

A GUIDE

# LEADERSHIP & CULTURE

*Are Your Leaders  
Doing Enough?*

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A Newton's cradle with five silver spheres hanging from thin wires. The spheres are arranged in a horizontal line, with the leftmost sphere slightly higher than the others. The background is a light, neutral color.

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***Building culture is not solely reserved for HR.***

*Too often the immense responsibility of implementing and maintaining company culture falls on the shoulders of the HR team – but they can't do it alone.*

*Everyone on an organization's leadership team plays a huge role in creating company culture. From managers and supervisors to board members and executives – each leader contributes to the atmosphere whether they realize it or not. Nevertheless, some might be unknowingly neglecting – or even unaware of – the critical role they play.*

The concept of culture has caused so much chatter that it's become like white noise. For some, it's almost an afterthought in the office. However, culture is the crucial thread that binds the fabric of your organization. Without the support of your leadership team, company culture can quickly unravel.

**Leaders – their vision, power, and actions – initiate culture.** If your leaders don't actively support your company culture, they may cause it to falter.

For many leaders, it's simply not a priority. This lack of attention, though, can have a major impact on your company's productivity, profitability, and ability to attract and retain top talent.







LEADERSHIP

“If I replace some of my employees, would the atmosphere remain the same?”

# CULTURALLY SIGNIFICANT

Culture is still an amorphous concept for many organizations. However, it can be summed up as the “personality” of your organization. *C/O* defines it as “the set of values, mission, attitude and atmosphere that shape your work environment.”

You might be thinking, “We all get along. Our company is like one big, happy family.”


**That’s great, but that’s not culture.**

Culture is shaped by concrete programs and practices – not just how well your employees get along. Culture is about the atmosphere leaders create. It lasts beyond the tenure of your employees. Ask yourself, “If I replace some of my employees, would the atmosphere remain the same?”

If you answered no, then your company might lack a strong and steady culture. Employee turnover could drastically change the atmosphere and negatively impact your company’s success.

For example, Google is well-known for its stellar culture, which they have created through **non-traditional benefits such as gyms, dog-friendly offices, and free meals, among others** (Entrepreneur). With these benefits, they set the tone of their work environment and it starts at the top: these benefits *show* that executives prioritize work-life balance. Even when employees change, these elements remain at the heart of Google's culture.

(Don't get confused... perks don't define culture, but they can help bring shape to the philosophies that forge your culture.)



"Culture can be summed up as the 'personality' of your organization."





A man in a dark suit stands with his back to the camera on a large, dark rock in the middle of a turbulent sea. He is holding a briefcase in his right hand. The sky is filled with heavy, dark clouds, and the water is churning with white foam from the waves crashing against the rock. The entire scene is framed by a large, bright yellow diamond shape that points towards the bottom right corner.

"Negative cultures  
create barriers to  
executing good ideas."

# CULTURALLY DEPRIVED

## The Dangers of a Weak Culture

It's easy to immediately jump to Google-sized conclusions of how your culture "should" look. However, not every office benefits from a ping-pong table. In reality, there's no such thing as a "wrong" culture. An organization can be competitive and strictly professional, or it could be laid back and slow-paced. There are, however, a lot of potential problems with a weakly defined or inconsistent culture.

In *The Culture Cycle*, Harvard Business Professor James L. Heskett says **culture can account for 20 to 30% of the differential in corporate performance** when compared with "culturally unremarkable" competitors. **More than 50%** of CEOs and CFOs agree that **corporate culture influences productivity, creativity, profitability, firm value, and growth rates** (Duke Fuqua School of Business).

Employees agree, with **52%** saying that **negative cultures create barriers to executing good ideas** (American Express).

Additionally, a poor culture can result in the loss of high quality talent. The likelihood of **job turnover** at an organization with a **positive company culture is at 13.9%**, compared to a whopping **48.4% in companies with negative culture** (Columbia University). Additionally, amongst the top reasons jobseekers left for another job, **21% cited company culture** (Jobvite).

However, when leaders foster a meaningful culture, the benefits can be astounding.

## A VIDEO



## Why Should I Care About Employee Turnover?

Sure, you can always hire someone new, but high employee turnover hurts companies in ways you might not realize. **It costs the equivalent of six to nine months of an employee's salary to find and train a replacement** (SHRM). Furthermore, according to Josh Bersin, of Bersin by Deloitte, it takes up to two years for a new hire to produce as much as an existing staff member.

High turnover means you're spending more money on employees who produce less.

# ARE YOUR LEADERS DOING ENOUGH TO FOSTER CULTURE?

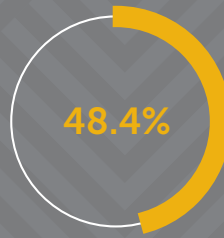
*an infographic*

***There's no one culture that fits every company.***

An organization can be competitive and professional, or it can be laid back and slow-paced. However, a weak or inconsistent culture can give rise to an array of problems.



**52%** of employees say negative cultures create barriers to executing good ideas (American Express)



Job turnover at an organization with negative culture is a whopping **48.4%**, compared to **13.9%** in companies with a good culture (Columbia University)

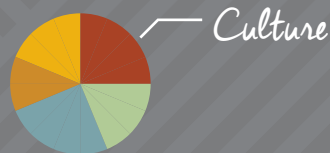


Among the top reasons jobseekers left for another job, **21%** cited company culture (Jobvite)

***However, when leaders foster a meaningful culture, the benefits can be astounding.***



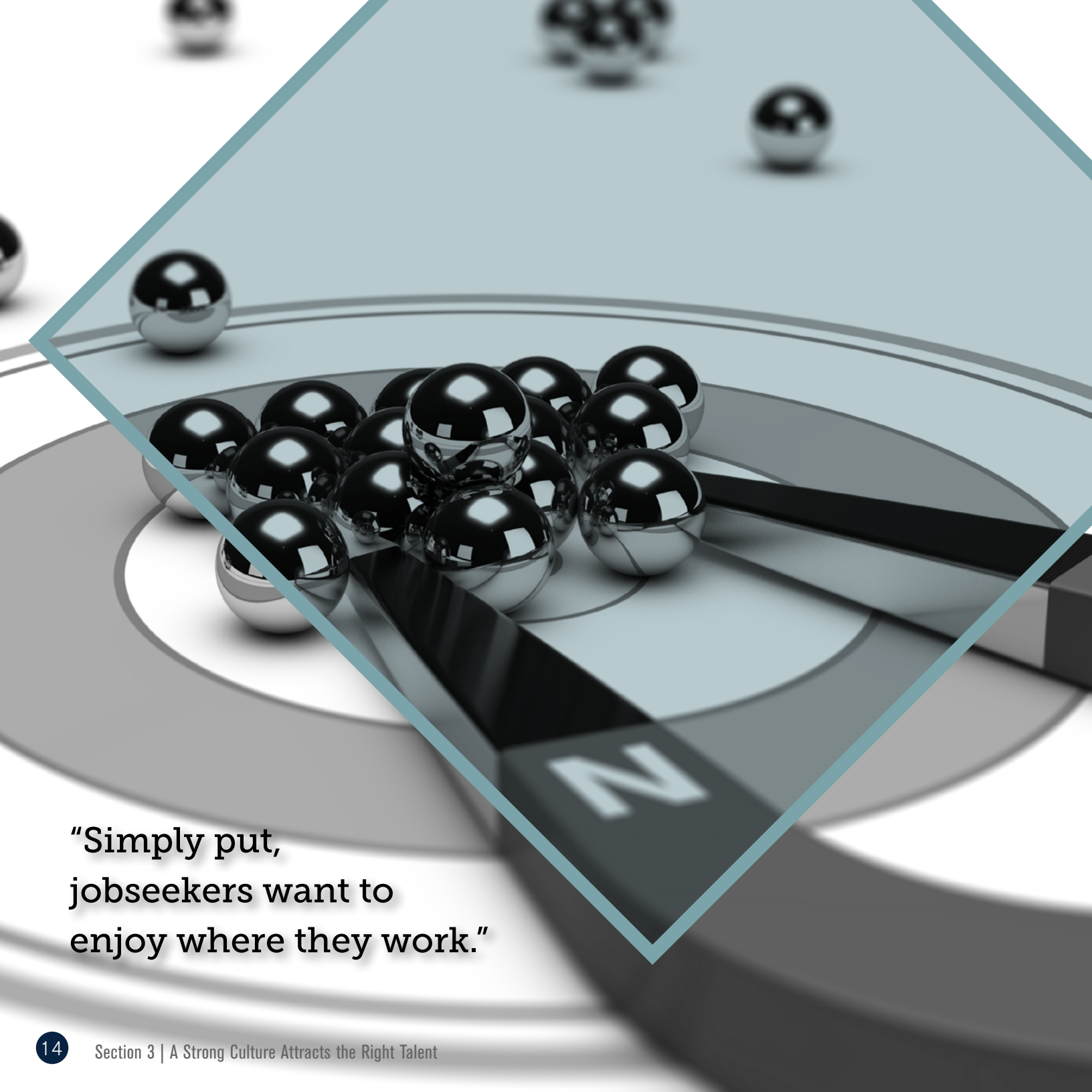
**More than 50%** of CEOs and CFOs say corporate culture influences productivity, creativity, profitability, firm value, and growth rates (Duke Fuqua School of Business)



Culture is one of the **top five** considerations jobseekers take into account before accepting an offer (LinkedIn)



College students were willing to accept a **7% lower starting salary** to work for a company with a culture they valued (Monster)



**“Simply put,  
jobseekers want to  
enjoy where they work.”**

# A STRONG CULTURE ATTRACTS THE RIGHT TALENT

Not only does a strong culture boost employee retention, it also attracts more – *and better* – talent. **Culture** has evolved into a major selling point during the interview process. It remains **one of the top five considerations** jobseekers take into account **before accepting a job offer**, along with salary and compensation, career growth opportunities, work-life balance, and location/commute (LinkedIn).

Simply put, jobseekers want to enjoy where they work. When you present an honest view of your company culture, jobseekers have the opportunity to self-filter and their odds of turnover are drastically decreased. Additionally, one study found college students were **willing to accept a 7% lower starting salary** to work for a company with a culture they valued (Monster).

**Nearly three-quarters (73%)** of employers believe a **great company culture** gives their organization a **competitive edge** (CultureIQ) and **92%** said they believed improving their firm's culture would **improve the value of the company** (Duke Fuqua School of Business).

## WHAT MAKES FOR A GREAT CULTURE

Each company's culture is unique, but there are some common elements among companies with great cultures, including:

### Vision

Your company's vision is its Mission Statement or Purpose. What is the company trying to achieve? What motivates leaders and employees to come to work every morning? At companies with great culture, everyone knows what this vision is – it's not a forgotten statement on the website or words on a wall.

### Values

Values are the guidelines that define your actions. Values, for example, can define how you interact with clients and colleagues. They can also outline the professional standards expected at the office.

### Practices

What programs are in place to uphold the vision and values of the company? If company values emphasize the importance of work-life balance, do your policies back up these beliefs? If the values promote health for all employees, does the office provide healthy lunch options, standing desks, and reimbursement for gym memberships?



## People

Are your leaders involved in culture-building activities? Does your company consider culture fit when hiring new employees?


## Narrative

The stories of a company's origin and evolution can be a powerful culture tool. Think of Hewlett-Packard starting out in a garage, or narratives of Steve Jobs' interest in calligraphy shaping the Apple aesthetic.

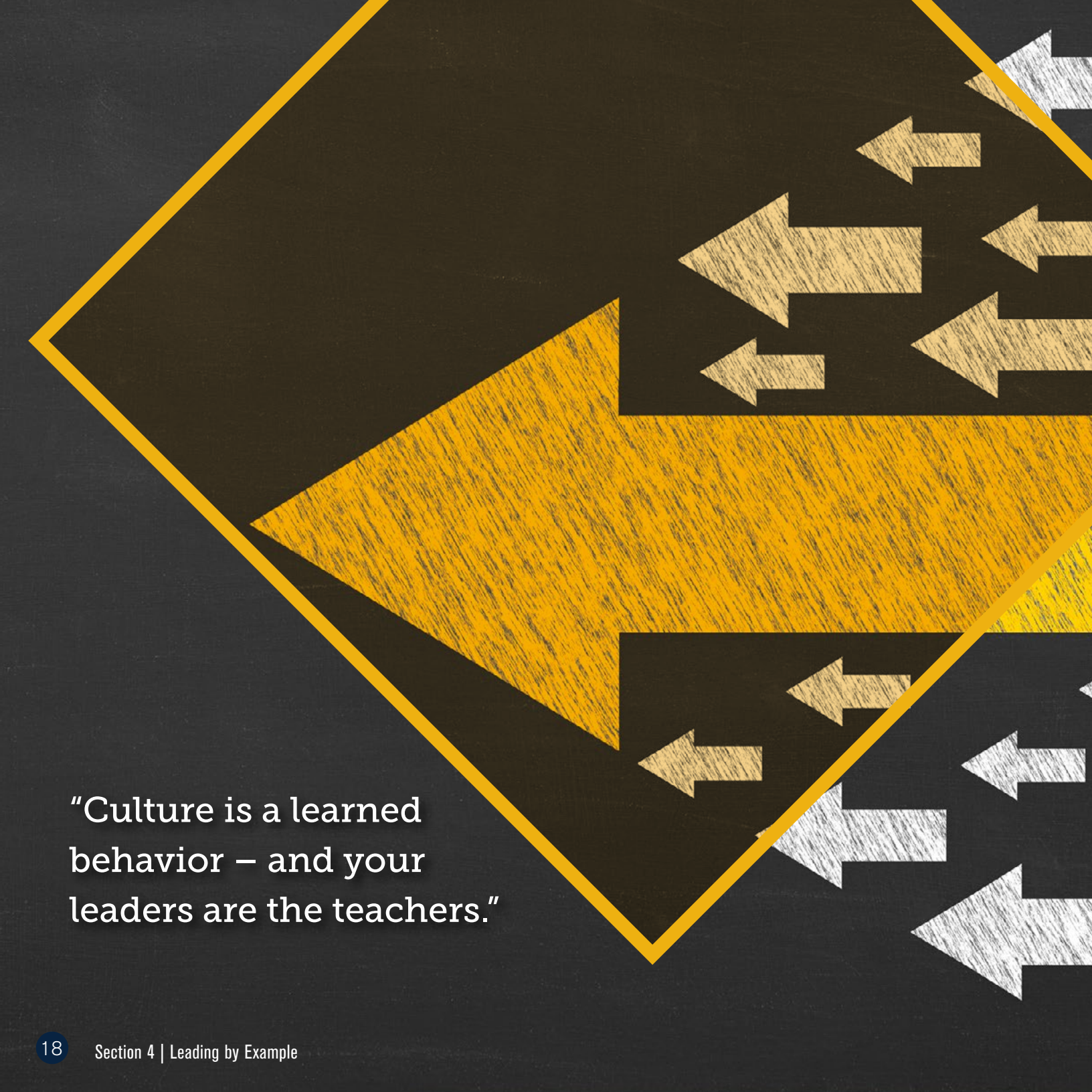
## Place

Many companies have adopted open architecture (as opposed to closed-off cubicles) as a way to foster collaboration. Another way place influences culture is through geographical location. Think of how your city life or suburban setting affect the atmosphere in the office.

(HBR)



"Not only does a strong culture boost employee retention, it also attracts more – *and better* – talent."



“Culture is a learned behavior – and your leaders are the teachers.”

# LEADING BY EXAMPLE

Company culture is a multi-faceted concept, defined not just by the programs and practices in place, but by employees' response as well. **Leaders have a large effect on culture predominantly because they influence their employees' responses and actions.**

No one is born knowing how to exist in your organization. Culture is a learned behavior – and your leaders are the teachers. Managers and executives alike must “walk the walk” and “talk the talk,” embodying the organization's core values and encouraging employees to do the same. For example, if your organization prioritizes serving the local community, its leaders must be actively involved in these pursuits – rolling up their sleeves to participate in food drives or leading the charge in fundraising initiatives. Simply sending a memo won't cut it. Employees want and need to see their leaders embracing the company's culture every day.

However, when it comes to culture, too many leaders take on a “do as I say, not as I do” mentality. **Forty-two percent (42%) of employees** feel that their organization's **executive leadership does not contribute to a positive company culture** (Execu-Search).

More than half of employers **(56%) say they are unable to actively manage culture** because they **lack leadership support**, while **45%** say they don't have **enough time or resources** (CultureIQ). Additionally, **33%** of employees say **their boss negatively impacts their company's culture** (Comparably).

Leaders' actions and behavior are often more influential than people assume. **Three-quarters of workers** who voluntarily left their jobs did so **because of their bosses** (Gallup). This makes leaders' active involvement crucial in the culture-building process.

Company leaders play a role in what programs and policies become company practice, where in the budget they get prioritized, and how these are communicated to employees. They also serve as living, breathing examples of an organization's culture. Employees across your organization look to them not only for appropriate behavior, but also to gauge what the organization values. If the leaders don't value culture, then why should the employees?

## A VIDEO



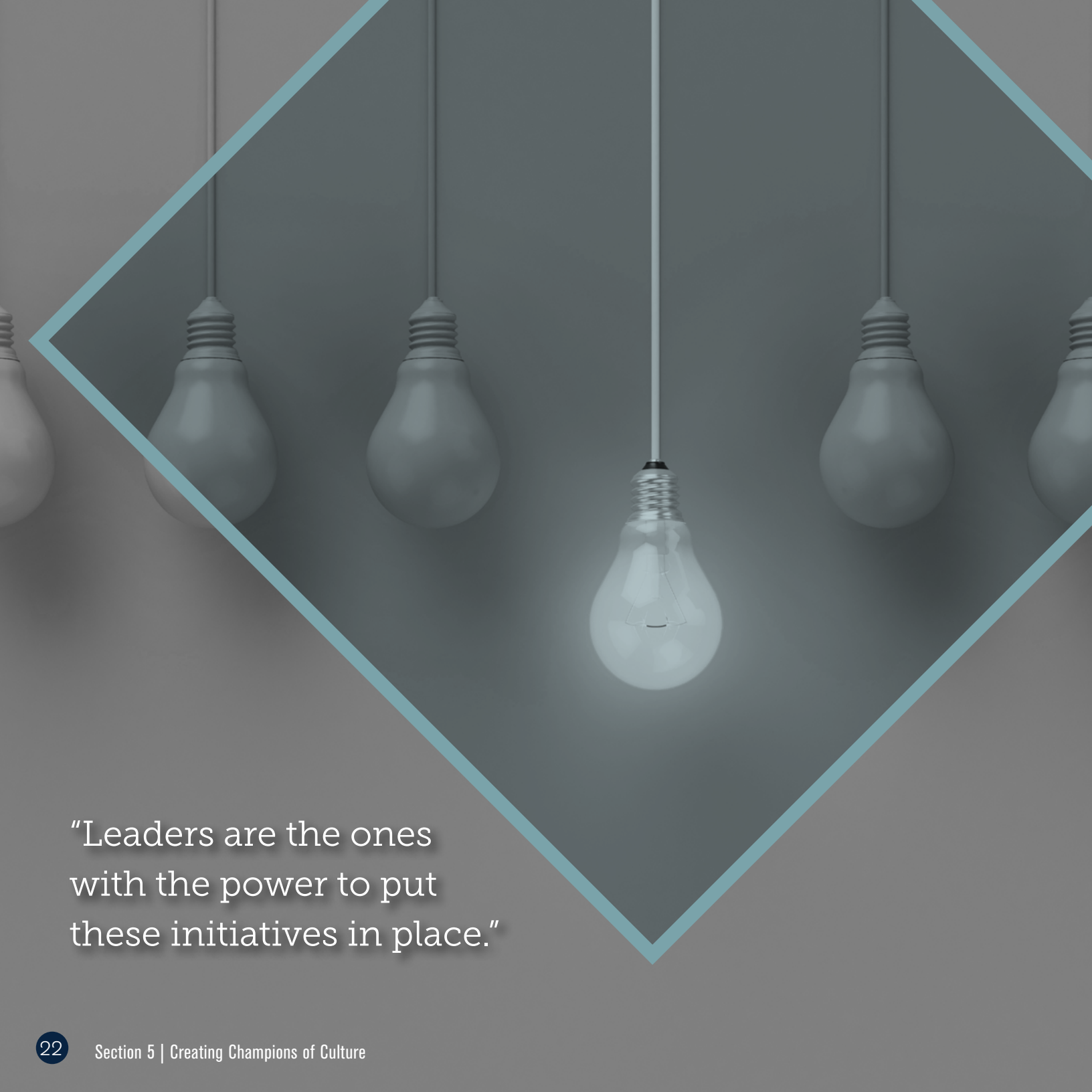
## What Consistent Culture Means to Your Customers

Company culture is closely linked with company brand. **The values that guide your organization internally will reflect on its public image** (HBR). A weak or inconsistent culture can feel contrary to your brand, and it can make people question the authenticity and competency of your organization. On the other hand, a strong culture can boost your brand significantly.

If the purpose and values that define your culture align with your brand (how you want customers to perceive you), then your company will seem cohesive. Deliver on your culture and you'll help foster a stronger brand image.

A culture that elevates your **Employer Brand** can help your company catch the eye of jobseekers. Read more in our [Employer Branding eBook](#).





“Leaders are the ones with the power to put these initiatives in place.”

# CREATING CHAMPIONS OF CULTURE

There is no measurable way to tell if leaders are doing enough for culture. Just as employees must be shown how to participate in culture, leaders must learn how to drive the effort.

**Here are a few ways leaders can help foster and evolve company culture.**

**1**

## **Perform a Culture Audit**

Have you ever truly defined your company's culture – beyond the notion that your company is “like a big family”? The first step to strengthening culture is performing a culture audit.

*...continued on next page »*

### Define the six elements mentioned earlier:

- ✓ Vision/Purpose      ✓ People
- ✓ Values              ✓ Narrative
- ✓ Practices           ✓ Place

Be honest and don't be afraid to get specific.

### Once you have defined your culture, ask yourself:

*“What does our company’s culture look like now?”*

*“What do we want our culture to look like in the future?”* (Make a culture wish-list.)

### Then, make an action plan by answering the following questions:

- How do we **bridge that gap** between the **current** culture and the **wish-list** culture?
- What **programs and actions** will be required to reach our cultural **goals**?
- What **behaviors and attitudes** will create this **change**?
- Can our **leaders effectively articulate** our organization’s culture?
- How can **leadership** – *from team managers all the way up to the executive suite* – **make an impact** on company culture? What **specific steps** can they take to demonstrate their **commitment to the culture** and to promote it among employees?
- Are **funds and resources** being properly allocated? Is the company **investing** in **culture-promoting initiatives**?



## 2

## Invest in Work-Life Balance

**No employee can fully participate in culture unless their most basic needs of fair pay and benefits are met.** Companies must ensure these fundamental elements are in place. Beyond that, however, leadership needs to examine the organization's commitment to work-life balance.

Work-life balance and comprehensive benefits have long been standard in successful companies. Rather than cutting back benefits, **30%** of top-ranked companies are **investing more in programs** such as flex-time, health benefits, and employee perks. The remaining **70%** have held steady, meaning **no top-ranked company has cut back** employee benefits (HBR).

Learn from these companies and always aim to provide more, not less. Initiatives that encourage work-life balance allow you to reap the benefits of a positive culture. And leaders are the ones with the power to put these initiative in place.

### 3

## Create Concrete Expressions of Culture

**It should be easy to define the vision and values that drive your organization.**

The hard part is putting in place the practices and programs that bring those vision and values to life.

It's critical that **your leadership supports practices that express the company's vision and values.** For example, if giving back to the community is integral to your company culture, you can set up a program to allow employees to volunteer during work hours or match donations to their favorite charities. If your values highlight your commitment to diversity, then your hiring process should be proactive about diversifying every department.

Your leaders should be absolute champions of these elements. Leaders can **educate employees** about these initiatives, **participate directly**, and **celebrate everyone's achievements.**

"Leaders can positively reinforce behaviors that maintain a lively culture among workers."

## 4

### Create Cultural Rituals

**Work life is largely defined by daily rituals, the things you do every Monday through Friday.**

Create rituals that perpetuate culture and make sure your leadership is visibly involved. Depending on the organization, these rituals can take different shapes. Some examples include beginning every meeting with acknowledgments and thank you's, providing a monthly lunch to encourage employees to sit and eat together, or hosting annual festivities to recognize your biggest achievers.

## 5

### Reinforce Accountability for Culture

**Values should define expectations for behavior, actions, and professionalism.**

However, if leaders don't hold employees accountable, the organization's "values" simply become buzzwords without meaning, abstract concepts with no concrete backing.

Leaders can positively reinforce behaviors that maintain a lively culture among workers. Set up award programs to recognize employees that truly embody your company's vision and values. Leaders can recognize individuals or teams with shout-outs during meetings, plaques to be displayed on their desks, or perks such as reserved parking spaces.

## 6

### Acts as a Daily Example of Culture

Leading by example is *the* most important aspect of creating and maintaining a positive company culture. **Every action, every strategy, every interaction either strengthens or weakens your culture.**

**An organization’s leaders cannot have culture “off-days.”** Companies seek out employees who naturally align with the culture. Likewise, individuals in management or executive roles should naturally align with the company culture. Expressing their passion for and commitment to their organization, its employees, and its practices is a key part of leadership.

To foster a strong culture, leaders can attend company-sponsored events, personally acknowledge high achievers, and interact with employees at every level. **Daily examples of culture by your leadership are an essential and absolutely attainable goal.**

#### A VIDEO



# CREATING CHAMPIONS OF CULTURE

*an infographic*

Just as employees must be shown how to participate in culture, leaders must learn how to drive the effort.

***Here are a few ways to start:***



## **Perform a Culture Audit**

A culture audit can help you diagnose problems. Ask yourself what your **culture looks like now**, and what you would like it to look like **in the future**.



## **Invest in Work-Life Balance**

**30%** of top-ranked companies are **investing more in programs** such as flex-time, health benefits, and employee perks.



## **Create Concrete Expressions of Culture**

Leaders should support practices that **align with the company's vision and values**, such as volunteer programs.



## **Create Cultural Rituals**

Create rituals that **perpetuate culture**, such as hosting annual festivities to honor high achievers, and make sure your leadership is involved.




## **Reinforce Accountability for Culture**

Leaders can **recognize** teams or individuals with shout-outs, plaques for their desks, or perks such as reserved parking.



## **Act as a Daily Example of Culture**


Leading by example is **the most important aspect** of creating and maintaining a positive culture.



*Culture may feel like a buzzword, but it's the ever-present truth of your organization. It shapes the atmosphere in your office and boosts your company brand.*

*An organization's leaders do just that: lead. They lead your culture, setting the first and most prominent example. Without their active involvement and dedication, company culture can shift to a default state where it fails to produce the benefits it promises.*

*Ensure your leaders are indeed leading—not only in terms of business goals, but in terms of what your organization stands for.*





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# About Roth Staffing Companies

At Roth Staffing, we live our Purpose in all that we do. The Founder of our company set out on a quest to define our company's Purpose. In 2001, he asked all employees to answer "what are we the best in the world at?" and "what are you most passionate about?" He combed through the answers and found some consistencies. While on the simplest level we find positions for job seekers and talent for businesses, we've found that our Purpose is "to make life better for the people we serve<sup>®</sup>," allowing our Ambassadors and clients to build their livelihood, impacting their lives for the better.

This spreads to our coworkers, making us one of the most engaged workplaces in North America. We use this engagement to better serve our Clients, and we are honored to live our purpose through your business.

Roth Staffing has five specialized staffing business lines: Ultimate Staffing Services, Ledgent Finance & Accounting, Adams & Martin Group, Ledgent Technology, and About Talent.

## Our Awards



*View our entire list here...*



rothstaffing.com