TWO BEST-SELLING books, both at least partially inspired by Japanese successes in the 1970s—Corporate Cultures by Terry Deal and Allan Kennedy and In Search of Excellence by Tom Peters and Robert Waterman, both published in 1982—introduced the idea of corporate or organizational culture to U.S. managers. This led, later that decade, to the first flurry of activity aimed at shaping or changing corporate cultures to make them a source of strength, advantage, or improved performance. From what I observed, many if not most of these efforts produced disappointing results, and the flurry of activity calmed down. But the interest in culture remained, I suspect, because enough people intuitively concluded that culture did matter, perhaps a great deal.

Some early research showed results consistent with the culture-is-key thesis. But compared to the highly quantitative work done, for example, in the fields of strategy, business
economics, and finance, the culture research did not seem nearly as rigorous. And for much of the managerial world, that is where things still stand today. Culture is probably important. But it is a very soft topic. And there is no solid evidence answering either of the two big questions: What sort of culture does help drive prosperity? And if you do not have that culture, how do you create it?

Dr. Heskett and I both disagree with the assertion that there is an absence of compelling evidence that provides at least some important answers to those two questions. He will make his case in the pages to follow. I would just add that a variety of forces are making it much more important to understand that case, even if you don’t agree 100 percent with it.

Specifically, as the rate of change around most industries continues to go up, I am noticing more executives talking about culture—and for good reasons. More external change almost inevitably leads to new strategies that need to be implemented, more mergers and acquisitions, more digital transformation, and more new methodologies like Agile. In each of these cases, the right culture can make the work happen much faster and better, and the wrong culture can stall or kill the effort. So, as the speed of change increases, culture becomes even more relevant.

Heskett has been thinking about and doing studies related to culture for thirty years. His presentation here is not just one more book on culture. The manuscript is unusually thoughtful and research based. It is written by someone who clearly understands the realities and challenges of running a complex organization. His ideas need to be heard. His conclusions demand serious thought.