

Sustainable Development of Company Culture

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There are five elements of company culture development:

1. Principles/Values
2. Specific Behaviors (that result from said principles/values)
3. Hiring
4. Training
5. Evolving

#1 (Principles/Values) - While it is not the job of this document to describe *what* values are important to a company, it is key that whatever they are, they need to be communicated and demonstrated often by company leadership. Having HR define and publish on internal websites/SharePoint is not enough to maintain consistency of "living those values" throughout the company over time. Especially if people see leaders behaving in ways that could be interpreted as contrary to those values, positive culture can quickly erode. In a related way, another potential issue is that without #2-5 also being well described, documented, and implemented, the Principles/Values themselves can be open to wide interpretation. Principles/Values alone are too vague.

#2 (Specific Behaviors) is the answer to the question "what do those principles mean?" What are examples of the types of behaviors and decisions that we expect these principles to lead to? What specific behaviors, decisions, and policies can we point to that are reflective of company values? Paraphrasing author Seth Godin, to have a culture is to explicitly state "People like us do things like x..." A company should have a number of examples ranging from "This is how we expect colleagues to resolve conflicts..." to "Leaders should have no more than x reports..." to "Teams bond/celebrate together like y..." to "This is how we use threads in Slack..." to "This is how to speak truth to power in the company..." to "In a meeting, do x, not y..." to "Charities we support include x, y, and z...", and on and on. There should be a long list of both do's and don'ts that are not just throwaway suggestions but specific behavioral guidance and expectations to measure against. Leaders need to embody these behaviors and, if a case occurs where a leaders acts contrary to those expectations, they need to acknowledge the issue and course correct. Continued uncorrected behavior contrary to the values of the company should lead to termination, no matter what the employee level.

#3 (Hiring) uses #2 to guide cultural interviews to know if someone is a good fit. They should not just be anecdotally judged if they act "nice" or "seemed respectful" in an interview. While gut feeling and basic interaction can reveal certain obvious behaviors, people are usually showing "their best selves" in interview situations and can easily hide potential yellow or even red flags from interviewers. Questions should focus on behaviors, guided by the examples from #2. In other words, "How would you behave in x situation?" Or even better "Give me an example of when you were involved in x situation – how did you behave? With hindsight, what would you do differently?" Past behavior is the best indicator of future behavior, not just in a particular situation, but *has this person learned? Are they self-aware?* This takes both a critical mass of examples from #2 as well as training for interviewers who would be checking for cultural fit. It should be consistent and meaningful to specific behaviors we are both looking for in a positive way and negatively flagging for either training, if brought on board, or declining to hire.

#4 (Training) includes onboarding, ongoing training, and reminders/reinforcement. A company should have a regular cadence, starting with onboarding, of training for how put #1 and #2 into action. This

especially circles around to #5, meaning as company principles evolve and behavioral examples grow, those get communicated back to everyone in the company as reminders of shared cultural goals, history, and expectations.

#5 (Evolving) - Culture is not a static thing. Author Simon Sinek emphasizes how important it is that we don't just want people who "fit" and follow cultural norms, but those who will grow the culture in positive directions. Evolving culture is desirable – some would even say essential for a business to be successful in the long term. So getting the right people on board (who will not only maintain but *add* to the company culture) is the starting point. Staying aware of changing culture, course correcting when needed, documenting it, then circling back around through training is key to a company culture that benefits all **and retains talent**.

This approach takes engagement and effort, but it is worth it. Author Adam Grant, in his book *Originals: How Non-Conformists Move the World*, describes the "commitment blueprint" (which is reflective of a "cultural fit"-focused approach) as being backed by research to vastly outperform other dominant templates. In fact, the odds of an initial public offering by companies using the commitment blueprint were more than triple the next best performing model and more than quadruple the third best performing model.

I believe it is important to engage with cultural alignment in an aggressive and intentional manner and am convinced any company would see extensive benefits from the effort.

Separate but related to the last topic above – one of the first areas to investigate and confirm is whether or not all hiring managers are actually focused on hiring to the commitment blueprint. If some are hiring to a different model and just using cultural fit as a secondary or tertiary consideration rather than the primary focus, that is a critical leadership issue to address. Consistency across the company in this regard is essential to culture being a relevant factor for success. For reference, the other dominant models are "professional" - hiring for key skills and experience – and "star" - hiring for future potential based on raw talent and intelligence.

"Skills and stars are fleeting; commitment lasts." - Adam Grant