultural norms (that appeared to value mainly afloat and aviation leadership and skills over those in such areas as cyber, intelligence, language, or foreign policy proficiencies) and that these norms needed to be reevaluated and updated to reflect the future workforce demographics and the future needs of the service. Doing so would imply moving away from the more rigid paradigm for acquiring and developing talent and toward a more agile and nimbler paradigm that would enable the recruiting and retraining of personnel in new or differing areas as the need arises. Additionally, the Pinecone participants said that, unless the service prioritizes a culture that embraces innovation, technology adoption, and data utilization,¹⁵ the service would continue to struggle to recruit, utilize, and retain those with the necessary skill sets to keep pace with future technological developments and assets. During a 2019 trip to the lower Mississippi River, Admiral Schultz acknowledged that, although progress had been made, there were still challenges yet to be addressed in these areas. He remarked that the U.S. Coast Guard Academy was finally providing cyber as a major, with the first class to graduate in 2022, but was concerned about retain-

Culture Can Help Expedite Innovations

Southwest Airlines' Leadership Says That "Warrior Spirit" Helps the Airline Adapt and Innovate Rapidly

Southwest Airlines executive vice president and chief financial officer Tammy Romo told Forbes, "Teamwork, collaboration, and having a warrior spirit reign king at Southwest Airlines."^a Romo said that she considered culture and the sense of ownership and pride it infuses to be critical to the airline's success.

She attributed the airline's ability to rapidly adapt to unforeseen, externally driven changes to employees' "warrior spirit." That spirit, according to Romo, is composed of three key tenets:

- Strive to be the best.
- Display a sense of urgency.
- Never give up.

Management consultants have also shared their views on the relationship between Southwest's culture and innovation. Razzetti credits the company's culture with enabling and encouraging innovation, especially in adapting new technology and creating efficiencies.^b And, according to Barbour, Southwest was wary of consistency potentially leading to complacency or groupthink and actively encouraged its employees to innovate, including by building a new innovation center where employees designed and tested out new ideas.^c

This type of "focus on the force and embrace change to enable adaptability" has regularly been echoed in Coast Guard work-force-focused discussions and Evergreen Pinecones.

SOURCES: Arnold, 2020; Barbour, 2019; Razzetti, 2020; Thomson, 2018.

^a Thomson, 2018.

^b Razzetti, 2020.

^c Barbour, 2019.

ing that talent after graduates fulfilled their five-year commitment. "We have to generate and re-generate expertise, we have to make people feel valued and want to stay as part of the brand," Schultz said. "Technically smart people are central."¹⁶

Other Organizations Can Serve as Examples of Using Culture to Reach the Best Outcomes

Many external examples of purposeful organizational culture development and change could yield ideas and lessons learned or suggest focus areas for the Coast Guard. However, it is likely that no single organization shares all the attributes of the Coast

Guard. Therefore, the service will need to examine multiple examples that address various shared attributes or combinations of them. Additionally, focusing on organizations that proactively sought change (either before a crisis or in a forced reaction to a challenge) and that share some characteristics with the Coast Guard could help the service separate good ideas that likely apply to the service from good ideas that would likely not have the same positive results in the Coast Guard. The Coast Guard could identify potential approaches to changing desired aspects of its organizational culture by using this type of multiple–case study analysis, which analyzes multiple cases as part of an overall research design to discover case-based themes and generate insights from observations within and between cases.¹⁷

We designated several attributes as fundamental to the Coast Guard’s case. When selecting external examples of options to pursue, the Coast Guard should consider organizations with the following attributes, similar to its own, that might have cultural features worth studying (examples in this section are illustrative only):

- **asymmetric risks of success and failure:** Public organizations, particularly those with regulatory functions, are especially prone to asymmetric risks—circumstances in which the risks might outweigh the rewards—and might avoid change to avert risk. The Coast Guard has both regulatory and safety functions, which create strong incentives to operate with care, first and foremost. As a result,

the consequences of failure might exceed the uncertain rewards resulting from change. In such circumstances, stability, certainty, and “good-enough” performance tend to be highly valued by the public and the regulated community. Private-sector examples that are comparable to the Coast Guard would be firms that require high consumer confidence (e.g., pharmaceuticals), high reliability or performance with severe consequences of failure (e.g., aircraft manufacturing, electricity generation and transmission), or an exemplary public image (e.g., family entertainment).

- **high organizational complexity:** Organizations with multiple distinct functions (e.g., law enforcement, search and rescue, environmental protection) that are performed at many levels (e.g., headquarters, regions, districts, and sectors) and that have distributed operational elements would have similarities to the Coast Guard. For example, other federal agencies, such as the U.S. Department of Agriculture and the U.S. Environmental Protection Agency, perform functions ranging from scientific research to regulatory enforcement, have a wide geographic distribution, and might have some cultural features that could provide insights for the Coast Guard.
- **geographically distributed functions:** Organizations with functions and command levels that are distributed across a wide variety of locations around the world and that require

Being Proactive and Purposeful with Culture Goals Can Help Support the Mission

The U.S. Space Force Builds a New Culture to Avoid Inheriting One That Does Not Align with Its Mission

The U.S. Space Force (USSF) is poised to inherit a culture from the Air Force, but, as a new service, its ultimate culture is still emerging and highly malleable. To establish the right culture from the start, the USSF is proactively trying to identify the type of culture it will require and the likely challenges in cultivating such a culture.

One challenge is that the USSF will be bringing together units and personnel from multiple services, each with its own culture. Peter Garretson offered this summary in a commentary in *War on the Rocks*:^a

- Personnel involved in missile operations work in a “compliance-driven culture” because even a small deviation or error can have massively negative consequences.
- Many space officers began their careers in intercontinental ballistic-missile culture.
- Although the officers shifted out of the missile field and into Air Force space-focused missions, the culture from their early experiences stays with them.

He also pointed out that Air Force Space Command was under the purview of U.S. Strategic Command, which has the nuclear mission as a key component and thus also has need for a compliance-driven culture. So it would be no surprise if the compliance culture is where the USSF starts. In contrast, special operations and special forces units operate with a significant level of autonomy in decisionmaking and have a “can-do” culture. Garretson posited that, because of the rapidly changing technology footprint of the USSF, including goals and missions, a can-do culture like that of special forces needs to be at the heart of the USSF.^a But establishing that culture could present a substantial challenge because the USSF might be poised to inherit a compliance-driven culture ingrained in a deliberate, but slow-to-innovate, capability- and requirement-based system (as opposed to threat-based).

With these cultural differences in mind, the USSF is trying to determine how to recruit the right people to cultivate the right culture. One senior official said,

We want people to be recruited into the Space Force as similar to the way the Marine Corps recruits Marines. We don’t recruit Marines into the Navy—they go after a specific kind of people with a vision that is necessary to build that culture.^b

Similarly, the Coast Guard might find significant variances in the cultures of its different communities, given that the needs and underlying drivers for a fixed-wing pilot differ from those of a port security unit. As decisionmakers look ahead to how the Coast Guard will operate in the future, the culture required for those operations should be at the heart of recruiting new service members.

SOURCES: Galer, 2019; Garamone, 2019; Garretson, 2019.

^a Garretson, 2019.

^b Garamone, 2019.

foreign policy knowledge and language skills (e.g., translation skills or fluency in multiple languages) would share attributes with the service. International shipping, airline, and chemical companies are examples of organizations in this category.

- **varied partner and stakeholder engagement:** The Coast Guard works closely with a variety of industries; other federal, state, and local law enforcement agencies; homeland and national security agencies; natural resource management agencies; and international partners. The Environmental Protection Agency is very similar in this regard.
- **hierarchical decisionmaking but some localized authority:** Organizations that are rule-based but give operational elements some localized decision authority would have similarities to the Coast Guard. Large public school systems or franchising organizations can fall into this category.
- **planned, periodic change in senior leadership:** Organizations that create and sustain long-term visions amid purposeful leadership changes at all levels (especially in the senior ranks) would share attributes with the Coast Guard. For example, many federal agencies experience periodic leadership change.

In addition to the examples throughout this report highlighting various aspects of the Pinecone-identified challenges, the Coast Guard can also draw from institution-specific studies on managing

change to construct a plan that is more tailored to its organization. For example, a 2017 RAND Corporation study identified promising approaches to institutional change in the Army,¹⁸ which has many institutional similarities to the Coast Guard. In addition to the basic steps discussed in the next section, a holistic approach that focuses on cultural drivers in a coordinated way is necessary to effect long-term change. This approach differs from a “crisis-response” approach that treats a persistent cultural problem as a transient issue; once the immediate crisis passes, the problem is likely to reappear because no true institutional change has occurred. Although the Army is a hierarchical organization in which direction flows from the top, it is also an organization in which leadership responsibility exists at virtually every level. Consequently, leaders at all levels in the organization need to be engaged in the change process to ensure that it is executed throughout the entire organization.¹⁹ The Coast Guard has institutional similarities to the Army and therefore could take advantage of this research.

What Can the Coast Guard Learn from Research About Effecting Change?

Changing culture is difficult, but it is not impossible. Understanding how to adapt an organization’s culture to a changing environment is a fundamental leadership challenge. The specific problems that

Culture Can Affect Objectives and Outcomes by Empowering People

The U.S. Department of Veterans Affairs Based Culture Change on Principles Rather Than Rules to Better Serve Veterans Under Secretary Robert A. McDonald

In 2014, new Secretary of Veterans Affairs McDonald set out to substantially redesign the U.S. Department of Veterans Affairs (VA), relying heavily on guidelines for effective organizational change developed by John Kotter (Harvard professor and an authoritative voice on organizational culture and change).^a

In an “inside look” published in *Harvard Business Review*, McDonald discussed his experience leading change.^a As apparent in his comments, a key tenet for McDonald was that the organization should be based on principles, not rules. He described VA’s culture before he arrived as “risk averse,” “rules based,” and “a culture of learned helplessness.”^a Employees could stand by every step they did or did not take through to the Office of General Counsel, but they lacked the support and freedom to act and make decisions that would actually benefit the patients or improve the organization.

McDonald stated that “building a principle-based organization is about creating a culture in which everyone knows that if they act in accordance with the VA’s principles, the leadership team would support them.”^a Part of that culture and employee empowerment was also aimed at generating a flow of information about problems and gaps from the front line all the way up to the secretary, who could work with Congress to ensure that VA was properly resourced to address the issues. Additionally, to support the right types of changes and efforts, VA needed to adjust what it was measuring. Although the metrics had been hyperfocused on wait times, VA realized that patients prioritized streamlined systems and feeling valued. As the Kotter steps indicate, VA found it to be true that “there’s no hope of effective transformation when leaders’ sights are set on the wrong objectives.”^a

Although the missions differed, many of VA’s underlying principles and challenges were similar to those of the Coast Guard.

SOURCES: Buell, 2016; Silverman, 2017; Wentling, 2017.

^a Buell, 2016.

a changing environment creates for an organization provide the motivation for change, of which culture is likely one aspect.²⁰ Once the Coast Guard identifies what aspects of its culture to preserve, what aspects to change, and what the barriers are to implementing those changes, it must proceed with a plan.²¹ To maximize the chance of success, the Coast Guard could leverage lessons learned from

research.²² Research prescribes three distinct steps for successfully pursuing and managing change: prepare, execute, and support.²³

How to Successfully Pursue and Manage Change

Prepare

Preparing for change refers to the necessary activities that create the foundation for change to occur. These involve communicating why change is necessary, developing a vision and direction for the future, establishing senior leadership support,²⁴ and developing an action plan for moving toward the envisioned future. Leaders should link the necessary culture change to the identified reasons the change is necessary. In other words, leaders must understand where the existing culture aligns and where it conflicts with evolving external conditions and trends specific to the service's operating environment.²⁵ For example, a previous RAND analysis of public-sector organizations revealed that the case for change was built on evidence that existing practices were out of step with the times, that survival of the organization necessitated change, and that there should be a sense of urgency so employees would understand the importance of adapting the culture and be motivated to change their behavior in the necessary ways.²⁶

A clearly articulated vision for the future motivates and guides change and, ideally, should be explainable in five minutes or less to improve the likelihood that it will be understood and internalized.²⁷ Another approach requires developing a short, reasoned, compelling statement that clearly states the aspirations for the organization (the “big

opportunity”); preparing a vision of how changes would allow the organization to seize this opportunity; and developing activities that would move the organization forward.²⁸ Preparing for cultural change also specifically includes developing formal training opportunities, allowing flexibility for people to control their own informal learning processes, and providing opportunities for group learning. Having general support structures, role models, and feedback mechanisms (in both directions) is also essential. Although providing motivation catalyzes change, these activities help facilitate change by providing support and reducing the barriers to change. They require resources and time to help people learn new ways of doing things and to ensure that organizational practices are consistent with the vision of the future.²⁹

Change is not possible without senior leadership support, and other organizations have focused on selecting a cadre of leaders—either internal or external—who support the strategy and vision for the future; can provide incentives for change; and can reduce barriers to change, such as organizational stovepipes and personnel management practices.³⁰ For example, when the Army introduced a new logistics management approach (velocity management), it created a rotation of general officers to oversee this change. The coalition of officers provided consistent leadership support that transcended the usual turnover driven by the military assignment process.³¹ An action plan should identify the measures of success, responsible parties for over-

Regular Communication from Leadership Can Connect Culture to Current Plans and Choices

Team Rubicon's Leadership Points to the Role of Culture Communication in Decisionmaking at All Levels

At Team Rubicon, a veteran-based disaster relief organization with more than 100,000 volunteers, its service principles—tenacity, impartiality, accountability, collaboration, and innovation—guide the planning and direction of the organization, and its cultural values drive almost everything else, its leadership says. Codified in 2015, the cultural values are painted on the walls at headquarters, taught during the onboarding process, and at the heart of the leadership and action cycles.

Outside of the organization, the values might not make much sense. But every employee and volunteer in the organization knows and understands them, according to cofounder and then–chief executive officer Jake Wood. He maintained that the organizational values were applied to nearly every decision, action, and communication within the organization. From reminding each other to take a break when needed, to pivoting from natural disaster response to pandemic response operations that were unlike anything the organization had ever done before, and most recently to assisting in the Afghan resettlements across the United States, the culture drove those choices. In addition, senior leadership gives a new presentation on culture every year at Team Rubicon's Leadership Conference that is intended to encourage, support, and reinforce various efforts and the direction of the organization. Team Rubicon focuses on having a culture that is consistent across the organization, regardless of level or location, and strong enough to allow the culture, rather than all-encompassing policies, to drive decisions and actions. Current chief executive Art delaCruz continues to carry this cultural torch for the organization.

Being able to clearly communicate how seemingly disconnected efforts are inherently tied to the culture and regularly reiterating how culture should be driving decisions and actions can help Coast Guard personnel understand the intent of senior leadership and ensure that, even in a somewhat decentralized organizational design, the choices and actions of its personnel can be in step with the vision, principles, and values of the force.

SOURCES: Byard, 2020; Wood, 2017a; Wood, 2018; Wood, 2019; Wood, 2020.

coming barriers to change, and how to track progress and ensure accountability for success.

Execute

Change often requires a formal process for piloting new ideas, evaluating results, monitoring progress, and adapting as necessary to be successful. Moreover, change, especially cultural change,

is a long process and requires sustained attention. To sustain organizational change, it is essential to align cultural norms and shared values with the desired change.³² Typically, culture evolves with the early and intermediate successes of organizational change; as employees see that change produces positive results, they begin to value the cultural elements that support the new way of operating.³³ Ensuring that the desired behaviors and norms are in place to

develop future leaders and that the current leaders model them is critical. Fostering transparency, being open to feedback, using implementation teams, and creating explicit milestones can facilitate the implementation process.³⁴ In short, success breeds success. One potential lever for executing change is to employ organizational design to pursue the desired change. Senior leadership should look for opportunities to align organizational policies, structures, processes, and practices with the vision for the organization and its culture.³⁵ Examples in the research literature (and echoed in Pinecones) include promotion practices, performance management, and training programs.³⁶

Support

Supporting change includes engaging in resonating and reinforced communications throughout organizational levels, providing training and skill development opportunities, creating incentives for people to implement the change, and ensuring that the necessary funding and resources are available.³⁷ Routine, multilateral communication is necessary for a variety of reasons. Although leadership is directing the ship by making the case for change and articulating the vision of the future, people within the organization are responsible for operationalizing this direction. If frontline workers do not understand the vision and motivations for change, the old culture and way of doing things will prevail, and any momentum will be lost.³⁸ More-

over, people might operationalize change in ways that do not quite line up with the vision (similar to a game of “telephone,” in which the original message morphs with each retelling). In other words, multilateral and frequent communication is necessary to keep change moving in the desired direction and to prevent misinterpretations or alterations that could hamper or redirect progress.³⁹ Essentially, the communication lever should engage the workforce in all practicable venues, such as social media, leadership seminars, and informal and formal training forums. This approach to communication is especially important for cultural change because culture can affect behavior in imperceptible ways.⁴⁰

To expand the depth and breadth of communications, many organizations seeking change create a coalition of change agents or key stakeholders to oversee change, communicate the desired change, and maintain accountability for achieving it. Some organizations identify champions to help lead and sustain momentum for cultural change by communicating to frontline personnel the motivation and a sense of urgency while exemplifying the desired change.⁴¹ Performance reviews, promotions, and training are other avenues for encouraging change.⁴² In an interview with *Harvard Business Review*, IBM chief executive officer Samuel J. Palmisano spoke about the strategic importance of values at IBM and how he purposefully changed the culture amid thriving business and rapidly evolving operations:

I’m talking about decisions that support and give life to IBM’s strategy and brand, decisions that shape a

culture. That's why values, for us, aren't soft. They're the basis of what we do, our mission as a company. They're a touchstone for decentralized decision-making. It used to be a rule of thumb that "people don't do what you expect; they do what you inspect." My point is that it's just not possible to inspect everyone anymore. But you also can't just let go of the reins and let people do what they want without guidance or context. You've got to create a management system that empowers people and provides a basis for decision-making that is consistent with who we are at IBM.⁴³

Summary

Traditional organizational cultures are being challenged as occupations become more technical, specialized, and complex; organizations become more global and interconnected; and information technologies proliferate. These trends suggest that an organization can have many subcultures internally and be influenced by a wider variety of national or ethnic macrocultures.⁴⁴ Similarly, in multiple Pinecone workshops, participants suggested that organizational culture was at the heart of addressing issues that would shape the Coast Guard's future, such as workforce enhancement, technology implementation, information sharing, and training needs. Some aspects of the current culture will need to be preserved and enhanced, others might serve as barriers to change, and still others are not well defined and are opportunities to lean in and shape the force.

Externally, there are countless examples of organizations purposefully changing their cultures with specific goals in mind. The Coast Guard's missions and service type, the complexity of its structure, and its long history make the service unique in such a way that no single example organization can serve as a how-to guide. However, many lessons learned and partially applicable examples can help lead the way to purposefully pursuing and supporting change.

Looking forward, the Coast Guard can go beyond the examples identified here. The service can help shape its future by not only identifying goals but also creating a thorough understanding of the current culture, identifying which aspects should continue to be embraced and which ones should be reformed, and then planning for and effecting the changes deemed necessary. To pursue change, the Coast Guard will need to consider a comprehensive process for managing the transition from the present state to the future vision, or organizational inertia created by existing policies, practices, and culture will stand to slow or ultimately prevent progress. One lesson from previous research is that organizational change will take years and requires perseverance.⁴⁵ Leadership and support at all levels with initiative from the highest ranks, transparency about aspirations and plans, and follow-through with the vision can help the Coast Guard maximize the beneficial aspects of its current culture and identify and effect change where needed to build the workforce that the service needs to meet

the demands of the future Coast Guard. “Culture is like the wind. It is invisible, yet its effect can be seen and felt. When it is blowing in your direction, it makes for smooth sailing. When it is blowing against you, everything is more difficult.”⁴⁶

Appendix. How Can Cultural Values Connect to Reasoning and Outcomes for Innovation?

Participants in the Pinecones recommended that the Coast Guard pursue the strategy of innovation as an organizational competency to stay ahead of a changing environment. Along with norms and artifacts, Schein’s model includes values as one critical aspect of organizational culture.⁴⁷ This appendix presents a concise look at the values typically observed in innovative organizations. The table, which reproduces content from a table in “Organizational Cul-

ture, Innovation, and Performance” in the *Journal of Business Research* (Hogan and Coote, 2014), presents a list of common values found in innovative organizations and presents the rationales provided in the research literature for how these values support innovation. Innovation-oriented cultures typically value success, openness and flexibility, internal communication, competence and professionalism, interfunctional cooperation, responsibility of employees, appreciation of employees, and risk-taking. In Schein’s model, used for this analysis, values are one aspect of organizational culture, and norms and artifacts are the others. Hogan and Coote assessed the presence of these values, their associated norms, and existing artifacts (e.g., stories of innovators, physical arrangements that provide opportunities to discuss new ideas) to model firm performance.⁴⁸

Common Value Dimensions and Rationales for Cultural Change to Encourage Innovation

Value Dimension	Definition	Rationale
Success	The degree to which an organization values success, strives for the highest standards of performance, and values giving staff challenging goals and encouragement to excel	<ul style="list-style-type: none"> • Raises performance expectations of employees • Creates psychological ownership of organizational goals • Enhances intrinsic motivation and feelings of self-efficacy • Increases employees' motivations to find novel solutions to organizational problems • Improves innovative performance
Openness and flexibility	The degree to which an organization values openness and responsiveness to new ideas and has a flexible approach to solving problems	<ul style="list-style-type: none"> • Facilitates creativity, empowerment, and change that are essential for the exploration that drives innovation • Encourages intrinsic interest in and appreciation of novelty, variety seeking, receptiveness to new ideas, and tolerance for ambiguity associated with creativity and innovation • Facilitates idea generation and divergent thinking that enable problem identification and implementation of creative solutions
Internal communication	The degree to which an organization values open communication that facilitates internal flows of information	<ul style="list-style-type: none"> • According to social development theory and situational learning theory, enables cognitive growth through social interaction and communication of information • By providing access to and availability of diverse knowledge and cross-fertilization of ideas, leads to improved decisionmaking and consideration of novel alternative solutions that yield innovation
Competence and professionalism	The degree to which an organization values knowledge and skills and upholds the ideals and beliefs associated with a profession	<ul style="list-style-type: none"> • With professional knowledge, expertise, and technical skills (i.e., domain-relevant knowledge), constitutes the raw material for innovation • Thanks to increased professional knowledge and expertise, leads to increases in problem analysis and solution provision; initiation of and adoption of technical innovations; total, technical, and administrative innovation adoption; innovative human resource practices; and radical innovation capability
Interfunctional cooperation	The degree to which an organization values coordination and teamwork	<ul style="list-style-type: none"> • According to resource-dependence theory, when working on highly innovative projects, encourages members from different functional areas to consider their tasks to be more heavily reliant on the expertise, information, and resources of other functional specialists to achieve buy-in and successful and innovative outcomes • By facilitating high levels of integration and sharing among teams through complex coordination, communication, information-sharing, cooperation, and conflict resolution processes, influences innovation success

Value Dimension	Definition	Rationale
Responsibility	The degree to which an organization values employees' proactiveness, initiative, autonomy, and responsibility for their work	<ul style="list-style-type: none"> • With a relatively high degree of responsibility, autonomy, and encouragement of initiative, fosters innovation • When employees perceive that they have responsibility for achieving the overall goals of a project and have discretion in how goals are accomplished, develops their sense of ownership and control over their own work and ideas, helps them overcome potential problems with persistence and determination, and produces more-creative and -innovative outcomes
Appreciation	The degree to which an organization values, rewards, and recognizes employees' accomplishments	<ul style="list-style-type: none"> • As a directive mechanism, makes output expectations more successful when accompanied by rewards and feedback and, by providing rewards and recognition of innovative accomplishments, positively influences innovation • By exploiting the synergistic effects of extrinsic motivation (e.g., recognition) and intrinsic motivation (e.g., commitment to work and exploratory learning), influences innovation • By creating performance–reward dependency and risk-taking, is positively related to all stages in the development of new technological innovations
Risk-taking	The degree to which an organization values experimentation with new ideas and challenging the status quo	<ul style="list-style-type: none"> • When valued (encouraging taking meaningful and calculated risks within the scope of one's job and encouraging challenging the status quo in an effort to produce positive job-related outcomes), is related to the psychological safety construct under which employees feel able to experiment with new ideas and do things differently without the fear of negative consequences to self-image, status, or career • When encouraged, strengthens superordinate identity and, when combined with supervisory support and encouragement, positively influences product innovativeness

SOURCE: Hogan and Coote, 2014, Table 1, p. 1612.

Notes

¹ According to the participants in multiple Project Evergreen Pinecones in the 2019–2021 time frame. A Pinecone is one of a series of strategic foresight workshops for Evergreen.

² Wood, 2017b.

³ Kotter, 1996; Watkins, 2013.

⁴ Schein, 2010. Schein is considered to be one of the seminal researchers on organizational culture and leadership and is widely cited.

⁵ Kotter, 1996; Watkins, 2013. The Society for Human Resource Management has a useful tool kit for identifying and managing organizational culture (Society for Human Resource Management, undated).

⁶ Kotter, 2012, p. 156.

⁷ Davenport et al., 2020.

⁸ Surden, 1976.

⁹ U.S. Coast Guard, 2020, p. 3.

¹⁰ Military Leadership Diversity Commission, 2011, p. 25. Although this 2011 report uses “he or she” (the norm at the time), gender is more broadly defined today.

¹¹ U.S. Coast Guard, 2020.

¹² U.S. Coast Guard, 2020.

¹³ Schultz, 2018.

¹⁴ Resetar, Ziegler, et al., 2020.

¹⁵ Davenport et al., 2020.

¹⁶ Trauthwein, 2019.

¹⁷ Grima-Farrell, 2017.

¹⁸ Meredith et al., 2017.

¹⁹ Meredith et al., 2017.

²⁰ Schein, 2010.

²¹ In his book, Schein proposed a formal cultural self-assessment process as part of a managed change process.

²² This Perspective presents a limited synthesis of research on seeking cultural change to help develop further some of the ideas presented in the Evergreen Pinecones and to present illustrative examples of culture and cultural change from the public and private sectors. The intent is to provide senior leaders with additional background on seeking culture change, which has been identified as a key element of sustaining mission effectiveness in the future. We relied on the expertise and prior research experiences of the project staff and other RAND colleagues and leveraged the literature accessed in prior RAND research. We performed a limited search of more-recent articles focusing on culture change and case studies of culture change, emphasizing the practitioner literature. The material in this Perspective is not derived from a separate, formal, and comprehensive review of the research literature.

²³ Moore et al., 2002; Knopman et al., 2003.

²⁴ Knopman et al., 2003, Resetar, Ecola, et al., 2020; Stauffer, 2008.

²⁵ Groyberg et al., 2018; National Defense Research Institute, 2010.

²⁶ Knopman et al., 2003.

²⁷ Light, 2005, p. 229; Resetar, Camm, and Drezner, 1998; Resetar, Ecola, et al., 2020.

²⁸ Kotter, 2014.

²⁹ Schein, 2010, pp. 299–310.

³⁰ Knopman et al., 2003 ; Kotter, 1996.; Light, 2005

³¹ Dumond et al., 2001.

³² Groyberg et al., 2018; Light, 2005.

³³ Kotter, 1996.

³⁴ Stauffer, 2008.

³⁵ Stauffer, 2008.

³⁶ Groyberg et al., 2018; National Defense Research Institute, 2010.

³⁷ Knopman et al., 2003; Moore et al., 2002; Resetar, Ecola, et al., 2020.

- 38 Collins and Porras, 1997; Dow and Cook, 1996; Kotter, 1996; National Defense Research Institute, 2010; Resetar, Camm, and Drezner, 1998.
- 39 Kotter, 1996; Light, 2005.
- 40 Groyberg et al., 2018; Walker and Soule, 2017.
- 41 Groyberg et al., 2018; Light, 2005.
- 42 Groyberg et al., 2018; National Defense Research Institute, 2010.
- 43 Hemp and Stewart, 2004.
- 44 Schein, 2010.
- 45 Light, 2005; National Defense Research Institute, 2010.
- 46 Walker and Soule, 2017.
- 47 Schein, 2010.
- 48 Hogan and Coote, 2014.

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About the Authors

Michelle D. Ziegler is a technical analyst with the RAND Corporation. Her work ranges from tactical-level detailed analysis and relationship building, development and evaluation of current and proposed strategy and the resulting impacts and alternatives, and authoring briefings and final reports. Her research topics include U.S. Coast Guard aviation capacity and capabilities, domestic disaster response, cooperation and domain awareness in the Arctic, and control trends and utilization options for unmanned systems, to name a few. She has an M.S. in astronomy and physics.

Aaron C. Davenport is associate director for the Homeland Security Operational Analysis Center's Strategy, Policy, and Operations Program and a senior policy researcher at RAND. His research focuses include border and port security, emergency preparedness, emergency responders, environmental pollution, maritime piracy, military ships and naval vessels, occupational health and safety, terrorism risk management, and transportation safety. He has an M.S. in environmental sciences, occupational health, and industrial hygiene with a minor in hazardous materials.

Susan A. Resetar is a senior operations researcher at RAND, working in the areas of strategic planning, manpower and personnel management, natural and cultural resources, environmental policy, disaster

management and recovery, organizational collaboration, climate change and security, and military installation management. She has an M.Eng. in operations research.

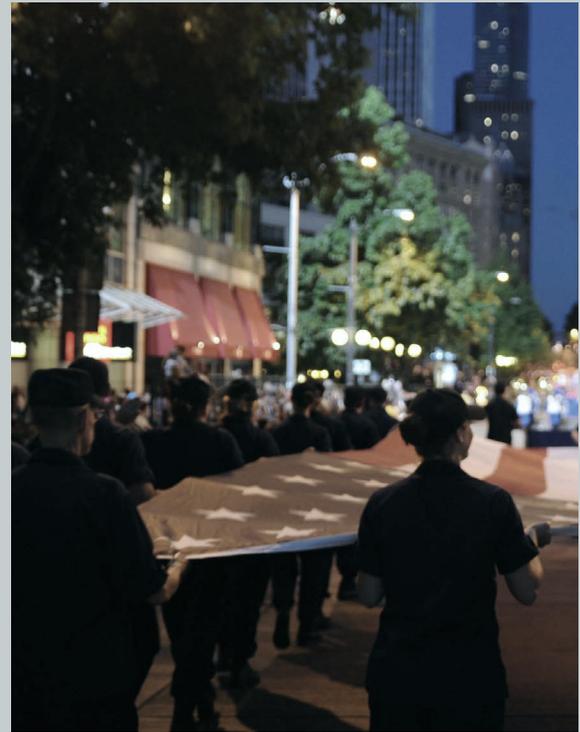
Scott Savitz is a senior engineer at RAND. Much of his research focuses on how to improve the effectiveness and resilience of operational forces through the use of new technologies and modified tactics. He has led analyses on such diverse topics as nonlethal weapons, unmanned vehicles, naval mine countermeasures, Arctic military capabilities, the impact of force reallocations, and chemical and biological defense. He has a Ph.D. in chemical engineering.

Katherine Anania is a technical analyst at RAND. Her previous projects include building cost and renewable resource models for the Air Force, developing logic models and assessing the effectiveness and validity of metrics for the U.S. Coast Guard and for Australia, identifying capability gaps in the Arctic for the U.S. Coast Guard, and developing tools for the Coast Guard to better perform fishery law enforcement.

Melissa Bauman is a communication analyst at RAND. She helps researchers make their complex findings accessible to a sophisticated audience of lawmakers, journalists, and practitioners. She has a B.A. in journalism.

Karishma Patel is an administrative assistant at RAND. She has an M.S. in international relations.

To cultivate an effective future workforce, the U.S. Coast Guard is purposefully considering ways to reshape its organizational culture. The service wants its 2030 workforce to embrace greater technological fluency, human-centric skills, and the ability to develop new skills and capabilities within the force. The Coast Guard's organizational culture—the behavioral norms and shared values consistently exhibited by its personnel—will play a critical role in creating an environment in which the workforce can put those skills into action. However, the service is increasingly concerned that its current policies for managing personnel, its homogeneous workforce, and the way it prioritizes specific skills could, over time, become barriers to fostering the workplace culture required to meet future challenges. Changing parts of the culture of a large, complex organization is difficult; doing so in the Coast Guard requires the service to address recruiting, training, retaining, and empowering the future workforce. This Perspective describes organizational culture, observations made and experiences described by participants in strategic-foresight workshops, examples of other organizations addressing culture issues, research on organizational culture, and how the Coast Guard can leverage this knowledge in forming its future culture.



ABOUT THIS PERSPECTIVE

This Perspective documents support by the Homeland Security Operational Analysis Center (HSOAC) to the U.S. Coast Guard's Project Evergreen. Founded in 1996, Evergreen is the Coast Guard's strategic foresight initiative, which has historically run in four-year cycles and uses scenario-based planning to identify strategic needs for the incoming service chief. In 2019, Evergreen was restructured to best support executive leaders in their role as the Coast Guard's decision engines. The project objective is to help posture the Coast Guard to better bridge the gap between future challenges and near-term plans, which typically focus on the urgent needs of the present. HSOAC analysts reviewed Evergreen's activities, examined Coast Guard strategy-making and planning processes, adapted an approach for developing scenarios, and narrated a set of exemplar global planning scenarios. The individual Perspectives that resulted from this project reflect themes and specific subjects that have emerged from a series of workshops that were conducted with subject-matter experts and were identified as areas of particular interest for senior leadership strategic-planning activities and emerging policy development. This Perspective is designed to inform the effort for culture change by stimulating an exploration of how the Coast Guard can adapt its culture to cultivate a more agile, adaptable, and diverse future workforce. It presents various cultural challenges facing the service and potential approaches in order to stimulate strategic foresight activities. Coast Guard leadership recognizes that future human resource management strategies must be tailored to continue to attract and retain the workforce of future.

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