



5 Key Findings About

ORGANIZATIONAL CLIMATE

and Their Impact on How Your Staff Learn



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“Many organizations live by the motto that people are our most important asset. In times of uncertainty and volatility, the strategic management of human resources is key.”



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Introduction

Many organizations live by the motto that people are our most important asset. In times of uncertainty and volatility, the strategic management of human resources is key.

For two years starting in 2019, CUES and the Creative Problem Solving Group, Inc. (CPSB) conducted research on talent development and its link to the work environment for creativity, innovation, and change. Using data collected from the Situational Outlook Questionnaire, an organizational climate assessment from eleven different credit unions in North America, we identified five key findings:

1. A clear and significant relationship exists between a climate that supports creativity, innovation and change and the effectiveness of talent development efforts within credit unions.
2. Two climate dimensions were identified as strong predictors of talent development effectiveness: Challenge and Involvement; and Idea-Support.
3. There were five themes that help and hinder talent development effectiveness: Leadership; Teamwork and Collaboration; Development Opportunities; Supportive Resources; and Workload and Staffing.
4. There were clear examples of actions to help improve talent development, such as Leadership Behavior or Organizational Culture.
5. Six talent development approaches to build out talent development offerings were revealed, including informal talent development and relationship-based talent development.



What is Climate?

Climate is observed, consistent patterns of behavior that characterize work life within an organization. Organizational climate assessments gather feedback on the perceptions staff have of their working environment.

What is the Situational Outlook Questionnaire?

The Situational Outlook Questionnaire (SOQ) is a web-based assessment comprised of 59 items that measure nine dimensions of organizational climate that support innovation, creativity and transformation. The measured 10 dimensions include:

SOQ Climate Dimension	Definition
Challenge/Involvement	The degree to which people are involved in daily operations, long-term goals, and visions. High Challenge/Involvement implies better levels of engagement, commitment, and motivation.
Freedom	The degree of independence shown by the people in the organization. High levels of Freedom imply more perceived autonomy and ability for individual discretion.
Trust/Openness	The emotional safety in relationships. In high Trust/Openness situations, people feel more comfortable sharing ideas and being frank and honest with each other.
Idea-Time	The amount of time people can, and do, use for elaborating on new ideas. When Idea-Time is high people can explore and develop new ideas that may not have been included in the original task.
Playfulness/Humor	The spontaneity and ease displayed within the workplace. Good-natured joking and laughter and a relaxed atmosphere (lower stress) are indicators of higher levels of Playfulness and Humor.
Conflict	The presence of personal and emotional tensions (a negative dimension in contrast to the debate dimension). When Conflict is high, people engage in interpersonal warfare, slander and gossip, and even plot against each other.
Idea-Support	The way new ideas are treated. In a high Idea-Support situation, people receive ideas and suggestions in an attentive and professional manner. People listen generously to each other.
Debate	The occurrence and open disagreement between viewpoints, ideas, experiences and knowledge. In the Debating situation, many different voices and points of view are exchanged and encouraged.
Risk-Taking	The tolerance of uncertainty and ambiguity. In a high Risk-Taking climate, people can make decisions even when they do not have certainty and all the information desired. People can and do “go out on a limb” to put new ideas forward.
Talent Development	The degree to which individual Talent Development is offered and supported. When Talent Development is high, people at all levels have access to resources and can devote the time to expand knowledge and grow skills.



The Relationship Between

ORGANIZATIONAL CLIMATE & TALENT DEVELOPMENT

The data from this study provides evidence of clear and significant relationships between a climate for creativity, innovation and change and the effectiveness of talent development at credit unions. The remaining climate dimensions were related to talent development effectiveness in expected ways. However, two dimensions were identified as particularly strong predictors of talent development effectiveness. The Challenge and Involvement, and Idea-Support dimensions are the best indicators of staff's perceptions of talent development. Furthermore, both Trust and Openness, and Idea-Time impact talent development. An increase in any of these dimensions corresponds to an increase in talent development scores.

- **Challenge and Involvement Dimension:** This relates to people's emotional engagement with and level of energy and commitment toward the mission and purpose of the organization. When an organization scores high on Challenge and Involvement, the people within that organization are feeling connected to daily operations and motivated to work toward the long-term goals of the organization. In this case, people experience higher degrees of meaningfulness and vitality in their work, as well as higher levels of performance.
- **Idea-Support Dimension:** This dimension relates to how new ideas are treated. When Idea-Support is high, ideas and suggestions are received in an attentive and kind manner by leaders and colleagues. People generously listen to each other and encourage the sharing of ideas and initiatives. Providing support in this manner has been shown to substantially increase creative performance, as well as the execution and implementation of new ideas.



Themes that
HELP & HINDER
Talent Development

In a review of the study's open-ended comments, five clear themes were identified as helping or hindering the effectiveness of talent development efforts in an organization. These themes were:

- **Leadership, Management and Supervision:** Those who have an influencing role within credit unions seem to make a real difference in how employees perceive and take advantage of talent development opportunities. This theme has the biggest impact on the Idea-Support, and Challenge and Involvement dimensions. If Leadership, Management and Supervision gets a low score, it is a hindrance for Idea-Support, and Challenge and Involvement in the organization; if it gets a high score, it is a help for the same dimensions.
- **Teamwork and Collaboration with Colleagues and Peers:** A clear theme from the survey's narrative results is the importance of high-quality interpersonal relationships when it comes to talent development. A positive, open atmosphere allows for productive teamwork, and collaboration emerges as a key helper for talent development efforts.
- **Opportunities, Courses, Conferences and Programs:** The breadth of availability and awareness of opportunities for talent development were also key themes that could help or hinder talent development in an organization. This includes access to learning opportunities in a variety of modalities. Organizations with higher scores on the SOQ mentioned the need for clearly linking defined development pathways to the goals and strategic direction of the organization.
- **Resources:** Resources identified most frequently by staff as helping or hindering their talent development included time, budget and technology. For effective talent development to take place, people need to both understand the available resources and have access to them.
- **Workload and Staffing:** The existence of a heavy workload, staffing shortages or uneven distribution of work was a clear theme that could impact talent development. The identification of workload pressure connected strongly to Resources, above, but was called out as a specific hindrance for talent development efforts.



Actions to Improve **TALENT DEVELOPMENT**

Responses to the open-ended questions helped identify clear actions credit unions can take to improve their talent development efforts. The actions fall into five categories, including:

- **Leadership Behavior:** What leaders do impacts talent development whenever strategic problems are solved and decisions are made that impact staff's perception of the organization and their ability to adjust to change. To support talent development, leaders should be inclusive and accessible.
- **Mission and Strategy:** Providing insight into the organization's vision can also influence engagement in talent development. To provide this insight, actively and clearly communicate the future direction of the organization—its vision, mission and strategy.
- **Organizational Culture:** Embedded principles, values and ethics influence patterns of interaction as well as how people respond to ambiguity, creativity and change—and therefore, talent development. To impact culture, understand your current climate and reinforce the basic values and mission.
- **Structure, Size and Space:** This refers to the way people and functions are arranged and configured. To address structure, ensure the pathways for flow of information and the physical space to guide the positive relationships and interactions desired.
- **Management Practices:** This refers to the behaviors managers use to run the day-to-day business in contrast to leader behavior that is more transformational. A managers' practices influence the quality of relationships, as well as talent development through feedback and guidance.



Approaches to **TALENT DEVELOPMENT**

Creating a strong talent development plan relies on understanding the opportunities and resources available to staff to reflect on not just individual preferences (i.e. self-paced resources, classroom training offerings), but also the modality (i.e. formal training or experiential learning) that will offer the greatest support. Six approaches to reflect on include:

- **Informal Talent Development:** These approaches offer flexibility in the modality and methods in which new skills or knowledge are learned, expanded or shared. While this approach may lack a formal structure, it supports continued learning and relationship-building. Informal options are most helpful in building proficiency of newly acquired or current skills and knowledge as they connect to current organizational or team projects and goals. Examples include peer learning, providing time to support development goals and self-managed learning.
- **Formal Talent Development:** These more systematic approaches focus on helping individuals create a fundamental understanding of a project, system or practice. Formal talent

development is more visible to staff and more clearly demonstrates an investment in staff than informal talent development.

Formal talent development is most helpful when there is a need to build new knowledge and create a base for future learning or establish common language among a team or organization. Examples include new hire onboarding, tuition reimbursement and an available course catalog.

- **Relationship-based Talent Development:** These approaches leverage interaction, relationship-building and experience. With this approach, individuals can learn from one another through experiencing the task, observation, asking questions and sharing insights.

This approach is most helpful when trying to build cross-departmental trust or collaboration, new skills to expand capabilities of the team, or bench strength within a team. Examples include cross-department/organizational teams, young/emerging leader groups and mentoring.

- **Individual Talent Development:** This approach to learning requires an understanding of a person's goals and how a particular learning opportunity will support those goals. With this approach, the individual can draw connections between the learning opportunity and the value of growing within his/her current role and overall career development.

Individual talent development is most helpful when working to develop an individual staff member, create engagement in his/her work and build trust with his/her leader. Examples include individual development plans, stretch assignments and training programs.

- **Team/Group Talent Development:** This approach leverages the experiences and skills of a group, playing off the strengths of everyone. With this approach, teams leverage skill sets of the individual members and have plans in place to share knowledge, provide training and identify

resources within or outside the team. This is most helpful when working to build strong department or project teams. Examples include cross-departmental collaboration and training, team building and reinforcing team processes or procedures.

- **Organizational Talent Development:** This approach to learning focuses on the resources and opportunities available to staff at all levels of the organization. With this approach, organizations communicate available opportunities, offer effective resources (financial, time, technology) and demonstrate the value of leveraging these opportunities.

This approach is most helpful in demonstrating investment in individual staff and building skills and behaviors in support of organizational goals and strategy. Examples include leadership development programs, career development plans and succession planning.

“Creating a strong talent development plan relies on understanding the opportunities and resources available to staff to reflect on not just individual preferences, but also the modality that will offer the greatest support.”

Conclusion

Talent development plays a key role in helping organizations sustain and grow their performance. Establishing a work environment for creativity, innovation and change has a positive impact on talent development, as well as other key performance metrics.

The results from a work-environment assessment can provide valuable information about ways to improve talent development along with other important organizational outcomes.

For those currently utilizing assessments, or those considering one, a best practice is to look at the results not as a report card but as feedback. Use this feedback to create a roadmap, offering a guide for leaders and managers to create improvement efforts, making specific commitments to actions that should continue or changes that should occur. Then, follow through on these actions, and conduct a second assessment to see what has changed or improved and what new opportunities there might be to support staff at all levels.



Contact Jennifer Stangl to learn more about the SOQ and how it can provide valuable data to support your organizational climate and talent development initiatives.

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