CULTURE

Beware the
'CORPORATE CULTURE'

Don't let your culture become a barrier to success, says **Matt Carter**, founder, Message House

Workplace culture is a vital ingredient in a top performing organisation, key to employee engagement, motivation and satisfaction.

It's also a concept that most employees understand and relate to. Almost everyone has a clear idea in their mind of what a good working culture is and can describe companies that have it. For your current and potential employees, it's a big part of why they might want to work for you… or to avoid your company.

And here's the rub.

People's expectations about company culture are changing. Attributes that in the past might have been desirable are now turning off staff. Through sites like Glassdoor and general discussion on social media, there's a greater sense of what the working culture is like in lots of organisations. Your culture is no longer just about how you get the best from your teams, but a central part of your reputation and key to attracting and retaining talent.

So what do employees understand about culture and what are they looking for from companies in the future? To help, we conducted a night of focus groups with employees from a wide range of medium to large organisations, including staff in manual and office-based roles.

> 'THOSE EMPLOYEES WHO MOST EMBRACED THEIR COMPANY'S CULTURE ALSO APPEARED TO BE MOST LIKELY TO BELIEVE THEY COULD SHAPE THE CULTURE THEMSELVES'

Five points to remember

In October 2017 we conducted two focus groups with London-based workers of companies with more than 250 staff. The employees were aged 25 to 65 and we had a mix of men and women. The groups were split into two, with one group of 'blue collar' workers and one of 'white collar' workers.

Here's the five insights we gleaned from talking with them about company culture:

1.   Tech companies aren't just disrupting your marketplace. They're disrupting your workplace too.
Many CEOs are preoccupied with the impact of tech disruptors on their customers. Not enough are thinking about the impact on their employees. They should be. From tech giants to small tech start-ups, the sector is changing expectations of workplace culture, leading some employees to feel frustrated in their role and increasing the desire to move on.

Often, analysis of tech company culture focuses on the 'gimmicky' elements like quirky office furniture, free breakfasts and games machines. What's interesting is that our employee groups saw in the gimmicks something more than just fun. They could identify the values and culture that the environment was designed to support.

SUCCESS

Innovative working spaces weren't felt to be 'cool', rather they were perceived to be practical solutions to help better teamwork and to create what one person called 'a fluid, not rigid, atmosphere'. Together with adaptable working hours and an emphasis on creativity, they saw the tech sector providing a culture that valued their employees and provided great opportunities for personal development, collaboration and flexibility.

Of course, simply installing office bean bags and mini golf won't transform your company culture. It needs to start with the values you want your culture to embody and promote. Many tech companies just happen to have done this in a single-minded way, letting the culture become part of everything to do with the working environment. There's a lesson for us all in that.

2. It's time to let go of the 'corporate' culture

Almost without us realising, 'corporate' culture has become a dirty word, synonymous with the worse type of office environment.

People in the employee groups talked spontaneously about corporate culture in the negative – insular, all about money, rigid, two-faced, savage and boring. There's a perceptible shift between what they see as the young, open, vibrant culture of modern companies and the high pressure, corporate environment that characterised successful companies in the past.

So what sort of culture do they want?

Lots of their suggestions weren't surprising: a culture that listens and responds to changing employee needs; a workplace that shows respect and provides equal treatment to its staff; somewhere that's fun and has a positive and can-do attitude; and a place they feel they are supported to grow and develop in their roles.

However there were two suggestions that particularly stood out.

The first was the idea of a 'family' environment. They specifically wanted to work in teams small enough to enable people to get to know and support each other directly. One described this as being like a family, where everyone is 'rooting for each other'.

There's a perception that the culture in large companies is impersonal and disconnected to the way the teams actually work. As Amazon have shown with their 'two pizza teams' (Jeff Bezos' idea that no team should be bigger than can be fed by two pizzas), more intimate teams can also create two other things people want: clear accountability and more control over your work.

The second was the idea of freedom. It may make for uncomfortable reading for HR but our employee groups talked about many companies 'hobbling' their ability to work, with too much oversight and complexity reducing their space to do their job effectively.

In the rush to create a perfect 'culture', it seems many companies are actually reducing the space for a key value: that of autonomy and freedom over your work. For some of the older 'blue collar' workers, particularly

those in the public sector, they perceive that this 'interference' has grown in recent years, leaving them with a loss of autonomy. Having a culture that is less rigid and 'gets out the way' of people doing their best work seems like it may be a missing ingredient in lots of organisations.

3. In the race for the culture, be a hare not a tortoise

I was really struck in our employee groups just how perceptive they were about the culture of different companies and industries. It often starts with personal experience: for any organisation that interacts with customers, it's not difficult for them to pick up on the way it works and what it's like for staff. Culture is also something that's regularly discussed amongst friends, on social media and on websites like Glassdoor and LinkedIn. And of course there's the reporting of the way organisations work in the media too.

These perceptions might not reflect the full picture but they do leave an impression and it's clear that perceived culture directly impacts on the desirability of different companies.

We got our groups to think of different ways of expressing what the culture is like in different organisations, and how desirable that culture is.

Tesco and Sainsbury's have cultures that brought to mind the boy scout: helpful, smiley and always prepared. Supermarket culture was felt to be safe, practical but a bit boring: more Volvo than Ferrari.

In contrast, the culture of television companies like ITV, Channel 4 or Sky was felt to be like a circus act – constantly juggling, always performing, and involving some risk at times, feeling like you are walking a tightrope. For some people this was exciting, for others exhausting.

For banks like Lloyds, HSBC or Barclays, the culture was felt to be like a tortoise: moving imperceptibly, with a hard shell that is impervious to change and unable to right itself in a crisis. Not many people saw this as a positive.

In contrast, tech companies like Google and Apple had a culture more like the hare: big long ears that are always picking up on what's going on around them, constantly on the move, and able to get somewhere quickly when they want to.

In the race for the most desirable workplace culture, it's fair to say most people want more hare than tortoise.

4. Ownership of culture can't sit solely with the leadership

Workplace culture is intuitively felt to be the possession of the leadership of a company. Most people in our employee groups talked about culture coming 'from the top', like a set of rules that determine how an organisation should work.

While this wasn't necessarily a criticism, this often went hand in hand with a sense of powerless to impact culture. Some felt culture is something that is done to you rather than with you or by you. Others felt culture gets lost 'on the way down from the top', leaving room for

'THERE'S A PERCEPTION THAT THE CULTURE IN LARGE COMPANIES IS IMPERSONAL AND DISCONNECTED TO THE WAY THE TEAMS ACTUALLY WORK'

confusion or misapplication. As a result, it's hardly surprising that for many people, the culture of their organisation was rejected, like an 'ideal world' that bears no relationship to the real workplace.

In contrast, those employees who most embraced their company's culture also appeared to be most likely to believe they could shape the culture themselves. As one office manager put it: 'If you create a positive atmosphere, and a positive working environment, then other people will feed off that, creating a better culture and making people prouder to work there.'

This finding needs further validation but it suggests moving ownership of culture beyond the boardroom or HR function will help the extent to which it is lived and embraced.

5.   Purpose is a big driver of culture… but it needs to be lived

Finally, in our employee groups we tested different messages to evaluate the best language to use when talking about culture.

Of the six messages we tested, the two top performers were around a culture that creates the freedom to explore, and one that supports staff in developing their own expertise.

This wasn't particularly a surprise, partly from what we've learned already and also because they are two of the three elements thought to be central to employee motivation.

Best-selling author Dan Pink argued in his book *Drive* that the biggest sources of motivation at work aren't greater incentives but autonomy over your work, the ability to master the role, and working for an organisation with a clear sense of purpose. Our top two culture messages fit Pink's ideas of autonomy and mastery well.

'WORKING FOR AN ORGANISATION THAT HAS A HIGHER PURPOSE OR MISSION BEYOND MAKING MONEY IS MOTIVATING, BUT FOR MOST PEOPLE IT DOESN'T REFLECT WHERE THEY WORK'

So what of purpose? We also tested a message about a culture that is driven by a purpose but unfortunately it performed really badly. Why?

There's no doubt that working for an organisation that has a higher purpose or mission beyond making money is motivating, but for most people it doesn't reflect where they work. The message was felt to be marketing, disconnected from the real culture of the workplace and therefore destroying the credibility of the idea.

It's a clear reminder that lofty statements about a culture that is driven by higher ideals need to be lived before they will be believed.

Summary

If the many clients we work with on culture are representative, most organisations these days must be thinking a lot about their culture and how it is helping or hindering them to meet their goals.

Yet it seems too few are thinking about the rapid changes in expectations around culture, a paradigm shift in the minds of most employees that began in the tech sector.

Given the important role that culture plays in employer branding and the desirability of companies as a place to work, these changes can't be ignored.

At the very least, some sectors seem badly out of step with the expectations of modern organisations. At worst, they may be missing out on the top talent they need to recruit and demotivating the best employees they need to keep.

Even for those pioneering organisations that take their culture seriously, there's work to do to extend the ownership for culture beyond the boardroom and to ensure it fits their real purpose.

Culture could be the key to your organisation's future success or its biggest barrier. Either way, it's a topic that deserves detailed exploration. CR