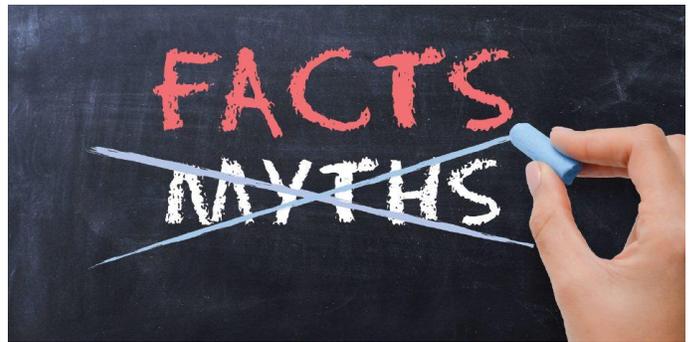# TOP 10 MYTHS ABOUT

CORPORATE CULTURE

AND THE FACTS YOU NEED TO KNOW

By Candace Coleman, CultureWise™ Content Manager

Culture is such a hot topic in the business world that it's consistently ranked among the top three most important issues for senior leadership in Deloitte's annual study of capital trends. But if you asked a cross-section of those leaders to define culture and how it works in their companies, you're likely to get various answers.

Here are the top 10 myths about corporate culture and some solid information to sort them out.

MYTH #1: CULTURE IS A SET OF VALUES
Many business leaders spend a lot of time defining the values they want their companies to represent. They publicize them in company messaging and frame them on the walls to demonstrate their commitment to high standards.

Official principles can be inspirational, but they don't define a company's culture. Values are ideas, whereas an organization's actual culture can be discerned in the actions and attitudes of the people who work there.

Leaders can choose to mold their company's culture by initiating a program designed to elevate behavior standards. A culture initiative gives employees the tools to bring those values to life and go beyond that to drive organizational success.

MYTH #2: GOOD CULTURE IS A FUN ATMOSPHERE AND COOL PERKS
It's a common assumption that a company's physical trappings and feel-good benefits form its culture. Lots of business leaders try to sweeten the employee experience by:

Investing money in extra privileges like game tables, bean bag chairs, and break rooms stocked with treats.
Redesigning their spaces to accommodate adjustable workstations, yoga breaks, and a place for pets.
Employees mostly like these things, but they don't define the company culture. They're window dressing on the culture that already exists.

The actual culture is people's behaviors while they work, coordinate with each other, and interface with customers and vendors. It's evident in their attitude about their jobs and the extent to which they feel connected to their employer. A culture can be good, mediocre, or even bad—even when you get to bring your dog to work.

MYTH #3: CULTURE IS A SOFT CONCEPT THAT DOESN'T AFFECT THE BOTTOM LINE
Many business leaders dismiss culture as a "soft" attribute and not crucial to the strategy and goals driving financial success. They're more concerned about managing day-to-day operations and planning the concrete areas of their business because they believe these are the things that will put their companies ahead.

But whether they are cognizant of it or not, their company's culture is a vital factor in determining the success of their business. In fact, it may be the most important thing impacting profitability.

The way employees behave and their attitudes, i.e. the culture, influence every aspect of how a business runs. The evidence is in the overall impression a company makes on customers, the level of productivity, and commitment to quality.

No matter how good a company's products and services are, they can always be matched or bested by competitors. But they can't duplicate a unique team with a strong culture. It's the one thing that will differentiate a business from rivals that are solely focused on profit.

As CultureWise CEO and author David Friedman puts it: "Culture is the last remaining opportunity for competitive advantage in a commoditized world."

MYTH #4: CULTURE IS AN HR PROJECT

Lots of people assume organizational culture is in the domain of a company's HR department because it's a "people thing." Leaders often expect HR to maintain a healthy culture and to step in as needed to give it a boost.

But a company's culture isn't a program that HR can dial up or down. The culture already exists beyond the walls of the HR department—everyone participates in culture daily. That culture can range from strong to listless to outright destructive.

To achieve a positive culture shift in an organization, everyone needs to work together. Most importantly, leaders must show their commitment to it and set the tone.

According to Rebecca Newton in an article for Harvard Business Review, culture "too often devolves into a transactional 'box-ticking' exercise. It is really only successful and powerful when business leaders see it as their responsibility and see HR as a resource for helping them achieve it."

HR can be the facilitator, but prioritizing culture has got to start at the top of a company and filter through everyone on the team.

MYTH #5: CULTURE IS JUST ANOTHER MANAGEMENT FAD

Some people may wonder if culture is a temporary phenomenon that will just be replaced when the next shiny management technique hits the headlines. But as long as we have a workforce made up of people, corporate culture isn't going anywhere.

Remember—cool perks don't define culture, and the trend to provide those things may not last. A company's culture resides in the way people work and interrelate, and it's the lifeblood of the organization. It isn't a fad; it's a fact of life.

It's important to point out that programs set up to improve culture can become "flavor of the month" attempts to galvanize employees. It takes an ongoing effort for a culture initiative to succeed; it's not a management tool with a shelf life.

The behaviors that will drive organizational success should be continuously taught, discussed, and practiced. Leaders who prioritize culture improvement are proactively building infrastructure that will bring out the best of what their organization has to offer. And that will never be a passing trend.

MYTH #6: CULTURE CAN'T BE CHANGED

Another common assumption is that a company's culture "is what it is." If a negative culture persists in an organization, some leaders presume there's not much they can do about it—short of firing people.

And if a company has a positive culture, other people may think they were lucky to get off on the right foot with the right people—but doubt that it can be made any better.

Any behavioral analyst can tell you that neither perspective is correct.

Culture, or the way people act and the attitudes they have, can always change, for better or worse. Leaders who choose to intentionally work on their company's culture can redirect negative behaviors or improve a good culture and turn it into a great one.

They can do that by:

- Defining the behaviors they want to emblemize their company
- Developing a way to teach and coach those behaviors
- Devising opportunities for people to practice the behaviors until they become habits
- Depending on the desired results, habits can be formed, perfected, or broken. By using a systematic approach, behaviors can change—culture can change.

MYTH #7: CHANGING CULTURE IS A COMPLEX PROCESS

Business owners who understand the importance of corporate culture may be overwhelmed with the idea of trying to change it. "Rewiring" everyone who works for them sounds incredibly complicated. Where would they even start?

The truth is that it takes a process to effectively change culture, but it's not a complex one. Just like the step-by-step methods to improve results in any other business operation area, a systematic approach makes changing company culture simple and achievable.

Leaders should start by asking the question, "What behaviors would make us more successful as an organization and as individuals?" The next step is to map out those behaviors and then methodically teach, reinforce, and discuss them. Finally, they would show employees ways to tap into these behaviors until they're internalized.

David Friedman's book Culture by Design is an excellent resource for leaders looking for a practical, uncomplicated method to improve culture.

Although this process isn't hard—it's essential to understand that it must be ongoing if it's going to work. A systematic culture initiative should be a never-ending cycle of improvement that just becomes part of an organization's DNA.

MYTH #8: EMPLOYEES WON'T EMBRACE A CULTURE CHANGE

Some leaders are reluctant to try to alter their company culture because they're afraid of a backlash. They worry about how an agenda that addresses behavioral change will be received. Will veteran workers turn up their noses? Will the change-hating side of human nature kick in across the board?

While there may be those with a "we've always done it this way" attitude, most people resist change because it represents the unknown. It takes people out of their comfort zone.

Leaders can do three things to overcome that resistance and make a culture shift a welcome change:

- Be present. Demonstrate a top-down commitment and be a model for participation.
- Share what to expect and the timeline, so there are no surprises.
- Tell employees how a culture change can benefit individuals, as well as the organization.

There's an additional misconception that while office-based staff may be open to a culture initiative, it would never go over with teams in the warehouse, on the production line, or at the construction site. Culture is often perceived as a "white-collar" thing that only works for some industries or departments.

The truth is that improving culture makes people feel like they're making a valuable contribution in their jobs and helps them enjoy what they do every day. Who can't relate to that? When delivered in the right way, with the right tools, culture change will be well-received by people in any line of work.

MYTH #9: CHANGING CULTURE TAKES TOO MUCH TIME

Business owners love to make changes where the impact is immediately evident. When people green-line projects like a new ERP system or a communications platform, they get relatively swift gratification.

But many leaders hesitate when faced with a decision about whether to implement a culture initiative. They think it will take too long to have any effect—and because culture is intangible, they assume it would be hard to know when and if the change is even working.

It's true that launching a program to systematically improve culture is a long-term commitment. In a way, it's like planting a garden and continuously tending it as the crops come in. But with the right kind of program, things can begin to turn around relatively quickly.

Just like a new sports coach who steps in and inspires and excites players, a powerful culture program can have a game-changing effect on a company right from the beginning. As the culture initiative begins to take hold, its impact becomes increasingly apparent in many ways, including:

- Stronger teamwork
- Improved communication
- Greater focus on quality
- A higher level of responsiveness
- More enthusiasm and energy

These aren't things that can be seen or measured, like a new piece of machinery or an updated accounting system, but they're things that clearly increase success within a business. And the longer the initiative is in place, the greater the reward.

MYTH #10: A CULTURE INITIATIVE WILL COST TOO MUCH MONEY
Business leaders usually maintain a list of investments they want to make in their company. Their plans may include physical upgrades, systems improvements, an expanded staff, or acquisitions. Interestingly, culture often doesn't make the list.

Even though most people acknowledge the importance of having a strong culture in their companies, many don't think it merits a financial investment. It's relatively simple to calculate the benefit of other expenditures, but what's the ROI on corporate culture?

Actually, there are many ways that a high-performing culture pays off. An initiative designed to fine-tune the behaviors that drive success in areas like customer service, accountability, and greater attention to detail will positively impact the bottom line.

And a high performing culture doesn't just help generate money; it saves money for an organization.

One of the biggest concerns in the business world is maintaining a high level of employee engagement. When staff members become disengaged, they're prone to job hop. Corporate culture is one of the primary factors influencing workforce retention. A strong culture prevents the recruiting and training costs generated by constant turnover.

The relatively modest cost of a culture program by far offsets the costs associated with attrition.

Myths Debunked! What's the Takeaway?
There are three things to remember about corporate culture now that the misconceptions have been clarified:
- A company's culture is alive in the behaviors of its staff
- Culture strongly affects the degree of an organization's success
- Leaders who intentionally work to improve their company culture will see multiple benefits
- The most effective culture initiatives are systematic processes that engage employees in many ways.

The bottom line is that nothing can create more positive change in a company than developing and maintaining a healthy culture. Don't let the myths prevent you from protecting what is arguably your company's most valuable asset.

To learn about the clear and proven steps you can take to begin a culture building journey, reach out to Carlos Quintero at 864-349-1032 or 770-842-8744, or email carlos@one2onecx.com

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