

# Lackluster Workplace Culture Can Kill Your Company

BY SPACE IQ



So, you're a CEO, an entrepreneur, a boss. You have a brilliant idea for a business, one that could change the world.

You've secured financing, hired department heads, and rented an office space with desks for everyone. You have an airtight plan—or so you think. You're open for business and you're falling short. Employee morale and retention are low, as are sales and productivity.

How could this happen?

You planned everything except your workplace culture. Humans are not rigid; they are not business plans or pegs used to plug holes. Any successful business needs all the aforementioned logistics, but it also needs a vibrant culture that makes people want to be there, exceed expectations, and learn from one another.

But company culture is not a line item on a budget. It takes time and care to cultivate a meaningful environment that is built to withstand whatever changes your company goes through over time. Developing a sustainable and vibrant corporate culture requires the following: a strong mission, trust, communication and transparency, agile physical space, time offline, hiring, and hierarchy. Done successfully,

a healthy corporate culture is what will take a business to the top of every "Best of" list.

It's time to ask yourself these questions:

## WHO ARE YOU?

Your company won't ever attract the best talent or clients without a clear mission and vision. Before creating a business plan filled with charts and cost analyses, you need to define exactly what you intend to do with your company. When Steve Jobs founded Apple, he said its mission was "[t]o make a contribution to the world by making tools for the mind that advance humankind." Google's mission is to organize the world's information and make it universally accessible and useful.

While the exact wording of Apple's mission has changed over time, the work Apple is accomplishing today holds true to its original mission. Google continues to use its mission as a foundational statement. While Apple and Google are tremendous success stories, companies of any size can

greatly benefit from a mission statement. A mission or vision statement does not need to specifically state how a business will accomplish a goal or what it will produce, because we know, as entrepreneurs, that this will always be evolving. The thread that follows a business through each iteration is a broad yet inspiring mission.

## WHO WANTS TO BE THERE?

Once you've established a company mission, you can begin hiring to fit that mission. The goal is to hire people whose values align with the company's, in addition to making decisions based on the level of skill. In hiring, a good rule is that job responsibilities can easily be taught to those who want to learn, but personality and passion must come naturally.

## WHO IS MORE VALUABLE?

Hierarchy is a tricky obstacle in the business world. While it's necessary to make it clear who reports to whom, creating an environment where people at the bottom can offer feedback to those at the top without fear of repercussion will cultivate a culture in which everyone feels like a valuable member of the team.

Similarly, everyone in the workforce wants to know they have the trust of management. Newer technology that clocks when someone enters and leaves the office, and open office plans where no one can hide, sometimes lead employees to feel like they're always being watched. Giving employees the option to work in whichever way makes them the most productive, such as at home, in a coffee shop, or in an open conference room, makes it clear that you've hired them because you trust they will complete their work without needing to constantly check in. It also allows them to have a flexible schedule, which 73% of workers said was in their top two reasons for staying with a company, according to the 2018 Capital One Work Environment Survey.

## WHO'S TALKING?

In the same vein as hierarchy and trust are communication, honesty, and transparency. The Predictive Index's 2018 People Management Study found that employees listed honesty as the second top trait of a great manager. All too often, managers share only the bad news or the good news, but rarely both. Clear and open communication that celebrates the wins and shares fault in the losses is an important way to develop trust and help employees understand where the company stands and where they stand within it.

## WHO IS OFFLINE?

It's all too common for employees in the modern workforce to feel like they must always be connected. With apps like Slack and company emails linked to personal phones, people

are given the impression that they must always be on call. But just because you like tackling your inbox at 11 pm does not mean your employees need to respond at the same time.

In your hiring process, and during routine feedback sessions, it is crucial to let employees know that their time out of office or off the clock is truly their own. Strict "do not reply after XX" rules and expected office hours let your team know from the start of their employment what the time commitment is. Being consistent and leading by example are crucial if you truly want your team to know they're free to disconnect during their off time.

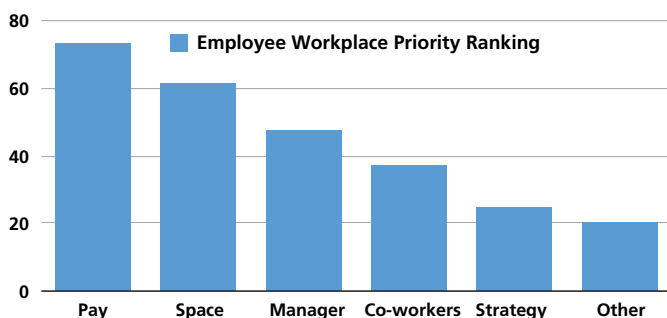
## LIKE IN YOGA, IS YOUR OFFICE AGILE?

A recent workplace study by SpacelQ ranks the workspace experience second only to pay in what employees consider to be anchoring them to their job.

One step toward imparting trust and breaking down hierarchical barriers in the workplace is to design an agile office space that cultivates these feelings and creates a frictionless workplace for employees.

Designing the office to accommodate a variety of working habits and needs not only shows your team you value their comfort and different needs above uniform and convenient designs but also drives productivity. The rapid growth of co-working providers like WeWork has raised the bar on what employees expect from their office environment. A modern workplace needs to blend the best aspects of travel (that is, a high-end or boutique hotel), the social atmosphere of a university, many of the comforts of your own home, and seamless access to productivity tools (meeting rooms, phone booths, software). Why is this important? A study by Rapal Oy showed that during the course of a day, people usually have different work styles. When you give your team options on where to work within the office, whether it's at their desk, a couch, or a huddle room, you're telling them you understand that different tasks and personalities require a specific space.

Overall, an agile workplace should clearly align with your company's culture and drive increased productivity, happiness, and ultimately retention.



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## WHO BENEFITS—AND HOW?

In short, everyone will benefit from these methods of creating a dynamic culture, which will lead to knowledge sharing among employees, departments, and even generations, higher retention rates, and an increase in productivity.

At SpacelQ, we've found that there is an 81% positive correlation between collaboration and innovation, and the way a business fosters this relationship is through its corporate culture. When a company dismantles hierarchal and physical structures in an office, team members are encouraged to use each other as a sounding board when stuck on a problem or gather in communal spaces to collaborate on projects. In offices with a multigenerational workforce, knowledge sharing is essential to diversifying the work your teams produce and ensuring that everyone has the opportunity to progress. With not only age groups but departments, we are seeing cross-collaboration as the lines blur between responsibilities and goals.

The most apparent benefit of a strong company culture is that your employees are happy to be there. When people like the environment they're in, they tend to stick around—and work harder to make sure that they can. The physical workspace is said to increase productivity by using an activity-based design plan, giving team members the opportunity to use space in a way most suited to their current needs. From this, and other areas, comes trust. When you make it clear to your team that you trust and respect them, they will give that to you in return by achieving goals set for them and asking for the opportunity to grow with the company, rather than moving elsewhere.

## WHO'S PUNCHING THE CLOCK FOR THIS SHIFT?

Millennials, born between 1981 and 1997, are driving the way we look at corporate culture. They make up the largest percentage of today's workforce, and they came of age at a time when everyone received a trophy to feel included in each win. Some say this generation was coddled, but their need for appreciation and a team is what pushes them to exceed professional expectations and demand to be part of the conversation at work.

If you consider the Millennial hierarchy of needs, culture is near the top. In the 2018 Deloitte Millennial Survey, 52% said a positive workplace culture was very important when choosing to work for a company. When Millennials say "workplace culture," what they likely mean is knowing where they stand, being given the opportunity to grow and, most of all, having a "cool" and frictionless office environment to help them achieve their goals. Whereas older generations were more keen to keep their heads down and work their to-do list in the same order each day, younger generations want to move—mentally and physically—to engage with one another on a personal and professional level.

Failing to acknowledge the importance of company culture will lead to a failure in attracting top talent. The other thing about younger generations? They talk, publicly, on Facebook, Snapchat, and sites like Glassdoor. They make it clear at which companies they had a positive experience, and which sent them running for their recruiters. By not attracting the kind of talent that puts employee engagement at the top of the must-haves list, your business will stagnate or even fall behind competitors. All said, culture is worth the investment.

## HOW TO MEASURE THE UNMEASURABLE—YOUR CULTURE?

How do you know if you're doing all of this correctly? Performing a workplace cultural audit will give you an indication of how your business is performing in the areas of mission, trust, communication and transparency, physical space, time offline, hiring, and hierarchy.

Seating your executives in the middle of an agile office isn't enough to clue them in to their colleagues' happiness and needs. By using components of a strong culture, such as the feedback loop, open communication, and knowledge sharing, you'll see how your business is actually performing.

Weekly check-ins are one opportunity for candor, allowing employees to rank their experience on each culture component listed above. But an area of real opportunity is to get this feedback online, in a central database where it can be analyzed and put into action. We employ technology to improve communication in the office and with remote workers; the same technology can also be used to survey your workforce.

Feedback can be given immediately and for very specific reasons, such as a lightbulb not being replaced for multiple days, or it can be formalized to track metrics. Employees can rank and give feedback on how they see the company's vision being carried out, whether they feel respected, and whether they have opportunities to collaborate with colleagues.

Even in the most open of corporate cultures, speaking candidly about a company's or management's performance is still a delicate subject. Using technology to ask these questions and strengthen the feedback loop breaks down some of the barriers employees may feel when asked to speak candidly.

The way people work has changed, and workplace culture needs to keep pace. Work is no longer a job or a place where you sit for eight hours a day. Now, it's an experience. It is still a paycheck, but one that comes with the opportunity to share your ideas with the higher-ups and sit comfortably while working on a particularly challenging project. Investing in corporate culture is a modern workplace necessity. It's time to get started. [AQ](#)

*SpacelQ is the leading workplace management software and operations data platform.*