





BUILDING A SUSTAINABLE, VIBRANT CORPORATE CULTURE FROM THE GROUND UP

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Organizational culture can be extremely hard to change.

Not only is it difficult to define something so intangible, but it can be challenging to identify the appropriate steps to turn a desired culture into a reality.

Culture can mean different things to different people. For some, it has to do with how employees communicate with each other. For others, culture is about the look of an office or how their company views work-life balance. For Brian Bannon, CEO of the Chicago Public Library, "Culture is the combination of the attitudes and mindsets of the people and partners that help us contribute to fulfilling our mission. People who work here, even though we are a large legacy institution, are here because of a strong sense of mission. Lives have been changed through our work."

Culture—both in nonprofit and for-profit organizations—has a direct effect on an individual's productivity and motivation. However, for some reason many companies don't take the time to assess and analyze their culture to see how it can be improved or better tailored to their organizational vision and goals. Most teams or organizations have never written down how they go about their work, interact with others, organize, reach important decisions, or select and care for their employees. Yet we all have this detailed knowledge within us. Each of these examples and more are components of an organization-wide culture, and we share a general understanding of it without thinking or talking about it directly.

WHAT IS CULTURE?

Culture is the shared knowledge that tells us what is important (values) and how to act (norms) in a particular environment or setting. A group's culture tells its members what they need to know so that others within the group will accept them and support their actions. This specific "cultural information" is developed and learned within the group. It enables members to read the behavior and events that they observe and better relate to others. When employees don't carry the same cultural information, watch out. One can see the conflict coming from around the corner. Culture must be developed and shared from the ground up.

It takes time to learn and understand the cultural details of any group or organization. A culture is powerful and pervasive, but extremely subtle as well. Organizations, much like individual countries, form unique cultures. In fact, the culture of each organization is different and unique. Amanda Lannert, CEO of Jellyvision, talks about having a quirky culture. Every new employee gets a standing ovation at the end of his or her first day on the job. Lannert says, "We know it is awkward, and we know you're scared, but we want you to know we're glad you're here."

While culture can be created based on intent and design, too often it develops unconsciously without a concerted effort

or focused vision for what its members want the culture to become. Forming a culture involves developing and sharing a common set of beliefs (values), norms (behavior guidelines), attitudes (points of view), goals (plans for the future) and information (detailed cultural knowledge). That's why culture needs to be consciously cultivated by every member of the organization—all the way from the CEO down to the lowest-level employees. It must be a collective effort of all the people who work there.

THE DIFFICULTIES IN CHANGING CULTURE

The benefits of creating a shared and collaborative culture are significant. Once achieved, it creates a sense of belonging, and employees feel that what they do is important. It generates more cohesion among team members and aligns everyone along the commonly agreed upon values and norms that have been set.

So why exactly is culture so difficult to change? We have discovered five reasons over the years that make it hard to alter:

- It is a human endeavor. People are inherently resistant to change in all aspects of life, and corporate culture is no exception.
- It is in our heads and our hearts. It requires a balanced connection between our logical reasoning and our emotional feelings, which can be challenging.
- It arises from shared knowledge and behaviors. Getting everyone in the organization aligned on accepted values and norms can be a very difficult task.
- It is self-reinforcing. The longer a system or culture is in place, the more difficult it will be to uproot the status quo and make significant change.
- It is a powerful, invisible force. It can be difficult to draw attention to the intangible and convince people of the value brought by an improved culture.

MIRRORING CULTURE VS. TRANSFORMING CULTURE

Mirroring is the process of becoming part of a culture by living the group's values and practicing the group's norms again and again until the behaviors are finally automatic and habitual. It enables the culture of the group to solidify and grow over time. For this to occur, team members watch carefully and listen intently to the spoken and unspoken signals that individual members use to interact with each other. Once they have observed the rituals of the group, they begin to mirror or imitate the behaviors they have observed until they become second nature. In this way, they learn and adapt to their particular team or organizational culture's



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uniqueness, peculiarities, and eccentricities. Mirroring can be a great tool for new employees to quickly become better acquainted with a culture.

Unfortunately, most traditional leaders want their employees to mirror the existing corporate culture rather than participate in transforming and evolving it. Culture needs to embrace the values of all employees—not just the values of a few people at the top. We often see that senior executives want employees to merely observe and imitate rather than filter, enrich, and interact with new cultural information they receive. Under this scenario, the sparkling insights and perspectives of other employees and members don't have a chance to develop and be added to the team culture. Instead, members become engrained in the habit of mindlessly adopting the current cultural norms. These are the types of places where you'll often hear questions from an employee like "Why is it done that way?" or "Why didn't you include me in that decision?" or "Why aren't people willing to try that unique idea?" The typical response is, "Because that's just the way we do it around here."

Many of us have experienced authoritative corporate cultures where employees have learned that no one should ever say anything "negative" at any time. Meetings become show-off times, where employees or team members only report positive news—how much revenue has been brought in or how many points scored in sales commissions. But the downside of this type of culture is that there are no opportunities to express doubts, brainstorm, try out new ideas, or express more than a very narrow range of emotions.

Sharing a mistake and what was learned from it would not fit into this corporate culture. Such expressive behavior is considered inappropriate, not to mention the vulnerability associated with sharing a failure. Employees had to learn this cultural norm through experience and trial and error. An individual's natural way of expressing creative ideas, doubts, and thoughts may have regenerated the culture or helped it evolve in a positive way, but he or she was encouraged to mirror this negative norm and not alter the status quo. The norm created a negative feedback loop that only worsened the situation.

Why shouldn't employees have a say in the norms and values of their culture? If we close ourselves off to their input because they're just "new" or "young," we disempower them with the belief that their values aren't important to the rest of the organization. The culture of a company should include the desired norms and values of all its members. If you think this is way above the heads of younger or newer employees, ask some of them what their values are. You'll be pleasantly surprised by their insights.

SETTING CULTURE UP FROM THE START: THE RED FROG PERSPECTIVE

Chicago-based Red Frog Events is an award-winning event production company. Its incredible growth is due, in part, to the care and maintenance of a rare and strong culture. Having a defined culture helps the company hire employees, measure success, and guide business strategy. We learned in our interview with its two co-founders, Ryan Kunkel and



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Joe Reynolds, that from the beginning they focused on crafting an innovative culture.

They carefully created and set in place a visionary document called "The Red Frog Way" which states: "We boldly agree to make a positive impact on the world, be the crown jewel of our industry, and stay healthy and thriving for 100+ years. Bringing this vision to life takes passionate people and a shared way that unites us. We call it our 'Red Frog Way,' and it's the secret sauce that leads us onward and upward."

They support this cultural vision with six shared values, which are posted on Red Frog's website:

- **Heart.** It begins with kindness at our core.
- **Grit.** With resilience and contagious optimism, we push forward.
- Entrepreneurial spirit. Ask "why." Dream big. Dive in. Make mistakes. Repeat.
- **Red Frog Proud.** Those soak-it-in moments when it all comes together.
- **Frog Family.** Road trips, growing pains, occasional cry laughs, and not letting each other fail.
- Individuality. We celebrate it.

Importantly, as the company grows and employees develop, the culture needs to be routinely reexamined and tweaked. The two co-founders stressed, "It is a misconception that you can achieve a good culture and move on. Culture-building ebbs and flows, evolves, reacts and adjusts continually. The vibe we have today shouldn't be the vibe we have five years from now. You are going to have different personalities and skill sets, and the workplace has to display this evolution."

We strongly agree. While it is crucial to set up and devote considerable time to a start-up culture, leadership must be mindful and ready to update the values, norms, and tenets periodically as the culture evolves. Otherwise, the organization risks outgrowing its culture and creating a discrepancy between how the culture used to operate and how it should today.

The secret to Red Frog's innovative culture has been to cultivate leaders at all levels and empower each one to fan

the company flame. According to Reynolds and Kunkel, "We both have very high standards. We expect a lot but we give a lot in return. We genuinely care about each person and fight hard to make the right business decisions to support them as individuals, empowering them to make decisions and identify with our company's strategy and goals. When they have a bad day, we always try to make it right."

There you have it! These two remarkable co-founders are examples of people leaders in action. They treat others as individuals; recognize their strengths, likes, and dislikes; listen to others' ideas; and nurture a sense of trust and inclusivity.

Your team or organization's culture needs a good-sized "pot." There must be room for each member's unique and personal ideas and contributions. Employees want to feel valued and have the opportunity to proactively contribute. Examples include: "Let's all play a role in marketing the firm." "Let's launch an effort to become more community service oriented." "Let's take one day during the week to do something totally creative and different after work. "If employees are involved in "cooking up" their organization's culture, then heartier, healthier, and more vibrant relationships are sure to simmer for everyone to enjoy.

Know that your work culture will be an ever-changing, always transforming creation—especially if you have lots of chefs. Decide on the ingredients together. Mix them up. Experiment. Don't forget to pour in large measures of essential ingredients like equality, ownership, accountability, encouragement, shared leadership, humility, inclusiveness, service, respect, and creativity. Toss in a lot of humor too. These will always make for hearty relationships. Warm them up, and enjoy! A sustainable and vibrant work culture can serve its members for a lifetime.

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