

**ORGANIZATIONAL CULTURE:
YOUR COMPANY'S DNA AND
LINK TO EMPLOYEE ENGAGEMENT**

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SUCCESSFUL *Culture*

- My Story
- De-mystifying culture
- Connection between values and culture
- Why engaged employees are your company's lifeline
- The eight secrets to high-growth culture
- Commitment to a non-toxic environment
- Commitment to fun
- Safety outside the comfort zone
- Employee input for ideas, improvements, and direction
- Join for one position, stay for another
- Continuous learning
- Responsible flexibility and work-life integration
- Empowerment & accountability
- Q&A
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My Story

Information Experts: 1995

Home-based

One employee

Instructor-led training

Documentation

Online help

Tactical

Small telecom client base

Sales = \$34K

Information Experts: 2012

- Office-based
- Approx. 50 FTEs, as well as PTEs and consultants
- Full suite of strategic communications, education, HC services, interactive, and conference planning/event mgmt services
- Tactical and strategic
- 17 agencies; commercial presence
- Sales = \$15 million (approx forecast)

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Demystifying Culture

“The only thing of real importance that leaders do is to create and manage culture.” “If you do not manage culture, it manages you, and you may not even be aware of the extent to which this is happening.” ~Edgar Schein, professor at MIT Sloan School of Management

“Corporate Culture can have a significant impact on a firm’s long-term economic performance.” ~John Kotter, Harvard Business School

“The thing I have learned at IBM is that culture is everything.” ~Louis Gerstner, former CEO of IBM

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Demystifying Culture

“Culture eats strategy for breakfast.” ~Peter Drucker

“Organizational cultures are created by leaders, and one of the most decisive functions of leadership may well be the creation, the management, and – if and when that may become necessary – the destruction of culture.” ~Edgar Schein (from “Organizational Culture & Leadership”)

Connection Between Values and Culture

- Culture is the DNA, the fingerprint, and the personality of your organization
- Culture is built on that for which the company stands
 - ~ Innovation (Apple)
 - ~ Safety (Volvo)
 - ~ Family (Disney)
 - ~ Performance (Nike)
 - ~ Superlative customer service (Nordstrom)
 - ~ Highest quality where price is a non-issue (Tiffany)

Connection Between Values and Culture

Values need to be integrated into every decision and strategy into the organization to ensure cultural consistency and alignment

- Hiring (must be an alignment between values of candidate and the company)
- Accountability (accountability metrics wrapped around the core values)
- Performance reviews (integrated into performance reviews)
- Customer satisfaction surveys (organized to reflect core values)
- Terminations (to not uphold values for one person is not fair to the rest of the company)
- Considerations when selecting strategic partners and customers

Engaged Employees: Your Company's Lifeline

Definition of Employee Engagement

“The positive emotional connection that an employee has to the organization and its vision that drives positive behaviors, which results in the success of the organization.” ~Gallup

Engaged Workplaces:

- 50% more likely to have lower turnover
- 56% more likely to have high customer loyalty
- 38% more likely to have higher productivity
- 27% more like to report higher profitability

Engaged Employees: Your Company's Lifeline

Three Levels of Employee Engagement

- **Engaged** – only 26% of employees in average organization emotionally invested
- **Unengaged** – 55% of employees show up, do their required work, and go home. Nothing extra.
- **Actively Disengaged** – about 19% of employees actively disengaged in average organization – they've quit but haven't told you yet.

Engaged Employees: Your Company's Lifeline

Financial Impact of Employee Disengagement

The average organization is wasting 1/3 of their payroll on people that just don't really care about their company.

- A payroll of \$4 million w/100 employees = \$2.5m in productivity.
- Cost of mediocre engagement = \$1.5 million per 100 employees
- Does not include cost of lost opportunity, lost customers, sabotage, or acts of revenge.

Eight Secrets to a High Growth Culture

Commitment to a Non-Toxic Environment

Sources of Toxic Energy and Behaviors

- Customers
- Partners
- Employees
- External events

Insulators Against Toxic Energy and Behaviors

- Frequent employee touch-points and check-ins
- MBWA (management by walking around)
- Re-enforcement of confidential, open-door policy
- Radar for conflict always on
- Zero tolerance policy – emotional health a priority

Commitment to Fun

- Good Times Committee
- Active participation in activities – walk the walk
- Make fun a line item in your budget
- Engage in activities outside the office that encourage teambuilding (bowling, scavenger hunts, happy hours)
- Create “traditions” – Thanksgiving pot lucks, Halloween parties

Safety Outside the Comfort Zone

- “Wouldn’t it be cool if?”
- Reward risk-taking
- Embrace failures as lessons learned
- Institute a core value of being solutions-focused – no blaming or complaining
- Challenged employees step up their game
- Don’t strive for comfort. Strive for discomfort.

Employee Input

- Embrace employee perspectives which are different from yours... they bring a different lens and vantage point
- Encourage suggestions – suggestion boxes, intranets, brainstorming
- Allow for periods of innovation
- Insist on contributions of ideas – create a proactive system of ideation. Put a need out there and demand feedback.
- Joint decision-making build buy-in, engagement, and championing.
- Empower employees to improve the company.
- Institute employee feedback mechanisms

Join for One Position, Stay for Another

- Employees are much more than their current skill-set.
- Evolution and migration should be a foundation of the company and the employee
- The Peter Principle occurs when employees have not evolved – tremendous expense and disruption when there is a loss of intellectual capital and company history
- Move employees around projects to expose them to different employees, processes, and customers
- Today's environment: career paths may not be a solid line.
- Square pegs will squirm their way out of round holes and leave.

Continuous Learning

- Brown bag lunches
- Webinars
- Book club
- TED Team
- Completions-and-Wins
- State-of-the Company – Employee-Led
- Internal Social Media Tools

A learning employee = an engaged employee.

Responsible Flexibility/W-L Integration

- Walk the walk. Don't just talk the talk.
- Work is important – but it's part of a larger ecosystem called Life.
- Micro-management of an employee's life will make them leave.
- Employees work for you...Employees don't belong to you.

Empowerment & Accountability

- Two sides of the same coin
- Can't empower without instituting accountability processes
- Empower key decisions on hires, projects, vendors – but expect results
- Growth requires delegation, trust, and a release of decision-making
- Growth requires a process-centric organization rather than a hero-centric organization
- Shift from owner-centric to employee-centric
- Accountability levels the playing field, makes everyone equal, and ties all actions to results.

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Q&A

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Connect with Marissa

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