

Fixing Dysfunctional Culture

With Leeb Tannenbaum and Patrick Lyons

Episode 14

As a leader, talk is cheap. Action is what counts and practice makes a difference. Below are practical steps to improve performance.

- **Recognize that your organization's culture is neither good nor bad. It just is.** Labeling a culture 'good' or 'bad' makes judgments that aren't clear or helpful and may not be rooted in data. What's more helpful than a label is an acknowledgment that you have a culture – whether or not you've been intentional about influencing it – and that there's always something you can do to improve it, no matter how 'good' or 'bad' you think it might be.
 - **It's time to fully embrace the impact culture has on your company's ability to compete.** If you've been on the fence waiting for the topic of culture to disappear like another business fad, the only thing that will disappear is your employees. If anything, a commitment to a high-performance culture is more important than ever with your people having more options to choose from and less tolerance for a crappy work environment.
 - **Understand there's a clear link between high-performing cultures and business performance.** There are more white papers and business profiles than ever before providing credible evidence that strong culture improves short- and long-term business performance, so there's no excuse for not understanding this today. Interestingly enough, there's little evidence to suggest the opposite is true - that strong business performance creates a high-performing culture. If you're trying to decide where to begin, it has to be on the culture, first.
 - **Don't prioritize talent over character.** Businesses are rife with stories of chronic bad behavior by employees who destroy the culture and create chaos for everyone around them. Hindsight often suggests these were talented people who never fit the culture, values and norms of the organization but were hired anyway. We've even heard stories of leaders overlooking character red flags in the interview process because they fell in love with technical abilities, only to pay for those mistakes through years of workplace issues. If you want a high-performance culture, prioritize character and culture fit over a jerk with talent.
 - **Culture is a commonly held set of beliefs.** To begin understanding your own culture, identify the beliefs, positive and negative, in your organization. For example, positive beliefs might be something like "The leaders here really care about employees", "My boss has my back", and "We work well together as a team". Conversely, negative beliefs might
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sound like “Things here will never change”, “We don’t believe in DEI”, or “There’s little room for career advancement here”. While not all employee beliefs may be stated out loud, they still influence your culture positively or negatively, so understanding them is tantamount to changing them.

- **Culture is more than just employee engagement.** This is important to understand when measuring your culture because many culture surveys really only survey employee happiness and engagement. Culture is impacted by much more than just employee satisfaction, including leadership alignment, your Vision and Mission, how your systems and processes either facilitate or interfere with people working together, your Core Values, your approach to the market, how employees treat each other, how you handle mistakes, how you share information, how you celebrate successes, and more. Focusing only on employee engagement without an eye toward these other important factors won’t move the needle on your culture.
- **Leaders have the greatest impact on organization culture.** This one should hit home for you as CEO or senior leader. If your culture isn’t one you like, the best answers will come directly from the mirror in the C Suite. Are you setting the right tone with your words and actions from the top of the company down? Are you aligned as a group on the impact you want to have, and are you holding yourselves and each other accountable to it?
- **Culture lives in the stories people tell.** If you want to better understand your culture, listen to the stories being passed around the organization. There’s a reason why CEOs have gone “undercover” in their own organizations to meet the people and hear their stories. Those stories offer great insight into the culture you have today, so go out and gather those stories.
- **There’s no shortcut to building high-performance culture. Typically, it’s a 3 to 5 year journey to do it right.** Changing organization culture requires gathering data, mapping out a long-range plan, and systematically implementing initiatives to execute that plan. Throughout the process, you’ll need to gather new data to adjust your plan, as needed. This takes time and requires long-range thinking, typically 3 to 5 years. It’s certainly fair to expect to see positive changes within the first year, but you’ll need to set everyone’s expectations early and often so they understand the journey ahead. Think of it as building the foundation of your home. If you rush the foundation, the house on it is unstable.
- **Improve your culture the same way you address every other business problem: with data.** The first step in moving toward a high-performance culture is baselining your current culture with real data. There are several assessments you can use to measure how

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you're doing at creating a high-performance culture so you won't have to guess at where to focus. Data helps you identify cultural strengths to leverage and opportunities to address so your early efforts will have the greatest impact. Then, throughout the 3 to 5 year journey of building a high-performance culture, reassess your progress using the same assessment instrument you used to baseline your culture or else a pulse-check kind of assessment instead. Whatever you do, keep gather and using data to measure progress and guide future efforts.

If you'd like help baselining your culture, email us at Patrick@CultureByDesign.com, Leb@NewLegendsNow.com and Patsy@NewLegendsNow.com.

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