

the definitive guide to

# COMPANY CULTURE



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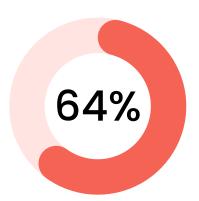
Company culture isn't just an HR buzz word— it's essential for business success and employee wellness.

While it might be tough for some to define, it is important you pursue a culture that allows your organization to thrive.



Your company culture may be simultaneously the least tangible and most importance aspect of your work environment. 46% of job seekers view company culture as an important aspect when choosing to apply to a company.

When neglected, it can negatively impact your business.



of employees dissatisfied with their company culture looked for new jobs.

Source: **SHRM** 

Want to create a winning team? At Omni, we provide the tools businesses need to achieve success. Our ebook guides you through what company culture is, who's responsible for it and how you can build a workplace culture that drives performance and sets you apart from the competition.



## What is Company Culture?



# Company culture is often described as the "personality" of an organization.

It's the shared set of values, beliefs, attitudes, and behaviors that shape how people interact and work together. It's reflected in everything from your mission statement to your office layout, from your hiring practices to your performance reviews.

But it's also much more than that. Company culture is the invisible force that guides decision-making, influences communication styles, and sets the tone for the overall employee experience. It's the unique blend of traditions, norms, and unspoken expectations that define what it feels like to work at your company.

# Company Culture vs. Company Values

While they often go hand-in-hand, company culture and company values are distinct concepts that play important roles in shaping your organization's identity and success.

Company values are your guiding principles. They define your company's ethics and standards. Some examples include integrity, innovation, teamwork, diversity, sustainability and more.

Company culture on the other hand, refers to how those values are lived out day-to-day. It's the atmosphere and behaviors within your organization.

Ultimately, when values are deeply ingrained, they become a powerful force to shape your company culture. Likewise, a strong culture reflects and reinforces your values.

If there's a disconnect between company values and its actual practices, it can create confusion and dissatisfaction. This can lead to decreased morale, lower productivity, and even turnover.

#### Learn more:

Strategies and Tools for Defining Culture in the Workplace

**READ NOW** 



# 5 Key Benefits for Creating a Positive Company Culture

Positive company culture brings about many benefits. In fact, a PwC study found that nearly 70% of successful organizations attributed their success, in part, to a strong company culture. Some benefits you can look forward to include:



#### Improved employee engagement

Positive company culture inspires employees to go above and beyond, leading to 21% higher profits.



#### Increased productivity, creativity, and innovation

Positive environment encourages employees to take ownership of their work, share their ideas, and collaborate freely.



#### Lower turnover and attrition rates

Happy employees who are connected to their colleagues and company mission stay, saving you up to 150% in replacement costs.



#### Increased revenue and profits

Engaged and motivated employees contribute to higher productivity and better business outcomes, increasing profitability by up to 23%.

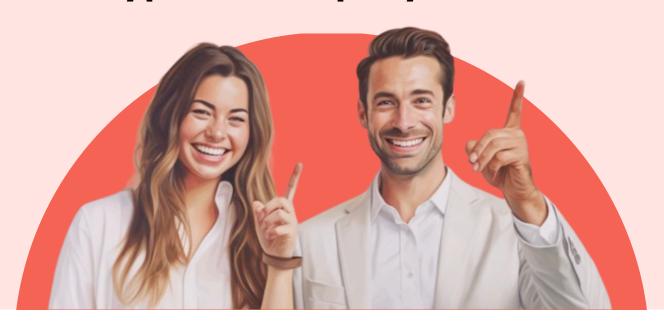


#### **Attractive for top talents**

A strong culture attracts top talent seeking a workplace that aligns with their values. This is especially crucial in competitive job markets where securing the best candidates is essential.



## **Types of Company Culture**



# Just like people, companies come in all shapes and sizes, each with its own unique personality.

Understanding the different types of company culture can help you identify the one that resonates most with your company values and aspirations.

Here are the four most common company culture types:

## 1. Clan Culture (Collaborative)

A clan culture **takes a family-like approach**. Employees work together, help each other out, and feels like they belong which fosters loyalty

But, sometimes, it can be hard to change things or think outside the box. And it might be tough to attract talents who thrive in highly competitive environments.

## 2. Hierarchy Culture (Control)

Hierarchy cultures are **very organized and strict**. They focus on efficiency, stability and control. There's a clear chain of command, and top management makes all the decisions.

While this can be good for some companies, it can limit creativity and make employees feel disengaged. This is especially true for employees who want more freedom and control over their work.

Suitable for: government agencies, big companies in traditional industries like manufacturing and finance.

### 3. Market Culture (Compete)

A market culture is **all about results**. It's competitive and focused on achieving goals. People are expected to work hard and perform well.

This culture works well in fast-paced, competitive industries. But it can also be stressful and lead to burnout. It might not prioritize employee development or teamwork.

Sales teams, investment banks, and companies in highly competitive markets often adopt market cultures.

## 4. Adhocracy Culture (Create)

Adhocracy cultures are **flexible and entrepreneurial**. They encourage innovation, risk-taking, and creativity. This can attract top talents who seek freedom and challenges.

Adhocracy cultures can adapt quickly to change, making them good for fast-paced industries. But they can be disorganized and lack focus.

Suitable for: tech startups, design agencies

#### **ADDITIONAL RESOURCES:**

The Modern CEO's Guide to Growth
Through Company Culture



# How does a positive company culture look like?

### 1. Patagonia — Collaborative and supportive

Patagonia's culture is built on a strong sense of community and shared values. Employees work together, share ideas, and supports one another. The company also offers flexible scheduling and generous parental leave policies.

This type of culture encourages loyal employees who are passionate about Patagonia's mission to protect the environment.



## 2. Google & 3M — Innovative and inspiring

Google and 3M are known for being innovative and creative. They encourage employees to think out of the box, try new things, and challenge the way things are done.

Google's "20% time" and 3M's "15% rule" let employees work on their own projects. This attracts talented people and helps these companies come up with new and exciting ideas.



### 3. Southwest Airlines & Medium — Transparent and trust-based

These companies are good at open communication and building trust. Employees feel comfortable sharing their ideas.

Southwest Airlines lets employees talk directly to managers about any problems. Medium have company-wide meetings and keep everyone updated on what's happening. This helps build relationships, and makes employees feel like they're an important part of the company.

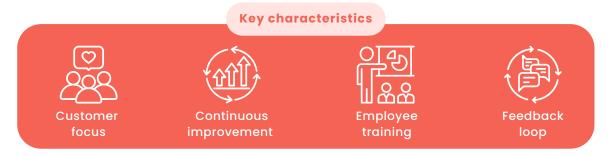




# How does a positive company culture look like?

#### 4. Ritz-Carlton — Customer centric

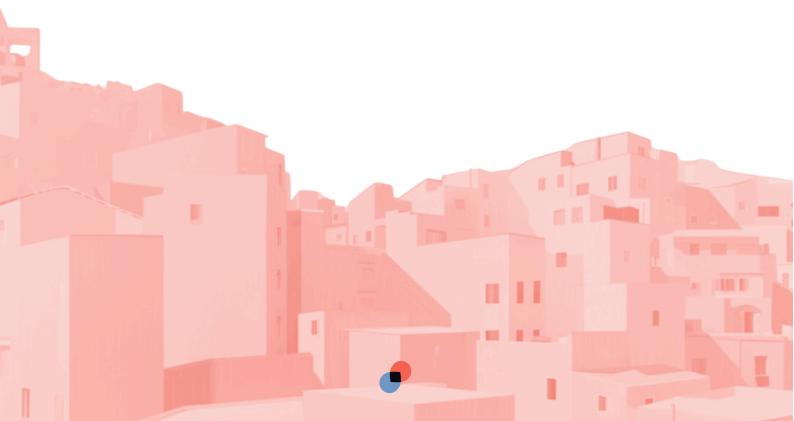
The Ritz-Carlton is all about making guests happy. Employees are encouraged to do whatever it takes to meet guests' needs and make their stay memorable. This focus on customer service is what makes Ritz-Carlton famous for its excellent hospitality.



## 5. Ben & Jerry's — Purpose driven

Ben & Jerry's have a clear and compelling mission that goes beyond profit. They're committed to social and environmental activism. This sense of purpose inspires employees, attracts people who share their values, and creates a strong sense of community.





# How does a negative company culture look like?

Just as positive company cultures can inspire and uplift, negative cultures can drag down employee morale, hinder performance, and create a toxic work environment.

### 1. Authoritarian and top-down

Authoritarian and top-down cultures are characterized by a rigid hierarchy, limited employee input, and fear-based management. Decisions are made solely by those at the top, stifling innovation and breeding resentment.

This type of culture creates a climate of fear and compliance, rather than engagement and collaboration.

### 2. Cutthroat and competitive

Cutthroat and competitive cultures have excessive competition, individualism, and an 'ever man for himself' mentality.

This type of culture erodes teamwork and collaboration, leads to high stress levels, and fosters a toxic environment where undermining colleagues are commonplace.

#### 3. Unfair and unethical

Unfair and unethical cultures are characterized by a lack of transparency, favoritism, unethical business practices, and disregard for employee well-being.

This type of culture destroys trust, damages morale, and creates a hostile work environment. High employee turnover and reputational damage are common consequences.

### 4. Disorganized and chaotic

Disorganized and chaotic cultures have a lack of clear direction, poor communication, inconsistent processes, and a general sense of disarray.

This type of culture leads to confusion, frustration, and decreased productivity. Employees feel unsupported and unsure of their roles and responsibilities.

### 5. Unbalanced and uncaring

Employees in an unbalanced and uncaring environment may suffer from excessive workload, long hours, a lack of work-life balance, and little regard for employee wellbeing.

This type of culture causes employee burnout, high turnover, and a disengaged workforce. Employees feel undervalued and unappreciated, leading to decreased motivation and loyalty.

#### Learn more:



5 Inspiring Company Culture Examples for Building a Great Workplace

**READ NOW** 





# **Building Your Company Culture**



Creating and maintaining a great company culture isn't a solo job. It requires a collective effort from everyone in the organization, from top leadership to the newest hire. Let's explore each group's role:

### Who is responsible?

#### **Human Resources**

HR is often at the forefront of shaping culture initiatives. They play a key role in establishing values, designing onboarding programs, facilitating communication, and implementing employee recognition programs.

Hiring individuals who align with the desired culture is crucial. HR professionals need to assess not just skills, but also how well candidates fit with the company's values and work style.

#### **Executives**

Executives and top leaders are highly influential when it comes to culture. Their actions, behaviors, and communication set the tone for the entire organization. They need to lead by example and embody the desired values.

A clear vision and strategy, communicated effectively by leadership, provide a sense of purpose and direction that unites employees and shapes the culture.

#### Management

Managers are the critical link between leadership and employees. They need to translate the company's values into everyday actions and behaviors within their teams.

They also play a crucial role in fostering a positive work environment by providing support, recognition, and opportunities for growth and development.

#### Individual employees

Ultimately, culture is created by the collective actions of everyone in the organization. Each employee contributes to the culture through their daily interactions, communication style, and commitment to the company's values. Positive behaviors and attitudes can be contagious, spreading throughout the company and reinforcing the desired culture.

# Steps to creating your company culture

Creating a positive and effective company culture is crucial for success. Here's how you can start:

#### 1. Define your company values

Determine the core beliefs and fundamental principles that will guide your company's decisions and actions.

Think about your mission and vision, clearly articulating your company's purpose and goals.



# **Building Your Company Culture**

#### 2. Communicate your values

Ensure that your employees understand and are aligned with the company's values.

Externally, share your values with customers, partners, and other stakeholders.

#### 3. Live your values

Lead by example. Demonstrate that you are committed to your company's values through your actions.

Reinforce your values by creating policies, procedures, and incentives that support and align with your values.

#### 4. Foster a positive work environment

Create a workplace where everyone feels valued and respected.

This can be done by encouraging open and honest communication among employees and provide opportunities for employee growth and development.

#### 5. Encourage collaboration and teamwork

A good team is one that collaborates effectively and communicates openly.

Consider organizing team building events for individual teams and cross-functional teams to foster camaraderie.

#### 6. Recognize and reward

Acknowledge and reward employees for their contributions and achievements. When doing so, ensure that incentives and rewards offered align with the company's values.

#### 7. Gather feedback

When building your company culture, it's important to conduct satisfaction surveys to gather employee feedback.

Managers can also schedule regular 1-on-1 meetings to discuss employee experience and needs.

#### 8. Adapt and evolve

A strong company culture requires ongoing attention.

Regularly evaluate its effectiveness and be willing to make necessary changes to maintain its relevance and positive impact on your workforce.

## How to maintain company culture?

With all the effort taken to build your company culture, it's important to maintain it. This takes ongoing effort and attention. Here are some strategies:

- Involve everyone. Encourage employees and leadership to provide feedback and ensure everyone's doing their part.
- Provide support and resources. Employees who are struggling to align with the company culture.
- Recognize and reward employees who demonstrate your values. Motivating through recognition of positive behavior helps keep the momentum going.
- Address negative behaviors promptly and consistently.
- Integrate company values into everyday decision-making and conversations.
- Educate employees about company's culture and values. Integrate culture throughout your onboarding process and employee handbook.
- Monitor key culture metrics. Use measuring and tracking tools to get the bigger picture (we'll discuss this further).

#### **ADDITIONAL RESOURCES:**

The Ultimate Employee Handbook
Template





## Ways to improve culture over time

Improving company culture is an ongoing process that requires consistent effort and attention. Here are five actionable steps that you can take:

- Stay adaptable. Keep up to workplace trends and tweak your culture as needed to stay relevant and effective.
- Invest in growth. Prioritize employee development to foster a culture of learning and growth.
- Lead by example. Model the behaviors you expect from your team to create a positive and inspiring culture.
- Align actions with values. Ensure that your company's actions reflect its core values in all aspects of the workplace.
- Gather and act on feedback. Regularly seek employee input and address cultural issues promptly to maintain a positive and supportive environment.

Regardless of where your culture stands now, there's always room for improvement. Building a better, more resilient workplace is the wise choice for your company's future.

## How to measure company culture

Understanding your company culture is one thing, but how do you measure it to ensure it's aligned with your vision and goals? Here are a few effective strategies:

#### **Employee surveys**

Use pulse surveys to gather employee feedback on culture, engagement, and satisfaction. Keep surveys confidential to encourage honest responses. Consider wider culture-specific surveys for deeper insights.

#### Performance data

Analyze performance reviews for teamwork, communication, and overall environment. Track goals and turnover rates to gauge engagement. Utilize HR software to identify patterns.

#### **Employee feedback**

Conduct confidential pulse surveys and indepth exit interviews to understand employee perceptions and root causes of any issues.

#### **Behavioral observation**

Regularly observe employee interactions and company events to assess communication style and overall atmosphere.

#### eNPS surveys

Measure employee satisfaction and loyalty through eNPS surveys to track progress and identify areas for improvement.



#### Learn more:

What is an eNPS Score and Why HR Should Advocate for One

**READ NOW** 

# Company culture metrics to track

Qualitative and quantitative data provide insights into your organizational culture. Ask the right questions to gather specific metrics. Here are some metrics that you can track:

- Turnover rate
- Absenteeism rate
- Employee retention rates
- Employee engagement levels
- Employee net promoter score (eNPS)
- Learning and development program participation rates
- Employee feedback frequency
- · Diversity and inclusion index

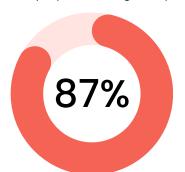




## Improving Culture with HR Software



A good way to start building your culture is using software tools or an all-in-one HR software that helps you manage all your data in one place.



of businesses use HR software for their recruitment, onboarding, and performance.

Source: Forbes

### How does an HR software help?

#### • Improved communication and technology

42% of new employees struggle to find the information they need. A centralized database helps managers assess company culture efficiently with easy access to employee data.

Document management capabilities ensures clear policies are accessible to all employees, fostering trust within the company.

#### • Streamlined onboarding and offboarding

Smooth onboarding and offboarding ensure new hires feel integrated from the start.

Automated processes and consistent experiences maintain a strong company culture throughout the employee lifecycle.

#### • Data-driven decision making

HR software provides valuable data insights, enabling HR professionals to make informed decisions for company culture (see above for company culture metrics).

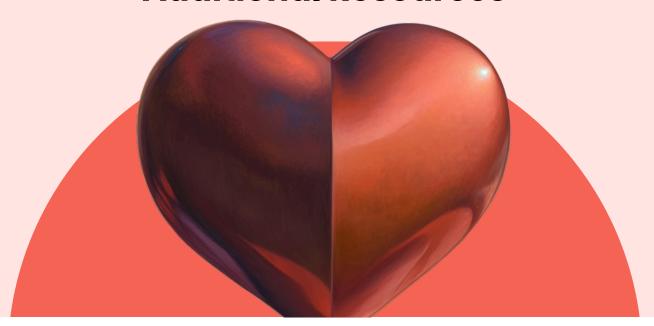
#### • Enhanced employee engagement

Gallup found that 85% of employees are not actively engaged at work. By automating recognition programs, it helps employees feel valued and appreciated, straightening their connection with the organization.

Regular pulse surveys provide valuable insights into employee satisfaction, empowering HR to take proactive steps to address concerns and maintain a positive company culture.



## **Additional Resources**



Building and growing your work culture takes hard work and dedication. But worry not, this isn't the only resource you have—Omni has a welath of material on this topic. Check out these blogs and guides to find out more:

- 15 Employee Engagement Ideas for Company Culture: Running out of employee engagement ideas? Check out our blog for inspiration.
- Strategies and Tools for Defining Culture in the Workplace: Learn the art of culture building and how you can define your culture in the workplace effectively.
- The Modern CEO's Guide to Growth Through Company Culture: Get strategies and actionable tips for CEOs to implement and drive a growth-oriented culture.
- How OKRs Can Revolutionize Your Workplace Culture: Discover how implementing OKRs can be
  an effective strategy to transform your company culture.
- 11 Tips for Taking a Holistic Approach to Employee Wellbeing Programs: Key takeaways from
  Omni's virtual HR community, The People's Collective's recent event on how you can create a
  culture-centric employee wellbeing program.

# Grow your business not your <del>to-do list</del>

To learn more about Omni and our all-in-one HR software, get in touch with us today!





