

# A Leadership Guide for Building a Positive Corporate Culture In Times of Growth and Expansion

By Bill Howatt Ph.D.

© 2002

*Aim for success, not perfection. Never give up your right to be wrong, because then you will lose the ability to learn new things and move forward with your life. Remember that fear always lurks behind perfectionism.*

*Confronting your fears and allowing yourself the right to be human can, paradoxically, make yourself a happier and more productive person. – Dr. David M. Burns*

## Introduction

So your company is about to up-size! Too bad it's not as simple as the fast food companies are training us to super-size our meals. Although it may not be as easy as paying your fifty cents, it does not have to be a stressful process – if the leader is well prepared, proactive, and positioned.

Regardless of the size of the company, all leaders need employees who are committed to the same vision, and there must be a corporate culture that is in tune with the people factor. Jack Welch explains in his newest book that his goal as the leader of GE was to run his company like a general store; in other words, act smaller than they were by staying in touch with customers, employees, and daily operations. To be number one, there is no other way, and Jack Welch's way is one that appeared to work for many years.

Do you know how to build an effective corporate culture in an expansion? If you are looking for some tips, you will be pleased with this brief, as its purpose is to provide leaders with a checklist

*Good leaders make people feel that they're at the very heart of things, not at the periphery. Everyone feels that he or she makes a difference to the success of the organization. When that happens people feel centered and that gives their work meaning. – Warren G. Bennis*

of some very important considerations to help them create a successful, productive, positive, and passionate culture as they grow in size. The fact is, when a company grows, this growth will add many independent variables, and leaders cannot assume the culture in place will automatically go along for the ride. This is the rationale for the below list. This list is useful even if the company is not growing, and wants to improve its corporate culture.

## Checklist For Building a Positive Corporate Culture

Leaders must have a clear vision statement. It is important that a leader ensure that their vision is congruent, if applicable, with the senior leadership, board, and other vested interests. Leaders also must ensure that they have lobbied support for their plan prior to implementation. They will then be in a position to carry out the below points. They will not be of value unless the leader has the support to carry them out, and knows what limitations are on them.

Leaders must have a clearly defined concept of the kind of corporate culture they want to see in place in a verb format, so to paint a clear picture of how people in the company need to coexist for the benefit of all employees. Leaders must provide an argument with clearly defined values as to the rationale for this kind of culture. They need only create what they are prepared to follow up and monitor for the long haul. Credibility is paramount; leaders must do what they say to prevent loyalty erosion, retention issues, productivity issues, and ensure quality assurance.

Leaders must have a clearly defined succession plan in place, and it needs to be very clear to all onlookers what it is and how it will be followed.

Leaders must have a clear rationale for the value of growing; a clearly defined critical path plan for the expansion; clear business goals and objectives; and clearly defined expectations for the company to meet objections with sound logic. The best leaders have tenacity and passion, though they have patience, and understand that change is a process, and not an event.

Leaders need to ensure all employees have an opportunity to have input into the company's daily culture, operations, and performance, to increase ownership to move from entitlement. This is why it is important to involve employees in the mission statement, supporting objectives, roles and their connections to job description, accountability, and quality on a regular basis – a minimum of once a year.

Leaders must prepare all managers, and manage the company's desired culture very early, with passion. Leaders need to have clear accountability plans in place for managers, and have the measures of quality clearly agreed upon. Leaders cannot do it all, and must have a clear delegation plan and proven and trusted support personnel in place.

Leaders must have in place a transition change growth model to help get present employees in line as soon as possible. At the same time, leaders need to determine what upfront training will be needed for new competencies that will be required for all new employees, a clearly defined orientating plan, mentoring plan and team building strategy, and company personnel and professional training plan. It is more effective to create a five-year developmental philosophy that can be added to with defined need. Human capital needs to be confident that the company is interested in their growth and development, and is committed to a learning culture.

Leaders must not throw out the baby with the bath water. This means that they need to clearly define what is working well in the company in terms of process, procedures, protocols, technologies, operations procedures, and personnel, and lock them in as critical components of

how daily business will be done once the upside occurs. On the opposite end of the continuum, leaders must define and state what will be eliminated. This gives the leader a fresh start to get rid of previous issues, which have become negatively ingrained in culture. The bottom line is that this is an opportunity for a new beginning, and a chance to remove unwanted disconnects and concerns.

Leaders must clearly understand diversity issues, and address priority areas upfront. Diversity issues will be very important in effectively creating a healthy and productive corporate culture. Leaders need to be sure that for all they do they have clearly defined measures, so that they can keep a pulse of what is really going on, and do not get caught in assumptions. Leaders need to ensure they are getting accurate feedback, to reduce unwanted surprises, by simply being interested daily in the corporate culture's pulse. Too many cultures fail as a result of leaders who hyper focus on the bottom line. These are the companies that research shows under-perform and fail in the end. Leaders need to be interested in quality, and the rest will take care of itself when there is diligence and focus on working daily to build the culture that is congruent to their vision. In the end, a leader will find that they will spend their entire career on this quest, and will hand off to their successor the very same quest. As Deming taught, quality is a moving target!

Leaders must have a clearly defined work flow and company protocol flow chart for all positions. Leaders must have clearly defined bonus plans, evaluations, employee benefits, discipline strategies, promotion plans, and other employee benefits. Leaders

*Leaders have a guiding vision, a passion that allows them to communicate a sense of hope to followers. The key to this communication is not charisma (as many experts have maintained); what is required is integrity.*

– Bruce A. Pasternak (citing Warren Bennis) in  
*Strategy + Business*

need to ensure that points 1 to 10 are clearly defined in the company's policies and procedures, standing daily operations protocol, and employee performance reviews, and have clearly understood and used evaluation systems that make sense.

### **In Closing . . .**

As a leader, expansion is exciting, challenging, and what all businesses' main goal is: to grow and create more profits for all involved. Great leaders keep their eyes on what they are doing every day, so that one day they can live their vision. Maintaining a corporate culture does not have to be hard; it does need to have rigor, protocol and preparation. There are no shortcuts to building a positive corporate culture. The above ten steps are not a god-in-a-box. They are, though, important considerations, which I hope will serve you well. I know they will if you follow them with volition. My final point is to take the points one at a time, and work through them. They are not in a locked order of progression, meaning you can work on them in an order that makes sense to your situation and needs. They are needed for an effective culture. The way you get them all is the question and process you will need to figure out, or get assistance with. The bottom line is, they are all musts!