Case study: Corporate culture big change in MS

With the arrival of a new CEO, Microsoft has managed to implement a fundamental change in its corporate culture, based on the growth mind-set theory of psychologist Caroll Dweck. Among other things, this is evidenced by the growth trajectory the company has been on since then. According to experts, in most cases such significant transformations fail. So how did Microsoft do under the new boss?

When Satya Nadella became CEO of Microsoft in 2014, he began to popularise the so-called growth mind-set within the company, the growth mindset according to American psychologist Caroll Dweck (Mindset: The New Psychology of Success). Dweck found that people gravitate towards two basic mind-sets, namely fixed and growth. The one that prevails then influences their success rate.

Dweck argues that the growth mindset is indicative of the underlying beliefs one has about failure and success. So, professionals who have adopted a growth mindset spend more time and effort to understand why they failed, and thus recover quickly from failures. Whereas those who have what is called a fixed mind-set believe that their successes and failures are inextricably linked to their personal identities. So the key to better outcomes through a growth mindset is to focus on process more than ability. And also to have quantifiable outcomes to achieve success.

Nadella was inspired by this theory to change the culture at Microsoft. This then actually took place. According to experts, this is the reason for the company's current success. To change the culture, the beliefs of all employees must change and the practice of change must come from within.

A space that will emphasize the potential for growth and learning

Microsoft's goal, as Joe Whittinghill, corporate vice president of talent, learning and insight/understanding, explained to Business Insider, was to help employees and managers understand what a growth mindset is and how to leverage it. The company started the change through a new coaching initiative. The purpose of this coaching is to define team goals and help team members adapt while learning. It was necessary to start with managers to create a space for employee growth and learning. A Coach Care Model was created based on employee surveys and focus groups.

|Managers then became the change agents to set this example for employees in the practice of growth mindset and provided support to employees with solving the problems and managing failure. The important method is coaching.

Questions:

1. What is the basis for culture change? Describe the principles

3. Describe the main steps in the culture change process?

4. What are the core methods for working with people in MS?

5. Do you find inspiring the growth mind-set theory? Why?