

What is "Company Culture?"

(Updated: June 16, 2017)

Company culture is something conceptual, not tangible. Company culture is what guides and motivates team members. Company culture is a set of beliefs that embody the strategic vision of the enterprise, and that guide team members in all their behaviors and business decisions.

The best company cultures help team members find personal meaning in their work, giving them the feeling that they're part of an enterprise that can "change the world" . . . or make their community better, or deliver great service to customers, or some other type of transformational outcome.

What is Company Culture?

A set of beliefs that embody the strategic vision of the enterprise, and that guide team members in all their behaviors and business decisions.



Just because company culture is conceptual doesn't mean it isn't important.

In fact, company culture might be the single most important factor in a company's success. The *Fortune 100 Best Companies* - companies that receive top ratings for employee motivation and employee satisfaction - have a stock market return over twice that of all companies.

Entrepreneurs and small business leaders create the culture for their companies. The company culture they create is perhaps the single most important contribution they will make to the ultimate success of their enterprise.

Elements of Company Culture

If you research "company culture" on the internet you'll see that certain concepts get mentioned again and again. The table below indicates what some of these elements are:

	
<ul style="list-style-type: none"> • Experimental • Clarity • Collaboration • Adaptive 	<ul style="list-style-type: none"> • Innovation and Clarity • Persistence and Resiliency • Flexibility • Passion
<p>Results from an internet search for "Company Culture"</p>	
<ul style="list-style-type: none"> • Collaboration • Innovation • Adaptability • Flexibility • Inspiration • Passion 	<ul style="list-style-type: none"> • Develop Core Values • Use a Common Language • Communicate Relentlessly • Care Deeply • Lead by Example • Have Fun

Maintaining and Evolving a Company Culture

Common advice on how entrepreneurs and small business leaders can develop and maintain a business-building culture include:

- 1) Make the appeal personal - leaders reach out to all team members to communicate their vision, demonstrate key aspects of the company culture, and make a personal connection. Employees remember for a long, long time their interaction with the CEO. (Some people attribute this quotation to Colin Powell, a former four-star general: "No soldier ever forgets meeting his or her commander." This might not have been something that Colin Powell actually said . . . but the yellow text box below contains his advice on leadership and organizational culture.)
- 2) Paint an inspiring picture - team members respond to a vision that is inspiring. Motivation increases, performance increases, employee satisfaction increases. Leaders should *always* act as if their words can galvanize employees, giving them the energy and drive they need to perform at their highest levels.
- 3) Tell stories - culture is built through shared language and shared images. Stories use language and imagery in particularly memorable ways, which is why people like telling and hearing stories. In terms of company culture, stories help create a common understanding of the behaviors and activities the company cherishes. Stories of how a great employee delivered something during a storm so a client would not be disappointed . . . or how employees joined together to help one of their colleagues in a time of need . . . or any tale that builds a sense of pride and community are powerful tools in building an inspiring company culture.
- 4) Invoke the Golden Rule - when a leader treats others like he would like to be treated, this is a powerful way to build culture, loyalty and dedication. It's easy for someone with authority to get their way. It's harder *but much more motivating* for someone with authority to reach out to team members, engage them in dialogue and value their input. Leaders who make this effort - who act towards others as they'd like others to act all the time with each other - contribute in powerful ways to a success-building culture.

Colin Powell's 13 Life Rules for Any Future Leader

- 1) It ain't as bad as you think. It will look better in the morning.
- 2) Get mad, then get over it.
- 3) Avoid having your ego so close to your position that when your position falls your ego goes with it.
- 4) It can be done.
- 5) Be careful what you chose: you may get it.
- 6) Don't let adverse facts stand in the way of a good decision.
- 7) You can't make someone else's decisions. You shouldn't let someone else make yours.
- 8) Check small things.
- 9) Share credit.
- 10) Remain calm. Be kind.
- 11) Have a vision. Be demanding.
- 12) Don't take counsel of your fears or naysayers.
- 13) Perpetual optimism is a force multiplier.

Colin Powell was a four-star general and Secretary of State