Cultural Transformation

Template

Research the cultural transformation journey that Microsoft has been through.

Identify the key elements of Microsoft’s current culture driven by Satya Nadella (CEO).

Answer the following three questions:

1. How has Microsoft’s culture transformed?
2. What are the key elements of the current culture?
3. What inspires you about Microsoft’s culture?
4. How has Microsoft’s culture transformed?

Six years ago, **Satya Nadella**took over as CEO at Microsoft, and by most any measure has been wildly successful. It’s common to look at the stock price as the defining metric of Nadella’s tenure, but the stock price triumph has followed something more fundamental and harder to measure: how he changed the culture of the entire organization.

But Nadella’s inauguration came at a time when technology itself was shifting, moving from a monolithic model — where IT shopped mostly at one vendor, and they were a Microsoft shop or an Oracle shop or an IBM shop, buying a full stack of products — to one where they subscribe to cloud services and choose the best of breed.This was also happening against the backdrop of the Consumerization of IT, where power was shifting from large administrative departments to users and teams. Nadella seemed to understand all of this.

The shift in strategy, probably began long before Nadella was handed the keys to the CEO office, but perhaps it took a different kind of leader, like Nadella, to turn the battleship that was Microsoft Corporation. Every company has its own politics and biases, and I’m sure Microsoft did as well, but Nadella seemed to manage those, reorganizing the company over time, and shifting priorities. It didn’t come without the pain of layoffs, including one in 2017 when thousands of people were let go. Long-time executives like COO Kevin Turner and head of Windows and devices, Terry Myerson, also left the company.

But Microsoft went from a company trying to compel customers to buy an all-Microsoft, all-the-time kind of approach to one that recognized it was important to work across platforms and to partner widely. To show how serious he was, a year after he started, Nadella set aside his differences with Marc Benioff and Salesforce, and appeared at Dreamforce, Salesforce’s massive customer conference. That was hugely symbolic, given the two companies had engaged in dueling lawsuits over the years, but this was a new day at Microsoft, and Nadella was out to prove it.

In a quote I’ve come back to a number of times over the years, Nadella laid out his new vision of cooperation. While he was going to compete fiercely, of course, he also was going to cooperate where it made sense, because customers demanded it — and under Nadella, it’s all about the customer.

“It is incumbent upon us, especially those of us who are platform vendors to partner broadly to solve real pain points our customers have,” Nadella said at the time. He wasn’t ceding markets, or failing to compete when it mattered, but he also recognized to make customers happy, he had to partner when it made sense

1. What are the key elements of the current culture?

* Empower every person and every organization on the planet to achieve more.
* This means anyone can change learn and grow
* Microsoft believes that potential is nurtured and not pre-determined
* One should always be learning and curious
* One should try things and not be afraid to fail
* One need to be willing to lean in to uncertainty, take risks and move quickly when we make mistakes, recognizing failure happens along the way to mastery.
* One need to be open to the ideas of others, where the success of others does not diminish our own.
* Company will learn about their customers and their businesses with

a beginner’s mind and then bring solutions that meet their needs.

* It will be insatiable in company’s desire to learn from the outside and bring it into Microsoft, while still innovating to surprise and delight our users.
* The world is diverse. Mocrosoft will better serve everyone on the planet
* by representing everyone on the planet. It will be open to learning
* their own biases and changing their behaviors so we can tap into the
* collective power of everyone at Microsoft.
* And as a result, ideas are better, products are better and customers are better served.

1. What inspires you about Microsoft’s culture?

**Making a Difference Attitude**

Making a difference isn’t just a result or an outcome of culture. We believe each of us can improve at making a difference by applying a growth mindset to discovering our purpose and working on things that ladder-up to something larger than ourselves. We truly believe we have an opportunity to change the world we live in.

**Leadership principles**

Culture starts at the top, but it shouldn’t stay there. As you’ve seen – we started at the top with a leader-led effort but that isn’t self-sustaining. Our culture can’t depend on a single person.Leadership matters. If we don’t have leaders who hold our values, we won’t get very far.

**Customer Obsessed**

We will learn about our customers and their businesses with

a beginner’s mind and then bring solutions that meet their needs. We will

be insatiable in our desire to learn from the outside and bring it into

Microsoft, while still innovating to surprise and delight our users.

**Growth Mindset**

It starts with a belief that everyone can grow and develop; that

potential is nurtured, not pre-determined; and that anyone can change

their mindset. We need to be always learning and insatiably curious. We

need to be willing to lean in to uncertainty, take risks and move quickly

when we make mistakes, recognizing failure happens along the way to

mastery.