

## Corporate culture

*The only truly sustainable competitive advantage*

**I**nspiring top talent to join your organization offers significant benefits, including improving bottom line profitability. Hire right and you will bring out the best in others, creating a dynamic work environment. Make a bad hire, and watch energy drain from your organization and profits decline.

Attracting top talent requires more than finding candidates who are the most competent with the right work experience. It's about finding individuals whose passion, values, capabilities and work style align with your corporate culture.

Culture is a competitive advantage. Culture is the unique set of beliefs and practices that influences how a company operates. An effective culture aligns employees by providing a shared understanding of what it means to do the right thing. It's the unseen force that attracts like-minded talent and disqualifies those with different mindsets.

In 2009, Netflix CEO Reed Hastings posted to SlideShare the company's 126-page slide deck in which he maps out the Netflix corporate culture. In it, he details how employees succeed, what they can expect from one another, and how Netflix hires, fires and rewards performance. Since going public, it's had more than 9.5 million views and Facebook chief operating officer Sheryl Sandberg is quoted as saying, "It's one of the most important documents to come out of Silicon Valley."

Hastings posted the deck as a recruiting tool to filter prospective candidates. What makes the deck so compelling is that it goes beyond the typical vague company value statements and speaks to how the company actually operates,

makes decisions and achieves goals. Chief of talent Tawni Cranz compares the Netflix culture deck to a constitution – "It's stable, but amenable as we grow," she says, noting that the company has made small changes to it over the years. Every job candidate is required to read the Netflix culture deck.

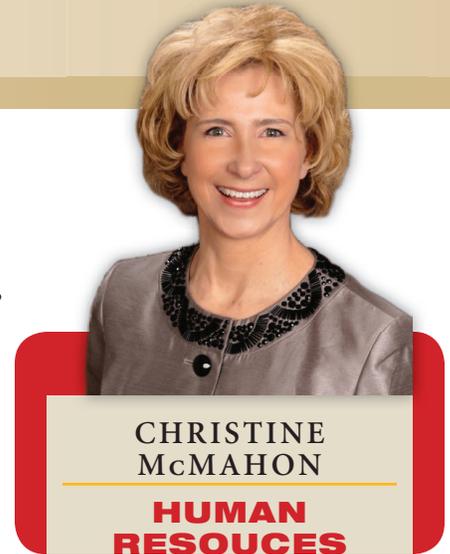
Since the Netflix slide deck was posted, other executives have followed suit, including: HubSpot – Culture Code: Creating a Company We Love; Socius – How We Work and What We Value; and ASANA – A Group of PEERS on a BOLD Mission. In the ASANA culture deck, the company states that it is "On a Mission with Love ...

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In the office, we treat everyone as a peer, with kindness, love and respect." Now that's a message you don't see every day.

What these leaders understand is that candidates today are looking beyond the compensation package and want to know, "How does the work get done?" Is the work environment collaborative or cutthroat? Is it inclusive or divisive? Is it driven by innovation or is good enough standard practice?

Unfortunately, the template for crafting a company culture doesn't exist. You can't copy or command a culture. It must be drafted, lived and modeled. It emerges from the hearts and minds of



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company executives.

Daniel Goleman, a psychologist and author of a bestselling book on emotional intelligence, states that leadership styles account for 70 percent of organizational culture, which in turn leads to a 30 percent impact on organizational performance. That means that as a leader, what you say and do and how you do it matter.

Anne Nimke and Betsy Rowbottom,

who have more than 35 years of experience in the human resources/recruiting industry, launched The Good Jobs to help executives better define and describe their culture. Their goal was simple: help small and mid-sized companies better define their corporate culture and mobilize it to attract the right "culture fit" candidates.

Nimke says, "Culture is a company's best competitive advantage for employee retention and talent attraction. When companies openly share their culture, values and employee value proposition, as well as how they invest in their employees and the community, job seekers better understand if the company is

a good 'fit' or if they should 'self-select' out. Everybody wins."

Once defined, a company's values and how they are lived must be reinforced daily. A CEO recently told me, "You would think that in leading a multi-billion dollar company, my toughest work would be managing the financials or customer satisfaction. But it's not. My toughest work is creating the right culture. It's something that I work at every day, with every interaction, at every meeting. Values are just words until they are supported with right action. How we engage with our customers and employees is a direct reflection in how we live our values, and I'm at the center of that discipline." He recognizes that his character, his values and his behaviors are a driving force in shaping that company's culture – and he's willing to be accountable.

When interviewing job seekers, what questions do you ask to uncover the candidate's work style and values? Do you go beyond the traditional, "Tell me about a time when ..." and ask questions like,

"How would you handle a situation where ...?" Putting a candidate in a real world situation provides empirical evidence about how the individual thinks, what values guide his decision process, and how he engages with others.

When hiring for cultural fit, you need to look beyond likability and competency and gather fact-based information about what's important to the candidate. Consider asking questions about:

- » Her ideal work environment.
- » How he likes to work with his supervisor.
- » How she likes to engage with colleagues.
- » What motivates him?
- » How does she make decisions?
- » What does personal accountability mean to him?
- » What causes her stress? How does she manage stress?
- » What is his desired career path and timing?
- » How does she like to receive feedback?
- » What makes him angry?
- » What gets her excited?
- » How does he handle failure?

Top performers typically want to be a part of something important. Something that's bigger than what they could do on their own. Something that makes a difference. A values-driven culture reinforces the right behaviors so they become ingrained in how people operate and you will hear people say, "That's just how we do it here."

Processes are supported without a rulebook. And as the company grows, the organization preserves what's important and creates new guidelines to better leverage individual and collective talents. The result is dedicated employees who won't leave because a competitor offered them a bigger title or better compensation. They stay because they love their work, who they do it with, and how they get to do it.

So when someone asks you, "Why should I work for your company?" what are you going to say? ■

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