# Workplace Culture Handbook

A 2022 guide for new-age HRs with actionable solutions





#### Why you need this guide

Whether you're an established incumbent or a budding start-up, today's business environment is hypercompetitive. The war for talent wages on, and you can be victorious by fostering a winning workplace culture.

Company cultures are as unique as the business owners who create them. The successful ones are grounded in the reasons they started the business.

Change cannot happen overnight. Building a strong company culture takes time and dedication, and just like any goal in life or business, you need a roadmap to achieve it.

- We give you simple, yet clutter-breaking steps to follow to build a winning culture.
- We give you an evidence-based, targeted, and concise plan to foster a positive work environment.
- We suggest approaches, and ways of working you can take into account for your business today.

Let's dive right in!



## 7 Step Roadmap to Build a Winning Culture

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#### Step 1:

#### Assess your Current Culture

Like ROI and closed sales, company culture is a reliable predictor of successful business performance. Like every revenue driver, you must measure and analyze it.

If you're an existing business and you're looking to clearly define and successfully build a company culture, you must start at the starting point and gauge the pulse of your existing culture. This will give you actionable ways to improve areas that don't align with your personal vision for your company.

Consider these strategies to determine where your organization's culture stands so you can pinpoint where you want to head next.

• Get an outsider's view - As the CEO, it's easy to have a biased opinion, especially with respect to the culture of your organization. An excellent starting point is to get the views of an outsider, for example, a consultant, to understand your current work environment. Once you take your views and opinions into consideration, you'll have a clearer view of where your current culture stands.



- Perform a walkthrough of the organization -When you observe employees in the work setting, you gain a deeper understanding of multiple facets like what emotions are present at any given time, how the space of the company is laid out, and how employees interact with each other, etc. With these observations, you can assess and gain insight into how your employees feel working at your organization, whether positive or negative.
- Conduct culture surveys Surveys are an excellent tool to help you assess your firm's present culture. By asking the right questions like "how does the layout of the office affect your work" or "how do people treat each other," you can gain clarity and pick up from there.
- Dig deeper Look into cross-functional metrics such as recruitment and retention stats, realization reporting, sick time and PTO usage, absenteeism, etc. Such data and numbers can help you identify issues, typically a result of unhealthy workplace culture, including decreasing tenure length, low employee engagement, burnout, and more. You can solve this with your future plans.

- Conduct interviews No one knows your workplace better than the employees themselves, so get your employees involved in the process. Conduct interviews with your current staff to get a lay of the land. You can ask questions such as "what makes your company a great place to work," "is there anything you would change about the company?," "describe the culture in five words" or "would you refer a friend to work here?" These interviews can be one-on-one or in a group. It also helps increase transparency and build trust.
- External indicators Look into websites like Indeed or Glassdoor, where both current and former employees share their honest views and feedback about the company. They're a powerful source of information to uncover insights that weren't revealed in exit interviews.



- SWOT analysis This common tool is great for analyzing current company culture. A SWOT analysis evaluates strengths, weaknesses, opportunities, and threats, and gives you a snapshot of your current position. How will a SWOT of company culture help you?
  - O Gives you a 360-degree view of four different angles. Together they form a comprehensive story. Using this, you can understand where you presently stand and envision a roadmap for the future.
  - O You'll get a picture of both the inside and outside view inside is what employees think of your business and outside is what customers and others think of it.
  - O By analyzing the weaknesses and threats, you can plan in advance and curtail any surprises or negatives.
  - O You have the opportunity to improve the positives and have better strategies for the time to come.
  - O You have to utilize both quantitative and qualitative information and so planning is much more efficient, which results in better decision making.





Once you've identified what makes up your existing culture, take the time to decide what your organizational culture should look like.

Only proceed to the next step after you've determined the elements of your culture that require intervention.

Remember, if you come across negatives or toxic practices, don't worry. It's totally alright if your culture isn't where it's supposed to be. Just don't get stuck there. Make use of what you've discovered and drive a cultural change!



#### Step 2:

#### Define Actual Culture Vs Ideal Culture

Many companies witness a gap between what leaders think the culture is versus what it actually is as per the employees.

This brings us to step two of our roadmap. Now that you've established your existing or actual culture, it's time to define what your ideal culture looks like. This will do away with the areas of alignment and misalignment between the culture that employees experience and the desired culture leaders assume the workplace possesses.



#### Creating the ideal culture

The key to building a winning culture starts with understanding what matters to your employees the most and what motivates them. For instance, a flexible work schedule is great only if that's what your staff craves.

You also have to look at the impact any actions will have on your company's bottom line. For example, it wouldn't make sense to offer free meals if that would end up bankrupting the business.

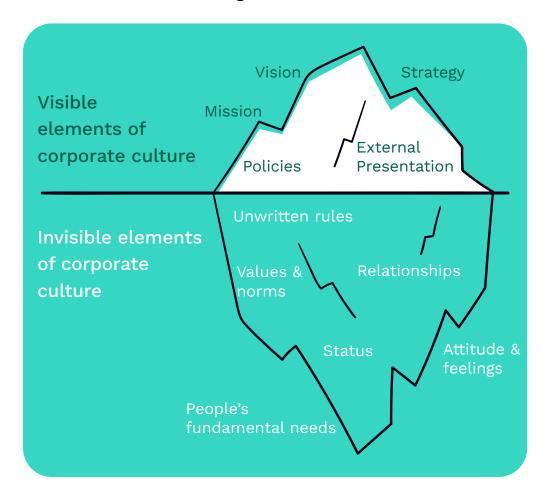
Ultimately, this is your business, and you're driving it. You need to infuse who you are and what you do. Think about your personality and, more importantly, your core values. Do you foster a work hard, play hard mentality? Are you relaxed but also expect the best of people?

Do you expect the Google level of customer service from everyone at every level? Then hire people who display that spark, smile, and personality. Take time to reflect on who you are, the vibe you want to radiate, and, ultimately, the kind of culture that fits both you and your brand. An interesting framework that proves useful is the Cultural Iceberg Model.



#### **Cultural Iceberg Model**

In 1976, Edward T Hall developed the "Iceberg Model of Culture" – where he explains that organizational culture is like an iceberg.



#### How Does the Cultural Iceberg Model Work?

In an iceberg, only about 10% of the iceberg is visible above the waterline. The majority of the iceberg is hidden beneath the surface.

Edward proposed that culture has two components and that only about 10% of culture (external or surface culture) is easily visible; the majority, or 90%, culture (internal or deep culture) is hidden below the surface.



#### What Can You Do With This Model?

Organizational cultures also have visible and invisible elements.

How this helps you define your ideal culture is it helps you look at both aspects of culture - ones that are easily perceived from the outside, often called the "surface culture," and ones submerged deeper in the values and beliefs of the organization, called the underlying "deeper culture."

Beyond this, this model allows you to go past the visible factors such as turnover rates and disengaged staff, and look into identifying invisible components like employee resistance.

This deeper understanding ensures you don't just tackle issues on the surface level but also solve issues that are hidden yet important.



#### Step 3:

#### Hire the Right people

Authors of Built to Last, Jerry Porras, and James Collins researched 18 different organizations that were leaders amongst their competitors for nearly five decades! This consisted of Walmart, Marriott, Disney, Sony, Nordstrom, Merck, Procter & Gamble, Motorola, 3M, and Hewlett-Packard.

What their research revealed is surprising - these organizations did not share any distinctive or similar cultural attributes. The only common thread between all of them was the tremendous value they set on managing, developing, and hiring people based on their beliefs and principles of culture. These organizations were extremely clear about the culture they wanted to have and oriented the organization so that they could hire those who fit in.

When you hire for culture, you're essentially bringing in candidates whose values, behaviors, and beliefs align with your business.

At the end of the day, your people are what make up your culture and your culture is what attracts top talent. So, placing culture as a pivotal factor in your recruitment strategy is not just essential but nonnegotiable!



#### Find Your Culture Fit

To build the culture you desire, you need the right people. Hence, during the interview or recruiting process, keep an eye out for individuals who will champion the culture you're looking to cultivate. This way, even before they walk through your doors, you know they're aligned with your values and mission.

When you hire, look beyond skills and also take individual fit into consideration. For instance, if teamwork is a major part of your culture, your new hires must play along. If they work better solo, it can come in the way of the flow you've set up.

We've rounded up some tips from HR experts on how you can integrate culture into your hiring and recruitment strategy.



Spread the word - The values your company possesses are an instant magnet to attract top talent. But to attract them, they must be aware of it. So, it's important to spread the word and advertise about the culture of your organization via social media, word of mouth, ads, events, etc.



Find your cultural fit - To build the culture you desire, you require the right people. During the interview stage, it's important to comprehend the values of a candidate and assess whether they embrace and align with the culture you want to cultivate.





Optimize the interview process - An interview typically lasts for 30 to 45 minutes. In such a short span of time, it's not possible to get the full picture. Hence, you need to optimize your interview process to cover as much ground as you can. For starters, you can give your interviewing team different parameters to gauge the candidate on like experience, culture fit, skills, etc. This ensures that varying subjects are covered, resulting in different and deeper conversations, which gives you a broader understanding of every applicant.

- Don't create a culture vacuum The idea with culture is to continually evolve and expand. And you want employees who resonate with this. When recruiting, look for individuals who will help build the culture you envision. Prioritize diverse hiring so your culture possesses an array of voices and perspectives.
- Avoid "mini-me"s Culture fit does not mean a candidate who acts like, thinks like, or looks like your team. Rather someone who brings a diversity of background, experience, thought, and opinion. This way, you can truly introduce a diverse type of culture to your company.
- Give candidates a firsthand experience Expressing your culture in words only goes so
  far. But to actually see your values in action
  is something else. When you adopt working
  interviews, you get to connect with candidates
  and introduce them to your culture so you see

how they'd relate to who and what they'd be working with.



Attitude before experience and skills - It's much easier to hire someone who can instantly fill the shoes and doesn't require as much training. Such instant hires do immediately impact the company, but in the long-term, they seldom grow with the organization, causing the turnover rate to go up. It's a better idea to hire a candidate who is genuinely excited to grow and learn and fits into the company culture, albeit not having all the skills. Such employees will not only stay with you for longer, but also grow laterally.

It's crucial for the hiring process to bespeak the culture of your company so as to woo applicants who will fit into your dynamic. When you explicitly define who your organization is and what it values, you can find candidates who are passionate about your company's mission and share your core values. Along with this, also look for individuals with diverse backgrounds, experiences, and ideas, so they bring something new to the table.

Keep in mind, it's possible to train for skills. However, it's not feasible to instill your personality, attitude, and values into potential applicants.

Factoring this strategy into the recruitment process ensures that, even as your workforce expands, you continue to improve your culture.



#### Step 4:

## Integrate Your Values into All Aspects of Your Company

The significance of integrating values into all aspects of your company makes sense intuitively. Employees who openly embrace their workplace culture tend to hold the mission of the company as their own. Thus, they're more engaged both in their duties as well as in the business as a whole. They put in their 100% to achieve organizational goals. This guarantees that employees are highly satisfied and the probability of them leaving is low.

Frankly said, when the culture is aligned, everyone wins!

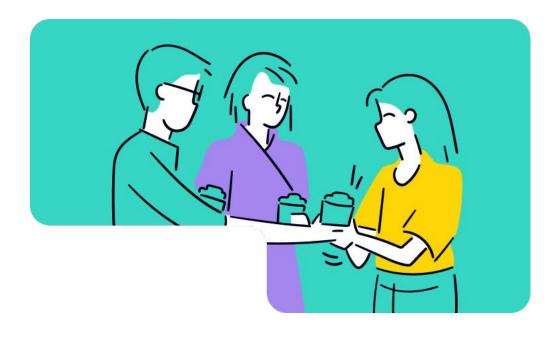
Take inspiration from Zappos.com CEO, Tony Hsieh. He wholly understands the impact an aligned culture has to such an extent that he offers \$3,000 to newly trained employees to quit if they feel they don't fit in with the company's culture. No strings attached! Although shocking, it's a brilliant talent management hack to weed out the ones who don't fit in before they turn into thorns. In case you're wondering, two to three per cent of the folks took the money and scooted. A large chunk of the employees were committed to the mission and their role within it.



For your culture to be successful, everyone at your organization, from the CEO down to the chaiwala, must be on the same page and speak the same language about your values. If this happens, your culture will stand the test of time!

A strong or winning culture is when everyone shares the same cultural norms, say prioritizing collaboration, this then leads to enhanced performance. In organizations where this alignment is absent, the culture is diffused, resulting in performance that's lower.

Alignment of standards, values, and language creates an environment of cohesiveness. And a cohesive culture should be your end goal. Although it's tempting to deploy some stopgaps en route, it's a solution that is only short term.





#### Step 5:

#### **Invest in Your Team**

Employees are the heart of your organization. You want them to be at their best - emotionally, mentally, and physically. Why? Because they're the core and without them, success would just be a dream.

Some of the most important things you can do to retain your workforce and succeed is to pay heed to engagement, wellbeing, and investment in employees.

When you invest in your employees, you also invest in the future of your company. It may be the best way to build a winning culture, raise the value of your company and secure your place in the market, and it doesn't have to cost much at all.

An excellent example is Google. Google made a significant long-term investment in its employees - the company encouraged its workforce to utilize 20% of their time (or approximately 1 day per week) on projects they feel passionately about but that don't have an immediate, obvious return.

The long-term results of that investment are significant products and innovations like Google Maps and Gmail. And all it costs Google is the employee's standard salary for that time.



Therefore, as managers or CEOs, you need to offer as many resources, tools, and opportunities for your employees so that they can live their healthiest life – whether inside or outside the office.

### Invest in your employees: where and when to spend time

- Develop a buddy system A welcoming onboarding program is essential for every organization. A new employee can easily feel overwhelmed. While they're striving to show off their potential instantly, it's also a learning curve that they're undergoing from scratch. An experienced buddy at the office can help them navigate through uncharted territory, as well as help them settle in.
- Training programs Every employee at some point in their career wants to invest in professional development and learn new skills. In-house training programs or those with external sources can prepare your workforce for the next step in their career.
- Prioritize work/life balance Think about it, your employees' performance directly impacts your success. They're the ones doing the work daily, or are the public face of your company. You cannot afford to burn them out. Of course, you must have certain expectations from employees, but that goes hand-in-hand with also giving them autonomy and flexibility. As HR managers or CEOs, do your best to avoid regular overtime. Give them breaks and be flexible with their requests. This helps them show up to work and be productive day in and out.



- Wellness and benefits There's no one magic ingredient when it comes to wellness and benefits. You need to offer them based on your staff's specific desires and needs. For example, blue-collar workers need protection from accidents and hence you must offer them GMC and GPA. Similarly, those in high-stress jobs need wellness benefits like sleep and nutrition sessions that help them stay healthy.
- Encourage self-care Encouraging employees to focus on self-care is one of the easiest ways to invest in them. Whether it's mental health consults or work-life balance, ensure you provide them access to it all.
- Put employees front and center Make smarter decisions based on surveys, feedback shared in a suggestion box, start a live poll, and introduce an open-door policy.
- Create a culture of feedback When there's open and honest communication, it shows that your workforce feels comfortable and safe to speak their mind. And with the help of your feedback, they can do better!

All this boils down to one thing - when you have the right people who are valued in their job, happy and satisfied, your business will instantly become appealing to top talent. In an environment where there's an appreciation for their hard work and value in what they offer, you can expect them to rush through your front door.



#### Step 6:

## Recognize and reward your employees'

In today's war for talent, businesses are on the lookout for tactics to attract and retain top performers while building culture, boosting productivity, and enhancing organic growth. From designing flexible workplaces to providing new perks, organizations are giving it their all to optimize the workplace.

Amidst all the approaches and ideas, one of the most easily excitable strategies is overlooked: employee recognition.

Employees are keen to know how they're performing, and with recognition, you can give them both positive reinforcement as well as affirmation. When you acknowledge their contributions and efforts, they go over and above what's expected to reach excellence.

#### So it really helps if you take care of your employees.

- Support your employees and when they're in need, always help.
- Don't be afraid to get personal with them.
   Sometimes, being transparent, open, and honest goes a long way.
- Actively listen to your employees. Whether it's issues with mental health or stress, understand what they're going through and offer them support and reliable solutions.
- Ensure your workforce does not feel left out.



Caring is a simple gesture that bears extremely fruitful results. It helps your employees grow and when they grow; it helps you build a thriving team who is ready to accomplish anything.

With recognition, there's no need for a formal event. Sometimes you can take the informal route - a simple compliment from the manager or a coworker can go a long way. Ultimately, it's about consistently encouraging employees to perform better.

Take Motley Fool, a financial and investment firm, for instance. One of their core values is recognition. On a day-to-day basis, they use peer recognition to shout out to one another. At a later stage, employees can convert them to rewards.





With this in mind, here are a few simple things you can do:

- Express thanks with a public thank you A simple thank you can do wonders, especially in the public eye. Leverage this simplicity and use this tactic via an email, during your all hands meeting, etc.
- Distribute non-cash rewards When you want to thank an employee for putting in extra hours, for example, you can do so with non-cash rewards. Consider movie tickets, scratch cards, gift cards, or the likes.
- Awards and plaques Is a 10-year work anniversary coming up? A plaque is an excellent way to show you recognize it. Similarly, does your sales team have a consistent top performer? You can give them an award for it!
- Team outings Whether it's a team dinner, a team outing, or a field trip, an outing is the perfect way to say thank you.

One of the most magical ways to boost morale is appreciation. All it takes to praise a job well done is a quick pat on the back. It will certainly make your employees feel worthy and valued. Once you include such practices in your culture, you'll watch your workforce flourish!



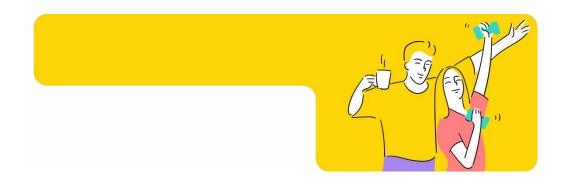
#### Step 7:

#### Measure, Track and Make Changes

Building a winning company culture isn't a one-and-done situation. Culture is almost like a living entity - with time, it will mature and transform. Hence, at every step of the way, it's crucial to track your progress and measure ROI.

This ongoing measurement and benchmarking are vital to keep tabs on the health of the organization's culture, identify opportunities for improvement, and healthy, sustained workplace culture.

Once you've rolled out the changes to your culture, you must continuously monitor it to make sure what you've implemented is effective.





We've rounded up some strategies to help you assess the changes you've made.

- Number of employee referrals Referrals are an excellent indicator of the extent to which your employees promote your company and refer others to join. Naturally, the more the referrals, the better. Fewer referrals indicate you need to fix something, perhaps your culture. Similarly, you can also work with Employee Net Promoter Scores (eNPS), which signals how likely employees are to recommend the organization as a place to work and why.
- Employee turnover rates Do you find that new hires voluntarily leave your organization? If you answer yes, again, there's something that needs fixing. Conversely, a strong culture provides employees with a sense of purpose and supports employee engagement, giving them more reason to stick around.
- Productivity metrics The logic is simple, great company culture leads to enhanced productivity. You can track productivity through the completed ratios for your employees' goals and organizational objectives.
- Surveys Pulse surveys or quarterly surveys can help you measure engagement, a driver of good culture. Continually hold surveys and interviews with employees to see if and how their answers change. It's important that you address any feedback that you get.

- Group / one-on-one discussions This may seem 'old-school', but conversations with selected employees can shed light on a company's culture. Whichever method you choose, carefully analyze the data and make adjustments to your strategy accordingly.
- Employee pride Sure, metrics allow you to measure tangible outcomes. But sometimes, there's the intangible stuff that packs a punch too. It's what you can see and feel happening around you. Ask yourself, are you setting up a safe environment that's designed to help your employees succeed? If you answered yes, you're golden. If not, work toward an environment where employees lift each other up, and do everything to go above and beyond and reach their full potential.
- Program attendance You can measure the health of your culture by observing and recording attendance for events like wellness events, social events, etc. A lack of involvement could indicate a lack of social cohesion and shared values across employees.

From the start of the process to the end, keep in mind that cultural change isn't something that takes place overnight. It takes time, effort, and patience.

With time, you will discover what works best for your business, and accordingly, be open to amending your strategy. Remember, winning workplace culture is the foundation for outstanding performance that will follow!

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