



CHAPTER ONE

So, What's Culture Got to Do With It?

We can change culture if we change our behavior.

—DR. AUBREY DANIELS
THE FATHER OF PERFORMANCE MANAGEMENT

Striving, but never satisfied. That is how I would describe most everyone's experience in the work world. If you are in the business or manufacturing world and are living a satisfied life, then indeed, you are one of the blessed few. I believe most everyone else's experience is the opposite. When many people are asked to describe their work experience, standard responses include terminology like frustrated, discouraged, miserable, trapped. Even so, you and your employees are expected to deliver your best work every day. Ponder that thought for a moment ... then imagine it in a different context like sports. Pick any sport you want. You have two teams—one that is motivated, inspired, and seeking to do its best. The other team is demoralized, frustrated, divided, and miserable. Which team is better positioned

to win the game? Even if the discouraged team possesses better talent, who has the advantage?

Think again about you and your company. If YOU are feeling discouraged and miserable in your job, what is the likely quality of

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YOUR work? And if you're an executive and believe that you can live above the fray and pass it off to HR—think again. The higher your position of responsibility, the greater your influence to generate positive or negative results.

Where do you spend most of your waking hours in life? Working. Your work experience truly colors everything in your life. If your work experience is positive, it can't help but positively influence the rest of your life. If your work experience is negative, it will certainly subtract from the rest of your life as well. And remember that your work doesn't affect just you. As much as you would like to isolate your family, friends, and life from your negative work experience, there is an impact.

So, is there a way that a mostly negative collective work experience can be reversed and become positive? And could making that change enable your company to prosper as well? Let's talk about it. I'm not going to sugar coat things. I'm not an HR person, so I'm not going to dance around the issues and be politically correct while the real issues with your company and its culture go un-addressed. If you're pretending your company enjoys a business or manufacturing culture that is delivering optimum results when it really isn't, I want to help you face reality and institute some needed changes.

QUESTIONS FOR THOUGHT

- 1. What adjectives would you use to describe you and your team?**
- 2. Do you take your work attitudes and feelings with you when you leave work?**

THE "REAL CULTURE"

Often, it's not difficult to identify what is wrong with the work culture at our place of employment. The real challenge comes with identifying and then explaining the improvements we'd like to see. We just know that "what is" isn't cutting it for us.

As I read books about process optimization and change management, I come away feeling like I live and work in a different world than what is described. Typically, there is a decidedly theoretical approach that is laid out to improve your process or manage change in the marketplace. I agree wholeheartedly that methodology is needed to improve your process. Unfortunately, I find there is a disconnect when that theory is applied to the business or manufacturing environment. While theoretical approaches may be more applicable in a tech firm, the theory falls apart pretty quickly in manufacturing. Studies say that even in the more controlled, less chaotic work environments, many change and improvement initiatives fail.¹ Why? The human element is severely underestimated or taken for granted. If you are working at a company, you are well aware that myriad personalities exist just in your world ... not to mention the company at large. Getting everyone to go in the same direction is like herding cats! It is time to hit the process change and people management issue at the gut level.

CULTURE EATS STRATEGY FOR BREAKFAST

Famed management consultant Peter Drucker is attributed with this famous statement: “Culture eats strategy for breakfast.”²

Do you agree? How many strategies have you rolled out in your company over the last few years? All of them were designed to deliver financial results that would outperform the status quo. But let’s be honest—how many of those Powerpoint strategies actually forged a pathway to the outcomes the company was seeking? I would venture to say very few proposed strategies delivered the intended result. Perhaps marginal improvement was made, but it’s likely you didn’t hit your goal. So was the strategy wrong or were there elements at play that sabotaged the strategy? Did you ever think to make that assessment before you rolled out the next strategy? I would submit that culture had more to do with your substandard results than strategy.

What is culture anyway? Merriam-Webster’s dictionary defines culture for our context as follows:

Culture is the set of shared attitudes, values, goals, and practices that characterizes an institution or organization: a corporate culture focused on the bottom line.³

I find it quite telling that Merriam-Webster chose to use the example of a corporation focused on the bottom line to describe *culture*! It seems like many people can identify with that approach.

What are the shared attitudes, values, goals, and practices of your organization? Many companies have stated values that they say guide them. And there are certainly some successful companies that “walk the talk.” However, I believe there are many more companies that either don’t have guiding principles or don’t follow the ones that they

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publicize. In those companies, I doubt many rank and file employees know what the corporate values are, or if they do, their interpretation is probably a very different one from what is stated. I will also submit that many corporate values are directed toward how the company interacts with the external world and offer little internal guidance.

Here are some interesting questions you may wish to ask your employees:

- 1. Do you know the company's mission statement?**
- 2. How does the mission statement translate to action for you on a daily basis?**
- 3. What do you think the company values are in practice compared to what is on the website?**

You may find their answers enlightening. To your employees, the culture is what they experience and how they are treated as they go about their daily job responsibilities. That is their experience of culture. Many corporate values will state that honesty, integrity, and operating in good faith are fundamental. However, is that what your employees would say **THEIR** experience is? Your employees may understand that is how they are to treat your customers, but would they say their *internal* experience mirrors that?

Many companies seem to have a disconnect. They have one set of expectations for those external to the company while a separate set of values is practiced internally. Or they operate with one set of expectations for those on the top floor and one for those on the shop floor. If your company is listed on Glassdoor.com, reading the employee reviews there will tell you a lot of what your **TRUE** company culture is. And you may find that those reviews don't line up with what your website states or how you describe your culture

at your shareholder's meeting. Seeking accurate representation from your employees should be your starting point for understanding your present state of CULTURE.

QUESTIONS FOR THOUGHT

- 1. Is strategy or culture defining your company's performance?**
- 2. Is the company culture impacting your personal performance positively or negatively?**
- 3. Is your company culture congruent with your employees and your customers?**

EXECUTING THE BUSINESS STRATEGY

Once your culture is accurately defined, here's the next logical question: "*Is my current culture able to execute my business strategy?*" If you see mostly positive results from ALL levels and branches of your business, you've got a fighting chance of executing your strategy. However, if you see more disappointing results, you've got a bigger problem than strategy. You've got a culture problem that will undermine whatever strategy you put forward.

Let's define a healthy business culture versus an unhealthy one and examine ways to start moving the culture in the right direction.

**You are only as good as the weakest link
in your process, equipment, or people.**

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Your weak links will set the ceiling for your performance regardless of how proficient you are in other areas. I encourage you to carefully consider how culture plays a role in how those weak links are created.

If you have great customer service but can't get your product out the door, what dictates your company performance? If you've got a great product but are plagued with a high number of manufacturing flaws, what is the customer's opinion of you and your product? If you have a great product but have high employee turnover, what is your business performance? And what does that mean regarding culture? In the scope of your understanding, you put culture on the backburner. Look at your business and tell me otherwise. After all, if you can't get orders out the door, culture won't mean anything because I won't have the money to do anything else! Culture can get pushed to the rear time after time because there is always something else that is more urgent to address.

Ignoring your culture issues won't make them go away; they will fester and often grow into bigger problems. That usually means they will bring much bigger consequences and damage until they are finally addressed. It's the "kick the can down the road" syndrome until they become someone else's problem.

The prudent approach is to promptly deal with your problems head-on before they have a chance to grow. If you're a manager and you see problems brewing on the floor or office, deal with them now. Your solution may be imperfect, but your employees will have been heard. Don't miss your chance to diffuse the powder keg. With no offered solution, the problems will blow up into something much larger ... and you may end up being a casualty.

No one likes dealing with problems—particularly people problems. Yet, people need answers. They need to fill in the blanks, have a narrative and "know the deal." If you don't give them the information

they need, they will simply create their own reality. Your failure to communicate means others will write the narrative.

Perhaps you feel that you don't have the energy or time to deal with the people issues. After all, employee morale isn't a metric for the business and who can measure it anyway? It is true that employee morale is an afterthought at many companies and won't show up in any concrete metrics. Yet, you see it in the negative body language and hear it in the tone of voice in the answers to your questions. You know it is a factor even if no one is measuring it. I would suggest that you take just a few minutes a day and have some open-ended discussions with different employees. You don't need to make promises. Just listen and get a sense of the real issues. After a while, you will see the issues much more clearly. You will also have built a communication bridge with the workforce so that when you need to communicate, you also will be heard by them. I recall seeing a television commercial as a boy in which the muffler repairman said, "You can pay me now or pay me later." His point is very relatable: addressing problems quickly when they are small is always much less expensive and less disruptive than if we wait for a complete failure.

Author Dr. Travis Bradberry writes that high-pressure cutthroat organizations have 40 percent lower earnings per share, are 18 percent less productive and have 50 percent higher turnover. They also spend 50 percent more on healthcare, and 80 percent of workplace accidents are the result of stress.⁴ Plus, those same organizations are

**CULTURE and
ENVIRONMENT**
are what help you
retain people.

dealing with additional challenges that come with a changing workforce. Employment strategies that worked for baby boomers will not resonate with millennials. Boomers are of a generation that tolerated less than

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ideal work scenarios because it was the cultural norm. Quitting a job because you didn't like the workplace dynamics wasn't the top priority. Many boomers took pride in the fact that they worked at one company for thirty or forty years. Millennials march to the beat of a different drum. Their work "experience" means a lot to them. Working at one company for their entire life is low on their priority list, compared to seeking a more enjoyable experience. You can argue that millennials should adopt a more loyal attitude toward their employers but that doesn't change the reality. You, as the employer, need to understand what a millennial workforce values because that is your future. Boomers are retiring, and millennials are taking their place. Is your workplace culture strategy geared toward the past or the future?

There is also a real cost of a depressed workforce. Robert Leahy, Ph.D., is the director of the American Institute for Cognitive Therapy, and the author of *Beat the Blues Before They Beat You: How to Overcome Depression*. Dr. Leahy writes that stressors at work might be contributing to employees who battle depression and worry: "There are increasing demands for productivity to increase profits, while support staff has shrunk. Moreover, people often report feeling stuck in a no-win, glass-ceiling job, but they fear to be out in the marketplace in such difficult times. As a result, they feel trapped and helpless."⁵

The annual cost of depression in the U.S. workforce is estimated in the billions. It sounds like the workplace characteristics described here are very similar to the toxic workplace. A stressed out and/or depressed employee doesn't deliver good work to your company. I'm not saying that all lost productivity in the workplace is because of a toxic environment; however, it certainly is a significant contributor. Just think about your own company, department, or group. If

you've got a toxic environment, how much does it cost you in lost productivity?

If your 10 percent of top performers leave because they can, and the middle 60 percent just go into survival mode, this approach will never allow for an optimized workforce or superior business performance. Conversely, the value of a positive work environment also means it will take a lot more than money to pry away your employee. Do you think that's why millennials move around to different jobs? They've been told 'go for the money', but the money doesn't keep them satisfied. Though they keep chasing money, what they really want is a more positive work environment and experience.

Your older employees are retiring, and your knowledge base is eroding. However, you've got a constant churn of younger employees coming and going at the lower levels of the organization. Your ability to maintain your knowledge base is disintegrating which is setting you up for a precarious future. Do you think addressing culture is important now?

To be clear, I am not talking about trading profitability for employee satisfaction. We all know that profitability is essential to any business. I want to encourage you that as you create a workplace environment where employees can thrive, your business performance will be

Superior business
performance
follows when
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superior to what you experience today. Addressing culture will help you to discover how to create a win/win scenario for the business and employees rather than suffering in the win/lose dynamic that is so prevalent today.

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QUESTIONS FOR THOUGHT

- 1. Can you think of some employees you should talk to about workplace issues?**
- 2. Is your workplace culture looking to the past or the future? What is missing?**
- 3. What “weak link” sets the ceiling for your organization’s performance? Are there weak links in the workforce environment that are creating ceilings but going unaddressed?**
- 4. Are you satisfied with your ability to retain talented people in your organization? If not, do you know what could make them stay rather than leave?**

ENDNOTES:

1. Andreatta, Britt, *Wired to Resist*, “The Costs of Change Gone Wrong,” Chapter 1, 7th Mind Publishing, Santa Barbara, CA, February, 2017.
2. Carlson, Bob, “Improving Quality Starts with Changing the Culture,” Quote of Marc Bard, MD, CEO of the Bard Group, Managed Care, September, 2002.
3. *2017 Merriam-Webster Incorporated.*
4. Bradberry, Dr. Travis, “8 Ways Cutthroat Work Cultures Suck the Life Out of You,” talentsmart.com.
5. Leahy, Robert, *Beat the Blues Before They Beat You: How to Overcome Depression*, Hay House Inc., 2010.

WORK WELL