

REBECCA FRIESE

THE GOOD CULTURE

FLYN

**H**AVING A POSITIVE, interactive corporate culture is something that many leaders strive for, but getting there (and staying there) isn't just about feel-good policies or Ping-Pong-table incentive tactics. The power of a Good Culture is something to behold, and the cost of not creating one may be more significant than you realize.

In *The Good Culture*, Rebecca Friese, cofounder of FLYN, shares the wisdom of her twenty-plus years of creating organizational change across the spectrum of companies—from hopeful start-ups to Fortune 500s—helping you to manage your culture and lead positive change, day by day. This book will guide you in figuring out what works for your company in real life, and how to chuck out what doesn't, to bring people into the fold and support cultural growth, all the way to the top.

**“Culture is all about how you treat people: your customers, your employees, your suppliers, anyone who interfaces with you. Whether you are a large company or one just starting out, this book offers insights and practices that will be invaluable to building a Good Culture. Read it and make your company better.”**

**MAYNARD WEBB**, founder of Webb Investment Network and on the Board of Directors at Salesforce and Visa



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“Rebecca Friese is a powerful voice for making things better. Her wisdom and insight have helped organizations large and small, and now she’s sharing it with all of us.”

**SETH GODIN**, author of *This Is Marketing*

# The Good Culture

THE LEADER'S GUIDE TO  
CREATING A WORKPLACE  
THAT DOESN'T SUCK

Rebecca Friese

## Praise for *The Good Culture*

“As talent leaders and practitioners, we spend years of our professional lives trying to create environments where our employees can thrive. We attend seminars and conferences, scour articles, trade best practices, try hot new concepts, and repeat the same old approaches, often all resulting in the same outcome. Rebecca Friese’s book cuts through the noise and gimmicks to draw out what you really, truly need to know in order to build—and maintain—a Good Culture.”

**BETH KARLSSON**, Head of Talent at Pinterest

“Rebecca Friese is a powerful voice for making things better. Her wisdom and insight have helped organizations large and small, and now she’s sharing it with all of us.”

**SETH GODIN**, author of *This Is Marketing*

“A connected culture is critical to loyalty, retention, and productivity. In this must-read guide, Rebecca Friese lays the blueprint for every leader to create their ideal culture.”

**MICHELLE TILLIS LEDERMAN**, author of *The Connector’s Advantage* and *The 11 Laws of Likability*

“Culture is the secret weapon of today’s top companies. Think of *The Good Culture* as your owner’s manual to that weapon. Creating a sustainable, successful business that attracts top talent and engages employees leads to delighted customers and an influential brand. Culture and brand are two sides of the same coin, and if you want to be a market leader, you’d better start from the inside out—with a genuine desire to connect to both employees and customers with empathy.”

**MARIA ROSS**, founder of brand consultancy Red Slice and author of *The Empathy Edge*

“Culture is all about how you treat people: your customers, your employees, your suppliers, anyone who interfaces with you. Whether you are a large company or one just starting out, this book offers insights and practices that will be invaluable to building a Good Culture. Read it and make your company better.”

**MAYNARD WEBB**, founder of Webb Investment Network and on the Board of Directors at Salesforce and Visa

“Culture is *not* a kombucha machine! Rebecca Friese does an excellent job articulating the simple to describe but hard to execute elements of a Good Culture. I could feel her insights, energy, and passion come through on every single page. A must-read for progressive leaders who believe their employees should thrive at work!”

**ANNMARIE NEAL**, partner and Chief Talent Officer of H&F and former Chief Talent Officer at Cisco Systems

“During this time of unprecedented economic uncertainty and the disruption of traditional workplaces, company culture matters more than ever. Rebecca Friese’s blueprint to help leaders rethink their organization’s purpose is a practical and well-written guide to help refine any company’s mission and values, especially during this era of upheaval.”

**HEATHER CABOT**, author of *Geek Girl Rising* and *The New Chardonnay*

“Organizations are transforming at rapid rates due to the continuous introduction of technology, requiring employees to reskill and upskill for jobs of the future. Recent research implies a link between workplace culture and an employee’s ability to learn; learning in the new nature of work is critical to prepare for jobs of tomorrow. Rebecca Friese does a brilliant job highlighting the power of a Good Culture (with practical tools, tips, and applications) to ensure your organization is able to innovate, while minimizing disruption to your greatest assets—your people. If you believe in investing in your people, you must invest in providing a culture where you and your employees can thrive, and this book will give you the guidance to do so.”

**DR. JENNIFER NEUMAIER**, Social Learning Researcher and Leader at LinkedIn Learning, a Microsoft Company

“If you are lucky enough to know Rebecca Friese, then you know her passion to inspire people to love what they do is her calling. It is thrilling to read the pages of her book and be transported back to the many lessons and learnings I’ve taken away from our almost decade-long partnership. *The Good Culture* is for anyone who wants their workplace to be anything but ordinary and offers the tools to help make it extraordinary.”

**DANIELLE SANDARS**, Director of Global Communications and Employee Engagement at Converse (NIKE, Inc.)

“Rebecca Friese’s book tackles the most essential question for leaders today: how can modern organizations drive their innovation and performance with their culture? With insightful stories from leading organizations like Whole Foods, Method, Zappos, and Workday, this book provides illustrative and practical stories as well as clear diagnostic and guidance tools. What does a Good Culture look like? What is your present culture? Where can you take your culture? How can you connect your culture in the everyday details (of management, recruitment, hiring, etc.) to the overall organizational purpose? *The Good Culture* can help with those questions and more so that work does not suck at your organization. I recommend this book to anyone leading an organization or aspiring to lead an organization today.”

**JAMES SHERRETT**, Senior Technology Strategist at Slack

“*The Good Culture* is smart and critical. Rebecca Friese’s message is clear: people are the priority. As a leader, creating the culture that enables your people to do their best work is your quickest and most likely path to success. Read this book.”

**KARA GOLDIN**, founder and CEO of Hint, Inc. and author of *Undaunted: Overcoming Your Doubts and Doubters*

“Rebecca Friese artfully weaves together practical examples, storytelling, and culture facts to pull you in and take you on the journey to a successful culture.”

**STEPHANIE FITZPATRICK**, SVP of Human Resources at UnitedHealth Group

“Love the practicality Rebecca Friese brings to culture change. It’s simple to see that culture drives strong organizations, but driving lasting culture change is complex and difficult. If you’ve tried, you probably wished that you had someone or some resource to help you find the right path. Rebecca doesn’t shy away from the reality of that complexity, but breaks it down with real examples, tools, and approaches to help you start asking the right questions to find a way forward.”

**KATE BROWN**, VP of Culture and Engagement at a global financial services company

“There are companies that have Good Cultures, and there are companies where work sucks.’ In Rebecca Friese’s book, the case for creating a Good Culture is painfully obvious. But she shares a refreshingly obtainable path to getting there. In the years I’ve worked inside and outside of organizations, I’ve known this to be true— if your culture isn’t good (aligned with your business strategy), it is unlikely you’ll succeed. Rebecca’s book makes this formerly ‘fuzzy’ goal of Good Culture clear for all of us.”

**JULIE HASSETT**, Vice President, Chief of Staff, SaaS Engineering at a global enterprise software company

# The Good Culture

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THE LEADER'S GUIDE TO  
CREATING A WORKPLACE  
THAT DOESN'T SUCK

**Rebecca Friese**

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*For my family  
Mom, Dad, Whit, Jen, Will, Staci,  
Chris, Alexandra, and Thomas*

*I do this work so that everyone may experience what  
it's like to be loved and supported as you've done for me,  
even in the workplace.*



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# Introduction

WORK REALLY SHOULDN'T suck, but let's face it—it often does.

We spend more than half our waking lives in the office, and driving there and back, five days a week. We spend more time with our coworkers than with our families and friends. We spend more time sitting at a desk than standing and moving around, which is jeopardizing our mental and physical health.

All of this is true for every one of us who works full time at an office job in the United States. And that's even before we actually get into the reality of working culture, your bosses' tendency to micromanage, or the possibility of downsizing due to a merger or to outsourcing overseas.

Work sucks big-time.

Why aren't we doing anything about it?

Worked sucked for me as well. Just out of university, I was working at my dream job for one of the biggest consulting firms in the world. In their change management division, they needed truly excellent communicators, and that was right in my wheelhouse. I credit that company

with getting me to where I am today, because the knowledge that I gained about business and people and change was invaluable. But after five years of doing the same thing—enter client workplace, assess it, recommend the same old, same old strategy, rinse and repeat—I wasn't learning anymore and decided to move on. It was hard to justify walking in that same door every day when I didn't actually believe that my work was meaningful.

After yet another consulting gig, I was coming back to San Francisco from La Jolla on a puddle jumper and ended up sitting beside the twenty-nine-year-old founder of a start-up. Right then and there, after receiving an invite to a launch party that night, I mapped my career journey on the back of an airline napkin. By the end of that La Jolla project, which signaled the end of my consulting career, I was invited to become Head of People at the start-up, and I went from learning stagnancy to out-and-out freedom in a few months. The start-up was all ramp-up: I had moved from a company with sixty thousand consultants to a room with only fourteen people in an open-concept space, and I was tasked with bringing maturity and process into the room without killing their just-got-funded buzz. I was thrilled to be stretching my creative muscles, learning to work with autonomy, and scaling the company as part of their leadership team.

Soon after that, the founders hired a new, seasoned COO. But this change brought in a whole new set of challenges, as the C-suite's ideas of culture began to shift and rattle against each other. It was like working in a minefield, balancing clashing personalities, strategies,

and cultural expectations. And then the dot-com bubble burst. Because we were paying too much attention to the culture clash, we were taken off course when we weren't ready. I had to start firing people. What I had loved about the company soon became what I disliked.

It sucked.

I was looking at all of these companies, successful and not, big and small. Whether it was my own company or a client, I would see things very clearly: people were just not jelling as a team. They phoned it in. They were exhausted and didn't feel like it was possible to achieve their goals. People were obviously and strangely angry at each other sometimes. There was backstabbing going on, but even worse, there was information hoarding: people would hide knowledge because they wanted to be the only one with it; people would decide not to tell others about their truly excellent strategic plans because they were afraid of being stopped in their tracks.

What was going on? Why were these truly excellent organizations, and their talented, wonderful people, hemmed in by this kind of behavior? Didn't they realize the damage they were doing to their own future success?

After realizing this, I did the smart thing decided to take a break. My new title? Queen of the Small Gig. My family had become a new priority, and I moved back to my hometown of Chicago, but I was still constantly booked as a coach, a solopreneur, a consultant. It wasn't until I got chosen for a three-day program called FEMBA (a mini-MBA for women entrepreneurs) with Seth Godin that things really started to click. Together with fifteen

other women, I discovered the missing piece, the thing that connected the dots, the values that drove my interests and my excitement about work.

For me, my “why” came down to one single word.

Culture.

When it came to working with my clients, I realized that creating a great internal process is fine. Providing the team with tools is wonderful. But if you don’t have a Good Culture in place, nothing happens. That was it. Culture was what I loved and what I wanted to do.

I moved back to San Francisco and got started.

After meeting Decio Mendes, who would eventually become my business partner in FLYN, I discovered that we could use design thinking tools and apply them to internal processes and management. We found out, through building forward and creating our own consultancy together where we really started to explore what mattered to people, that an organizational culture needs to align with strategy or you’re going to be dead in the water.

The importance of culture is this: it is responsible for people’s happiness at work, and people have to be aligned with it in order for it to work. If work sucked less for people, if we were more engaged and we truly wanted to come into the office every day, think of what we could do in the world! Our productivity quotient would be significantly higher, for one. We’d have less conflict on processes, and we’d more readily push ourselves out of our comfort zones. If we were all happy at work, what a different place this country would be.

But gaining a cultural advantage in an organization is not just about putting out a kombucha machine and patting ourselves on the back. There are a lot of mechanics behind Good Cultures.

That’s what this book is all about.

Together, in this book, we’re going to go through all of the steps that FLYN takes to dig into identifying organizational cultural values, creating alignment between values and strategies, and delivering on the promises that we make to stakeholders, especially employees. We’re going to challenge ourselves to reveal what’s actually happening at work so that we can move in the right direction. We’re going to talk about the decisions we make, both explicitly and in hidden ways, that have an effect on whether or not our company cultures are helping or hindering the outcomes we want to see happen.

I’m glad you’re on this Good Culture journey with me. If you’re turning these pages, you’re going to become empowered to make actual changes to your own organizational culture. It’s actually something that is eminently possible: no matter how hard it may seem to turn a ship in an ocean of options, you can do this. But know that it’s going to happen slowly. When people say you can easily transform a culture, I say good luck with that. Instead, we must understand, kickstart, nudge, and then carefully embed cultures. Whether you want an innovation culture, a supporting culture, a large or a small culture, it’s open to you, and to your people.

And I’m here to support you every step of the way.

1

**What Is  
Culture  
Anyway?**

IT'S REALLY THIS simple: there are companies that have Good Cultures, and there are companies where work sucks.

It sounds like a very straightforward comparison, I know. But I really don't believe in a separation between good and bad. I'm not interested in simplification, but I am interested in exploring what makes some organizations thrive, stand out, and succeed in the most challenging of industries or communities.

And so, to me, there really is only Good Cultures and, well, everything else.

Your gut instinct probably tells you the same thing. We all know when the culture is not working—when it sucks. When I talk to people about the work that I do—building up companies' cultural resources so that people can do their best work—sadly, I get a resounding, “Oh, please, come help my company!” Every audience I've ever spoken to knows how to describe a Good Culture (supportive, engaging, energetic, innovative, productive, promotes learning) as well as a Not-Good Culture (demoralizing, demotivating, lack of trust, overworked employees).

I believe that a Good Culture powers strategy and success, through creating a work environment where individuals can thrive. In other words, I believe that work shouldn't suck. Unfortunately, it really does for a lot of people. They do not work in a Good Culture. The problem is that having a positive, productive corporate culture is something that many leaders strive for, but getting there, and staying there, isn't just about feel-good policies or Ping-Pong-table incentive tactics (you know what I'm talking about). The power of a Good Culture is something to behold, but the costs of a Not-Good Culture may be more significant than you might realize; missed opportunities, a lack of innovation, and poor performance in comparison to the market are all signifiers of cultural gaps.

So, what exactly is a Good Culture?

When it comes to business, culture can be defined in so many different ways, from the academic to the practical. By the 1960s we knew that there was such a thing as a corporate culture, but our definitions were grounded in ethnography: what people valued; what their social norms were; and even how they golfed, ate, and celebrated (after work) together. Now, understanding company culture is a lot more nuanced. Even talking about it can get people fired up: if there are norms in place, they might feel restricting or invasive, even unethical when it comes to managing diversity, for example, because that culture defines a way to do things that is based on who has the power (and not on who doesn't). Cultural norms may make change stagnant.

In fact, let's take a really straightforward example to unpack this invisible picnic basket of values and norms a little further.

How do you set a table? If you get together with a group of people to have a meal on a picnic table, how do you set it? Do you forgo cutlery or lay it all out for everyone? Do you use paper napkins, cloth napkins with napkin rings, or none at all? (Oh right, some people use napkins! A paper towel is a napkin, right?) Who gets to decide? In fact, who gets invited to the table at all?

All of these tiny little decisions are linked back to our social cultures and the power dynamics that surround them. And trust me, everyone decides differently.

So, let's make the definition of culture simple.

Taking all of the positive and negative aspects out of the conversation, we can easily say one thing: a culture is how things get done. Whether it's at the picnic table or at an organization, culture just is. It shows up in the way that the work happens.

We can expand this to talk about company cultures and what they're all about.

Let's look at a company that almost everyone has heard about before: IKEA. They've been able to demonstrate a high level of growth because of the fact that the company breaks all the rules. Lodging its finances under the protection of a nonprofit entity, focusing on the consumer experience so that customers feel like they are in control of the value of their purchases, and ensuring that customer fulfillment is immediate are some of the ways in



which IKEA thinks differently than its competitors in the industry. From the point of view of customers, the company has set itself outside of traditional strategic models and allowed itself to reach further than other companies.

But the same can also be said looking at the inner workings of IKEA. From a technological perspective, IKEA's flat-pack shipping and distribution system is unlike any other in the industry. The company is able to save money by relying mostly on transportation by sea and limited land distribution. This also allows the company to limit the amount of money it puts toward delivery, as most consumers can pick up their own furniture within the stores' warehouses and take them home by packing the furniture in their own vehicles. The company has strict guidelines for how its designs are produced at its multiple manufacturing locations around the world.

But there are deeper reasons for its success. IKEA's stance on creating a learning organization through the advancement of social good is the cornerstone of who they are and what they stand for, in terms of their values. IKEA also leverages the ideas of thousands of worldwide employees and clientele, but the company bases its methods of responding to those ideas on organizational learning concepts.

What does this mean for IKEA's culture? They get things done through learning. They learned how to design, manufacture, and ship their products to a global community earlier than any other furniture company out there because they prize learning. That learning extends

to their customers, who not only learn about sustainability through the flat-pack process and everything that IKEA explains in-store, but who also actually learn how to assemble furniture in their own homes as the result of IKEA's way of doing things.

Learning is IKEA's end-to-end culture solution.

The thing is, though, people don't necessarily want to talk about organizational culture in the workplace and what it means to them. Or they talk about it and have no idea what to do about it. In fact, in my experience, people often matter-of-factly state, "We don't have a culture here." But that's just not true. No matter what, there's a culture. It can be distributed, shattered, and dysfunctional. It can be helpful and inclusive or hidden and fear-inducing. It can make people feel good or it can make them feel disconnected.

In Good Cultures, people agree on what matters, and they align with it.

I believe that a Good Culture is a place where it is possible for team members to articulate not only what is nice to have, but what actually works in real life, in real time, for them to do their best work. A Good Culture, on the whole, is therefore responsible for people's happiness at work and the success of the company—because it works.

What works in building a Good Culture is taking an intentional, cocreated, and perhaps slower approach to business growth, where everyone in the organization becomes part of the effort and the outcome of striving for success. A high-performance culture is one that is able to

demonstrate a high level of internal and external respect and responsiveness, where people, rather than profits, are the initial focus. Allowing people to feel empowered, both as employees and as customers, allows the lines between life and work to blur naturally rather than artificially, which ensures that they can be maintained over the long term.

When we think about the power of a Good Culture, we know that it's truly the thing that will power your strategy as a company. Here are three examples of why this is true.

1. If your corporate strategy aims to be innovative, and your top goal is to create many new products and iterations of old products, but your culture does not allow people to take risks because of a lack of psychological safety, then that won't work. You're not going to meet your strategic goals without alignment between your culture and your objectives.
2. If you know that performance and productivity is an issue due to a large percentage of your current workforce being actively disengaged, culture is the reason why you can't get things done.
3. If your company is growing and you're finding that attraction and retention are an issue, you need to be clearer on defining the culture that powers your strategy. The clearer you are about your culture, the more likely that the right people will come in the door and stay.

These three common issues are direct symptoms of a Not-Good Culture. Not only that, but both your existing employees and your potential new hires are going to sniff out your cultural issues. If you are aligned at work, what a different set of results you could create as a group!

In fact, that sense of alignment between your culture and your business objectives is something we're going to talk a lot about in this book. Alignment is really important, and it's not just one thing: we can create alignment of purpose, mission, vision, and values—up, down, and sideways, in every company. Without definition, clarity, and alignment, a Good Culture cannot exist. We're going to keep coming back to this idea of alignment and how it can be harnessed in the workplace.

### Let's Dig In

In this book we're going to dig into the five tools that your company needs to create an aligned, authentic, and achieving company culture: a Good Culture. We're going to forget about everything else and focus on the really important stuff: the foundation of building the culture you need right now.

The five tools we'll tackle are:

- **Purpose Building:** Clarifying your North Star purpose in order to create true alignment between what you say about your business and what you're really doing, all the way down to the individual level

- **Culture Coding:** Figuring out “how things get done” in practical terms, in the day-to-day, and learning how to call out what isn’t working
- **Culture-Add Recruiting:** Understanding that each person who joins your organization can be a culture-add or a culture-cost, and learning how to attract and recruit in the right direction
- **Deep Onboarding:** Bringing people into the fold in a way that supports cultural growth
- **Culture-Proofing:** Finding the right keys to supporting and developing people, from bottom to top, so that your culture works for you over the long term


It’s absolutely possible to thoughtfully and intentionally create the culture you want and need in order for your company to succeed. And, in fact, I wouldn’t just say it’s possible, I would say that it’s imperative. Here’s why. According to Deloitte’s most recent Global Human Capital Trends report (2019), 82 percent of employees said they believe that culture is a competitive advantage. As well, 94 percent of executives and 88 percent of employees believe a distinct workplace culture is important to business success. More than 50 percent of executives say corporate culture influences productivity, creativity, profitability, organization value, and growth rates. Having a culture that attracts high-quality talent can lead to 33 percent higher revenue.


And those statistics are only the tip of the iceberg.

Whether you’ve never even thought about these ideas before but think you might need to pay attention before something goes awry, or you already have a decent culture but just want to make it better, or you need a significant overhaul because you know there’s a problem, you’re in the right place. Here’s where we get real about culture-proofing your organization’s future growth and development.

How are we going to actually apply these ideas in practice?

In every chapter, we’re going to run through the three sets of practices that you can do, right now, to support Good Culture opportunities in your day-to-day operations. Whether you have a large and complex business or one that’s just getting off the ground, the focal points for building a Good Culture are going to be the same.

 **Kickstarting.** We’ll talk about the actions you can take right away, driven by the people on your team, that can be done relatively quickly, with significant impact. These are ideas that you can implement right now for immediate, clear, and measurable results.

 **Nudging.** Once you’ve got your kickstart underway, I’m going to suggest thoughtful additions to existing processes in your organization that will help “nudge” your team’s behaviors toward agility and alignment. This is going to require a bit of explaining. What is a

nudge? It's any aspect of choice that alters people's behavior in a predictable way. But, in order for a nudge to work, it can't forbid any options or significantly change incentives. It's an intervention that must be easy for an employee to avoid. Nudges are not mandates; they are opportunities.

Let's take a really simple example of how a parent might nudge a child to take up reading. Putting wonderful books at eye level is a nudge, because it allows the child to easily see and reach them, and therefore the opportunity to read is made easier. Banning screens does not work, because it provides a reverse incentive. Children may actually resent books, and become less likely to read them, if they know that their parents are taking away their screens in order to force the issue.

When it comes to nudging, there is no such thing as a neutral design, however. While the organizing of things can help influence decision-making, positively or negatively, because many people are happy to accept the default setting in their environment, the choice options available to them also have to resonate. Adults are not children; they have agency and intelligence. That's why great nudging isn't just about setting a culture standard and creating a new system. Nudging is about creating easy pathways within existing systems that lead people to the desired action or behavior.

Nudging has to start somewhere collaborative and creative and unique to each company and its team.



**Embedding.** Long-term initiatives are also needed in order to truly address gaps in the organization to get to where you want to be, and we'll talk about what those look like.

At every step through this book, these three practices are going to pop up where and when you need to pay attention to them. We'll unpack these practices together as examples naturally arise, and you will start to understand the deeper meaning of what it takes to build a Good Culture. Using case studies from my personal experience, I'll show you exactly what can happen when organizations do (and don't) culture-proof their future.

Let's start right now.

2

**The Power  
(and Costs)  
of Culture**

CULTURE MATTERS MORE than we think, to our organizational capacity for growth and to the bottom line. At every level of an organization, there are going to be opportunities and barriers to supporting a Good Culture. The power of a Good Culture is something to behold, but the reality for many organizations is that any barriers are often, if not always, invisible.

We've defined what culture is, but we haven't talked about what culture means, at least in practical terms.

What does culture mean for organizations? Well, it's always going to be very specific to that entity, but we know a few key universal truths. First, it's about people, meaning that it is deeply intertwined with human resource management. Second, it is ubiquitous, meaning that it is everywhere and affects everything. Third, because it involves people and everything they do, it has an effect on the ultimate financial success of an organization. There is a deep and often obvious cost to a department or even to an entire company when we trace culture challenges back as far as they can go.

While Good Cultures are powerful, other cultures are as well, and we need to be ready to identify the difference as quickly as possible.

Here are two stories that reveal what happens when companies walk the talk of their cultural values, and when they don't.

### **The Power of a Good Culture**

I was working on-site at Chevron, one of my clients, and rushing to a meeting—I was late. Moving quickly down the hallway from my office and around a corner, I jerked suddenly. There was an arm out in front of me, and I had to come to a sudden stop. I gasped, but there was a kind face behind the gesture.

“It’s not that important,” the person said, looking at the shock on my face. “It’s okay. Please slow down.”

Chevron exemplifies a culture of safety.

It’s exactly what you think it is. A culture of safety is one in which all of the people in an organization are able to place a high value on safety and therefore simply do not act in an unsafe way, every single day. Many companies try to achieve this goal, but few actually do, according to field research. That’s because it’s a massive undertaking. For an individual organization’s safety programs to work effectively, and to minimize accidents, all stakeholders’ needs must be addressed, and the processes used by the organization must be integrated on a holistic level. Indicators for a safety culture include tests and

measurements at the personal, the environmental, and the social-behavioral levels. This requires an integration of not just processes but personal attitudes of cooperation within an organization, and these attitudes need to link up to prescribed safety culture values and indicators.<sup>1</sup>

Safety has to be Chevron’s number one priority, not only because of the risk of personal injuries at a large oil refinery or rig, but because of the fact that the nature of the industry means that hundreds, if not thousands, of lives—and the environment—are going to be at stake if safety isn’t addressed. We all know what happened in the Gulf of Mexico when the BP oil spill led to one of the greatest human-made disasters of all time. Chevron learned from that experience, even if they weren’t involved at all in what happened.

On a practical level, what Chevron knows is that there are three sets of processes that need to be in place so that a safety culture can be created. First, the people who work at the organization need to be vetted for their ability to fit into the norms of a safety culture through skills development, personality tests, and the support of their ability to adapt to new jobs. Second, environmental indicators need to be measured on a regular basis with ongoing checks and balances. Third, social-behavioral structures within the organization that can affect processes that have an impact on safety also need to be measured.

Chevron knows that companies which do not place a high focus on cooperation and caring about human lives are those that are likely to have more accidents. And so

they care deeply about whether or not someone is in a rush, because, well, nothing is worth more than human lives.

So, even in the halls of Chevron's HQ, hundreds of miles away from their nearest physical plant, it's safety first.

Every single person in the company goes through drivers' training, even if the only driving they do is going to work. In fact, when you arrive on their campus, you'll noticed all of the cars parked backward in their stalls, because it's the safest way to orient in a lot. And getting from their cars to their offices, even when there is no traffic in sight, everyone uses the crosswalks. There are mirrors in the corners of hallways so that there is no chance of running into someone while you're getting to your next meeting.

In fact, Chevron starts every meeting with a safety moment. Whether it's sharing a personal story, or a reminder of where the fire exits are, or a news item about a safety practice gone wrong, the agenda doesn't get addressed until a safety narrative is shared. The company encourages their team members to complete peer-to-peer evaluations in each other's offices. If a cabinet is too close to a desk and you could run into it accidentally, you'll know about it.

At this company it's all about accountability. It's not expecting a lockstep approach to work; rather, it's recognizing what really matters and following through. If Chevron's team members don't follow safety culture expectations at their offices, they can't expect people on the rigs to do the same thing. It's part of a holistic effort to support everyone, every time.

And it shows something of value to their employees that sets the tone for their work: even in one of the biggest companies in the world, there are things that matter more than the bottom line—people.

### CULTURE FACTS

It's not just employees who want a Good Culture. In fact, 78 percent of executives note that building a Good Culture would be one of the top five things that they'd aim to do if they wanted to add value to their organization. Only 15 percent of executives actually think their company's culture is on track, and 87 percent of organizations believe that culture is a significant challenge in terms of cohesiveness.

2015 survey of two thousand CEOs and CFOs, conducted by Columbia Business School and Duke University's Fuqua School of Business

### The Costs of a Not-Good Culture

And now for the flip side. Here's what a lack of alignment looks like in real terms, and where a great job turns into a job that truly sucks.

A consulting firm with about 150 employees operated under a global, boutique brand. They catered to



a top-tier clientele who paid a lot for their customized brand and product design and employee development services. Their values were linked to the firm's ability to roll their sleeves up and create highly customized solutions through collaborative innovation with their clients' employees and customers. In other words, their brand values were strongly tied to ensuring that everyone got along, and that good ideas were supported from the bottom up.

Behind the scenes, however, this company didn't deliver the goods. Or a Good Culture.

One employee there (let's call him Justin) was known as a top performer. A creative genius, in fact. Someone who was right there when the company was founded, taking a role in that flat organization, leading the development of his unit, never complaining. As well, he was a nice guy. Everyone loved working with Justin.

But then a new CEO came in the door, and he had a very different cultural style in mind. He came from a hierarchical business where command-and-control was the name of the game. The legacy employees had agency, but under the new CEO's rules, that wasn't happening anymore. People were micromanaged to the point where the CEO would personally check over senior staff members' emails and give them permission to send them out. Culturally, the company retained its value statements: they told the world that their values were all about people and supporting their growth, and that creative people came first. But that wasn't actually happening.

In fact, Justin felt the new CEO was so threatened by his openness and creative approach to business that

he was setting him up to fail, left and right. Justin could deliver client work every time, but he was getting zero support in his development as a manager of people. Not only that, but other team members at the firm saw it happening. One day Justin was the head of a massive project, and the next day he wasn't. One day he'd be leading a team, and then the next day he wouldn't. His job description seemed to change every few months. On top of this stress, Justin was traveling almost weekly to work with some of the firm's biggest clients. No one seemed to be listening when he said he needed to broaden his team by adding some mid-level experts and spend more of his time mentoring younger consultants. It was always a matter of costs. It was very embarrassing for Justin, and for those who worked closely with him.

He weathered this storm for a few months. And just to underline his frustration, Justin started flying first class on the company dime rather than his typical economy plus, and his C-suite didn't notice.

Until months later.

That was when the company's accounting department told Justin's CEO that one of his intercontinental flights cost over \$12,000. Justin was a good employee, and he didn't come into the firm feeling entitled or arrogant; in fact, his humility and care were reasons why he was so successful in his role at bridging communication gaps for his clients. So why did this high-flying employee feel so disconnected to his own company that he stopped caring? It wasn't that Justin didn't warn his CEO many, many times before about how he was feeling. It wasn't

that the company lacked the knowledge to rout out the kinds of deep issues that get in the way of performance; they made their bread and butter doing just that for their clients. Was Justin's physical and mental exhaustion so intense that there was no way he could land that next deal without the comfort that flying first class could provide? Or did he start racking up his first-class points because he wanted to get his bosses' attention in the only way that they would understand?

The job sucked for Justin, and it sucked for his firm.

Some people might assume that when a case like this comes to light, it's because there's not enough control being leveraged on something like expense management processes. Or that the employee needs to be brought into line. But what if, instead, we're seeing an employee simply reflecting the company's culture? The company's stated values said that they were all about collaboration, but what they seemed to want more than that was control and financial austerity. The company's CEO, indirectly, gave Justin leeway to buy a lot of expensive plane tickets, when what he really wanted and needed, for his clients and for himself, was the actual support to do his job well—in the form of resources, development, and autonomy.

Bottom line?

A company culture determines how people get things done, as we've already established. This company's decision makers tacitly communicated to the whole team that how people got things done was on their own, with no support. In fact, it was the opposite of support—the message

was that everyone needed to be out for themselves if they were going to be successful. In Justin's case, he didn't have budget approval over new hires, but he did have an ability to determine his travel budget without oversight. This firm's culture wasn't in alignment. Then they expected Justin to comply with unstated cultural and leadership values rather than the brand values they told their clients about. It's not surprising that Justin felt a little lost.

Was Justin right or wrong in making this decision? Did he deserve those expensive airline tickets, or was he completely out of line?

Here's the thing. It actually doesn't matter.

Justin's CEO could have avoided this course of action in the first place if he had given Justin the development support he needed on projects and as a leader instead of setting him up for failure. He could have turned his challenge into a win by supporting him, which would have led to even greater productivity from Justin, and possibly new clients. He could have even rewarded Justin's innovation and incentive and tested his ideas with other consultants who worked on high-priority projects. But he didn't, and the cognitive dissonance between the values Justin was selling to his clients and the values he was expected to follow inside company walls was visible to those who were paying attention.

### CULTURE FACTS

A full 47 percent of people who are looking for a new job are doing so primarily because they are disappointed with their company's culture. They are so unhappy with the culture that out of these leavers, 71 percent would be willing to take a pay cut in order to get into a company with a better culture fit. This is contrary to the fact that 89 percent of bosses actually believe employees quit because they want more money, which is clearly not the case. Employees' ideal culture? One that is marked by open communication, strong leadership, and work-life balance. In fact, 58 percent of people have left a job, or would consider leaving, if the company's culture was weakened by negative office politics. That's because intangible benefits and day-to-day experiences at work have risen in importance to US employees. People don't just come to work for a paycheck; they want to feel good about what they are doing.

Hays US "What People Want Report," 2017; Randstad survey, 2018

### It All Starts at the Top

A big part of the reason why Chevron has been successful in achieving an amazing level of culture alignment is because their leaders are aligned with the idea of culture work, and a big part of why Justin made self-serving decisions was because his corporate leadership team didn't value that same alignment.

What are the repercussions when not just one, but many employees feel the same way and are making decisions that aren't aligned with the values of the company and therefore are not serving its goals?

We can't imagine that there's only one Justin in a misaligned company. There are many more misaligned companies than we often realize, and we can't always guess when these kinds of alignment challenges are going to crop up. In the United States, for example, according to Gallup's 2017 State of the American Workplace report, 51 percent of employees report not being engaged—meaning, in their terms, that they neither like nor dislike their job. LinkedIn and Imperative's most recent Workforce Purpose Index, which was published in 2018, found that 58 percent of companies with an articulated, understood sense of purpose experienced over 10 percent growth, compared to 42 percent of companies that don't make purpose a priority. And 25 percent of employees state that they don't know much about their company's mission or values at all.

Let's unpack this a little bit. Leaders have personal traits. They also have beliefs, feelings, and habits. They

have their own view of the world, and that view shapes their decisions.

So far, leaders are like any other human beings on the face of the planet.

The thing is, however, that leaders make decisions which affect other people on a daily basis, not just themselves. Their ideas about what matters and what doesn't have a deep effect on the culture of their company, as well as on the day-to-day actions, feelings, and habits of their teams. But when leaders' ideas become negative idiosyncrasies, namely beliefs that (through any other lens outside of their own) seem unhelpful or ineffective or, at the worst, painful for others, then there's a cultural issue at stake.

Leaders' opinions matter on a scale of significance much higher than those of any other individuals within their organization. Organizational leadership is so important to the life of a company because it creates a sense of purpose and a vision for the future within that community, in which people can learn how to apply best practices. It is not enough to provide a set of instructions for employees on a day-to-day basis. This, in and of itself, does not constitute leadership. Instead, the point of organizational leadership is to create the impetus for individuals to find their own pathways to achieving goals, both for themselves and for the organization, so that they can feel connected to their work.

Let's get real about why this is something we ought to be transparent about. The impact of leader idiosyncrasies on culture (and success or failure) is so prevalent

in business that academics actually have a name for it: upper echelons theory. This theory tells us that leaders are more likely to make decisions that fit their own unique interpretations of the world than they are to make decisions solely in the best interests of a company. If a leader's worldview is aligned with the culture and strategy in which they are working, they will be successful, and if it isn't aligned, they won't be. Most of the time, however, this is an invisible issue.

Good Cultures are those where leaders listen, and I mean really listen. We all have a tendency to listen with the intent of replying rather than with the intent of understanding. We're generally either speaking or preparing to speak, most often considering what the other person is saying only based on our own experiences and points of view.

Listening can also be broken down into five levels:

1. **Ignoring:** not listening at all.
2. **Pretending:** "Yes. Hmm. Right." (What we say when we are really thinking about what happened on *Game of Thrones* last night.)
3. **Selective listening:** Hearing only certain parts of the conversation (usually just the parts we want to hear).
4. **Attentive listening:** Paying attention and focusing energy on the words that are being said. (And then immediately going to the old standby: "I know exactly how you feel; when that happened to me...")

**5. Empathic listening:** Getting inside another person's frame of reference, with the intent of true understanding. Seeing the world the way other people see it allows us to understand how they feel.

Good Culture leaders listen to what their team members and their customers say about how they experience the organization: what it's like to work there, and what it's like to buy there. They use empathic listening. Of course, it takes a great deal of security to go into a deep listening experience because we open ourselves up to be influenced. We become vulnerable. Defensive communication is of the lowest level and comes out of low-trust situations when we don't want to be vulnerable at all. It's characterized by combativeness, protectiveness, and legalistic language that prepares for the eventuality that things may go wrong, that people may become resentful. Respectful communication, on the other hand, is characterized by honesty, authenticity, and respect.

And this can happen at any level. Strategic leaders in Good Culture companies aren't always those who remain in the upper echelons of an organization; rather, they are the ones who are able to learn, adapt, and adjust, moving in and out of specific roles and communities of practice within their company, and building relationships with these listening and communication skills. Not only do leaders need to be aligned with the culture, they also need to be supporting and displaying those behaviors themselves, as well as rewarding, recognizing,

and communicating the behaviors that align with the desired culture.

And let's face it. You can't just start over. You're not going to fire your whole C-suite or management team to get the right culture fit, nor can you force employees to feel good when there's a natural conflict between what's being said and what's being done. This is not to imply in any way that all people in leadership positions are (or aren't) so myopic that they can't see the forest for the trees. But what we'll find, in reading the examples in this book, is that sometimes folks at the top need to commit themselves to leadership and followership in order to find those nuggets of cultural opportunity that are right there in front of them.

### Getting on the Bus

When it comes to culture alignment, you're either on the bus or you're not. If you really believe in your company's values, are you actually making them work? Or do you see evidence of work sucking for people who matter to your organizational success?

When we take culture seriously, we have to set aside the expectation that a company's brand and marketing values are all that matter. What actually matters to a Good Culture is that the external values that you purport to have, and those that you practice at every level, day to day, are actually the same values as the ones needed to support the organization. And by this I don't mean that

the company ought to create an unreasonable, external, marketing-oriented set of values and then force every employee to take an oath that they will “live the brand.” That’s also not going to work. It’s a transactional point of view, and it’s a short-term approach that simply doesn’t land with anyone—employees or the market.

A long-term approach (and one that, perhaps unexpectedly, is more likely to result in financial success) is focused on building leadership alignment with the organization’s culture, at the same time as team alignment with the organization’s culture is being introduced. Misalignment in business happens all the time, and the possibility of business myopia that ignores the concerns of customers or employees means that a new culture process can hardly be achieved by relying on old organization norms, so change has to take place.

We can work toward revealing the cultural symptoms that are signs of a need for a shift, but sometimes this becomes a standard organizational change process that doesn’t look at the whole picture of why certain values matter inside company walls. That’s why creativity methods like design thinking don’t have to remain in the toolboxes of engineers and software developers. In fact, we can use design thinking—something we’ll explore quite a bit as we move forward in this book—to help our organizations determine the gaps between what’s stated about the company and what’s actually happening culturally.

We can also start on the path to creating our own culture by intentionally exploring and explicitly defining what our purpose is as an organization.