

Defining Company Culture

What is a company culture?

The Merriam-Webster dictionary gives one definition of culture as, “the set of shared attitudes, values, goals, and practices that characterizes an institution or organization.” This is a great starting point to help us understand company culture. The culture of a company isn’t much different than the way that you would characterize a culture of people. When speaking of other cultures, we often describe them in a different way. (Wendover,2002) For example, someone may describe a certain culture as being “friendly” or “active”. In the same way a company’s culture can be defined.

Another way to look at culture is from the standpoint of a person. When describing a person we often refer to that person’s personality – right? Yes! Culture is very similar to personality, as it is used to describe a person, a group of people, or a company. So, what makes up a person’s personality or a company’s culture? It is simple. People generally gain a personality through lessons, parents, examples, experiences, and more. It is something that often takes years to develop and then once set in it can take a lot of effort on the person’s part to change. Companies are very similar, except, rather than having parents to influence its personality or culture, it has leaders. Leaders play a very important role in molding the culture of a company and like a person’s personality it can take a lot of effort to change a company’s culture once it is settled in among its members.

Why does it matter?

The culture of each company is a part of every aspect in the company. It is what helps drive decisions, tells employees how to behave, and how to interact with others. That is one reason why culture can be so important for a company. It sets a standard or understanding among its members and when new employees enter into the company they immediately sense the culture. (Liker, 2008) When a new employee enters a company with a strong culture, they will probably know during the interview whether or not they will fit in well. The same goes for the recruiter or human resource manager. This also means that recruiting the right people is made easier because they will already have an idea of what kind of “personality” the company has and whether or not his own personality will fit in well. (Pell,2000) Having a strong culture leaves less room for guessing and makes it easy to understand appropriate and non-appropriate behavior.

Let’s take a minute and look at an example. Here is an example of two companies with different cultures. When you think of Apple and Microsoft, do you envision the same type of employees, leaders, and culture? Of course not, the companies are very different in many ways. Now, they are both computer companies, they both have engineers, leaders, managers, marketers, sales people, and etc.; but they have taken different routes and are without a doubt very different. (Wendover,2002) Both of these companies have a strong culture and it has been a part of their success. In an ad campaign by Apple, they clearly demonstrate the difference in

culture through conversations between a man who calls himself a “PC” and a man who calls himself a “Mac”. Now the ads generally beat on PCs, but the general idea is present in just the way the two are dressed. A really interesting thing occurs with companies like Microsoft and Apple, which have a really strong culture. The culture is not only present in the company, but in the people who buy their products. Then it is these people that later become employees. In most cases, someone that considers himself a “PC” would have a hard time fitting into the “Mac” culture and vice versa.

A company’s culture can have a large impact on the decision making process. Many organization leaders are confronted with complex and difficult decisions every day. With a strong company culture leaders and managers can more easily make those decisions. Plus, they can make the right decision! Why you ask? When you have an understanding of how your company acts, manages, and makes decisions. Then you can make similar decisions. By keeping the decisions of the managers and leaders in sync it helps the company grow quicker and in a consistent direction. Otherwise, managers may be less confident in the choices they make. (Liker, 2008)

Hiring to Fit the Culture of Your Company

How to create the culture you want

Creating the ideal culture to fit your company’s goals or strategies can be tricky business. Culture will be created whether

you want it to be created or not, the trick is creating the culture that you wanted and that fits best with your goals and strategies as a company. To borrow from a popular phrase “beginning with the end in mind” is the secret to success. Knowing where you want to go will allow you to take the steps necessary to correct any course deviations that could occur. It is also worth mentioning that a business owner or manager must also watch carefully to ensure that the current culture does not transform into something else entirely. Let’s look at Apple for example. The company is growing larger and larger every year due to its new and innovative products. Apple has developed a “culture” of innovation within the company. If Apple were to lose this culture among its employees in favor of a different culture the company would be completely changed. The products they produce would change and the role that the customer hires Apple to perform would also most definitely change. (Pell,2000) Creating and maintaining a business’s culture is an important part of who the business is and its purpose in the market.

How to identify a pre-existing culture?

Another issue that is similarly related is identifying a pre-existing culture in a business or workplace. This may become an issue if you were newly hired as a high level manager or even as a consultant for a company. Knowing and understanding a culture and its role within a company is essential as detailed above. Allowing your company culture to run free and unchecked allows your company to possibly become something that does not fit within your goals or overall strategy for the company. By identifying the culture you are able to

find out where you are before you try and get to where you are going. Some ways to find out what type of culture a company may subscribe to is to simply ask questions. Start with the people on the bottom of the corporate ladder and work your way up. You can ask questions or simply observe their actions and take notes. Some questions that you could ask could be the following:

- 1- Are you rewarded for working harder and performing better at your job?
- 2- Are you encouraged to share your ideas with upper management?
- 3- Do you have a “best friend” at work?

These questions would begin to allow you to map out the environment in which you are working and the culture that would be associated with it. Culture's can come in a variety of shapes, sizes, and flavors so it is important to remember that not every culture within a company is exactly like another company. On top of that new cultures and types of cultures are being created all the times by companies, what is important is that you recognize the components of a workplace culture and see what those components will do for your business in the long run.

Why is it important to hire people who fit your culture?

From research gathered from other companies it was determined that one of the leading causes to the downfall of companies was a negative change in the culture of the company. Negative change being defined as a change that was not in line with the company's original core values and purpose. This change eventually led to a change in direction that alienated the

company from what originally made it successful.

Hiring people who do not fit your culture is one of the ways that this scenario can play out and lead to an eventual change in the company for the worse. When interviewing candidates management should instill in those interviews the necessity of hiring those who fit the company's culture and share their same core values. (Wendover,2002) If this idea is not transferred then those hiring will bring in those who may be qualified but not necessarily a good fit for the company. This process can be quickened if those being hired are in upper management positions over many employees. Those changes in company culture would be accelerated due to the reach of the manager's influence over the company and can lead to a rapid change in culture which may not be exactly what you want for your company.

In a study done from the author of “Good to Great” he discovered that one of the things that lead to the eventual downfall of Circuit City, a business he praised in his original book that ended up going bankrupt in current times, was that they departed from the original things that actually did make them great. He claims one of the things that changed, among many, was their culture. The upper management put less and less emphasis on hiring quality associates and placing an importance on their employee's. (Wendover,2002) This eventually led to a high employee turnover and eventual loss of quality which in turn led to Circuit City shutting down their business.

What problems arise with employees that don't fit in with the culture?

The above study focused mainly on what happens to the company when workers are hired that do not fit with the companies culture, but it should also be noted that hiring those that do not fit with your companies culture can also have a negative effect on those that are hired. (Pell,2000)

It has been found that those employees who feel they do not fit in with the company whom they work force suffer from greater levels of depression than those who feel they fit in. It is also found that when workers are happier at work and feel they fit in they are more productive than those who feel the opposite. This obviously would have a negative overall effect on the company but often times employers don't see "not hiring" someone as a beneficial thing to some one's well being. In fact many employers feel the opposite and feel that they have a duty to hire someone if they are qualified for the position regardless of others whom that person may be working with. (Wendover,2002) In truth it is exactly the opposite. No one wants to work somewhere where they don't fit in, whether it is with co-workers or the beliefs and values of the company. Employers would be doing those people who do not fit the mold a favor by not exposing them to the negative experience they are about to put themselves through, whether they are aware of it or not.

Identifying Those Who Fit Your Culture

How to break through the fluff?

Although the first step would be to recognize that culture is important, the second step must be implementing procedures to help "break through the fluff" or in other words apply established procedures in interviews that will allow those performing the interviews to be effective in the determination of a candidate's ability to fit in with the company culture. (Pell,2000) According to our sources the top three ways to break through the fluff in an interview are listed below.

1. Establish trust with the candidate

Engage in small talk with the person you are interviewing while keeping in mind the specific traits you are looking for. This will bring their guard down and allow you to see how they act in a more social setting

2. Go into the interview prepared.

Have a list of traits and specific attributes that you are looking for before going into the interview. Also have a list that is attributes that are deal breakers and would not be acceptable within a candidate. (Liker, 2008)

3. Be Candid

Tell the employee afterwards exactly what you are looking for in a new hire. Don't sugar coat the job or shield him from some of the negative aspects of the position. (Liker, 2008) The way he reacts may be useful knowledge in assessing his ability to fit in with your company culture and values.

These simple tips will allow a company to break through the normal facade that is shown in the interview process and get down to how a employee really feels and acts.

How to attract the right people?

Having your company culture in place sets the stage for attracting the right people. Most potential candidates will have an understanding of your company and what you represent, why you do what you do and how you do it. If they have this understanding then they are applying because they feel as if they fit in with the culture.

Make sure that where ever it is that potential candidates are researching or applying for jobs to your company, that there is a clear understanding of your company. Make sure that they can easily find and understand the company's purpose. With a good purpose statement potential employees can easily understand why your company does what it does and that "purpose" can be passed onto those that apply. With a strong sense of purpose the right people will get the right job and they will work with that purpose in mind. Find those that are passionate towards that purpose. (Pell,2000) Next, candidates should be able to locate the company's mission. The mission describes what the company does to achieve its purpose or goal. This, again, will help narrow the field of applicants and make it much easier to find the right person. The ideal candidate will have the necessary skills and experience to help the company further its mission. Lastly, your company should display to potential employees its values. The values are the core beliefs that help define how the company accomplishes its mission and, in turn, it's purpose. All employees and potential employees must share in the values and live by them. If they do not then it will cause a disconnect among the company and the mission and purpose will go unfulfilled. (Liker, 2008) Remember that it takes the entire organization to hire and keep the right talent.

What happens when a new employee doesn't fit?

Hopefully, after careful selections and interviews, most new recruits will adjust and fit right into the company's culture. Of course, there will always be instances where a recruit struggles while trying to fit in with the company. It is important to give them ample amount of time to adjust and help them to do so, but it will not always work. (Wendover,2002) In cases like these it is important to quickly weed these people out and find someone that will fit in better. People who tend to go against the grain and struggle to fit in with the company's culture will find that working at your company is tedious and straining to them. They are the people that will not enjoy their work and because of this they will have lower productivity, get less accomplished, and run into many troubles. (Pell,2000) It is important to hire and *retain* the right people.

Concluding

How to maintain your culture?

For the most part, once a company has established and rooted itself in its culture, the culture will maintain itself. That doesn't mean that nothing has to be done. Like all things, it is important to maintain it. By continually hiring the right people the culture and spirit of the company will pass from person to person. It is also important to remember that the culture is primarily retained by its leadership. The leaders of the company hold the greatest responsibility in

maintaining the company culture and helping others to do the same. Continually check yourself and the company. (Pell,2000) Do it department by department and person by person. The culture within your company is much like a plant. It must have a constant supply of water, nutrients, and sunlight to grow. The company also needs these things. Do not just invest in the company once, but continually do so and make sure that the company continues to maintain its purpose, mission, and values.

What about the distant future?

If these steps are followed then your company's culture could survive a millennia. It will be maintained through recessions, acquisitions, and changes in leadership. There may be changes made here and there, but the company and those who work for the company must work together. Having a strong culture and one that is evident to everyone will make recruiting all that much easier. The more evident and strong the culture, the more the right talent will come looking for the job. (Liker, 2008) Maintain that and you don't even need to worry about hiring the right people, because every person you hire will be the right person.

References

- Abrams, R. M. (2010). *Hire your first employee: the entrepreneur's guide to finding, choosing and leading great people*. Palo Alto: Planning Shop.
- Arthur, D. (1998). *Recruiting, interviewing, selecting & orienting new employees* (3rd ed.). New York: Amacom.
- Battelle, J. (2005). *The search: how Google and its rivals rewrote the rules of business and transformed our culture*. New York: Portfolio.
- C, A. B. (2004). *Creating a high-performance culture: enhancing returns on human capital*. Washington, D.C.: Advisory Board Company.
- Camp, R. R., Simonetti, J. L., & Vielhaber, M. E. (2001). *Strategic interviewing: how to hire good people*. San Francisco: Jossey-Bass.
- Gordon, J. (2010). *A recipe to Nourish Your Team and Culture*. New Jersey: John Wiley & Sons.
- Hardy, P., & Jenkins, D. (2003). *Securing the right people* (4th ed.). London: Pergamon Flexible Learning.
- Herrenkohl, E. (2010). *How to Hire A-Players Finding the Top People for Your Team- Even If You Don't Have a Recruiting Department..* New York: John Wiley & Sons.
- Kneeland, S. (1999). *Recruiting for results*

- how to grow the business by hiring the best performers.* Oxford: How To Books.
- Kotter, J.(1992). *Corporate Culture and Performance.* New York: The Free Press
- Krames, J. A. (2003). *What the best CEOs know: 7 exceptional leaders and their lessons for transforming any business.* New York: McGraw-Hill.
- Liker, J. (2008). *The Toyota Way.* New York: McGraw Hill
- McIntyre, T. (2009). *Hire the American Dream How to Build Your Minimum Wage Workforce Into A High-Performance, Customer-Focused Team.* New York: John Wiley & Sons.
- Odiorne, G. S., & Hann, A. S. (1961). *Effective college recruiting.* Ann Arbor: Bureau Of Industrial Relations, University Of Michigan.
- Pell, A. R. (2000). *The complete idiot's guide to recruiting the right stuff.* New York: Alpha.
- Schuttauf, E. E. (1997). *Recruiting manual for managers and supervisors.* Riverwood: CCH Inc..
- Stanton, E. S. (1977). *Successful personnel recruiting & selection.* New York: Amacom.
- Taguchi, S. G. (2002). *Hiring the best and the brightest a roadmap to MBA recruiting.* New York: Amacom.
- Warner, R. (2006). *All hands on deck: choosing the right people for the right jobs.* New Ipswich, NH: Armarium Press, Inc.
- Wendover, R. W. (2002). *The complete guide to finding & hiring the right people* (2nd ed.). New York: National Press Publications.