

## Ten Signs of a Healthy Culture

Culture determines how fully people take ownership for the success of your business. In an unhealthy culture you find decision-paralysis, poor accountability, “Dilbert-behavior” of blame-shifting and hiding mistakes, use of fear to motivate, and an insular attitude of “we know better than our customer.” A healthy culture has a very different feeling: The business regularly meets its targets, work is purposeful and focused, there is pride and energy, and people have a sincere positive connection to the customer.

The formula for building a healthy culture is simple:

$$\text{Direction} + \text{Involvement} + \text{Communication} = \text{Ownership}$$

This questionnaire can help you manage the three major areas of focus that drive ownership:

1. **Direction** toward a meaningful goal or vision;
2. Cross-functional **Involvement** of people in creating that direction; and
3. **Communication** that builds a clear connection and pathway to expectations and priorities.

Whether it’s a 10-person team or a 100,000-person organization, the elements of Direction, Involvement and Communication are brought into balance through these activities:

### I. Direction

Every great accomplishment begins with the end in mind. If you don’t have a clear destination and aren’t dialed into your customer, you won’t be able to leverage Involvement and Communication.

#### 1. Destination

- Is there a simple, clear and meaningful description of where we are going? This includes where we’re headed (vision, mission) AND a clear description of how we will be unique in achieving it (strategy, values).
- If you asked *everyone* in the business what it is, would they give the same answer?
- *Trap:* Most vision and mission statements are vague, over-ambitious, and understood only by the top leaders. Keep it simple, put it in English, and integrate it into all of your communications.

#### 2. Alignment

- Is there a rigorous process to link vision and strategy to specific goals and metrics across the entire business?
- Is commitment built among employees through regular meetings and forums that build relationships across the organization?
- Do you seek individuals’ “fingerprints” when initiating change? (vs. “telling” them after the fact?)
- *Trap:* Leaders over-emphasize one-way telling of meaningless facts. To get people aligned, you need to create interactive and engaging ways people can connect with each other and build meaning. There’s no short cut for this process; it’s a hallmark of healthy cultures.

#### 3. External Focus

- Is it obvious to everyone how customers will benefit from a project or initiative?
- Do leaders seek input from multiple perspectives before making an important decision?
- Do you have specific methods to help all employees stay in direct touch with customers?
- *Trap:* Most leaders over-rely on internally focused ideas, structures, and systems. In healthy cultures, leaders cultivate many points of view in establishing a vision and strategy: Customers, vendors, other departments and other geographical locations.

This tool is part of Collaborative Leadership Training. Check out more details on our website at <http://www.jacksonandschmidt.com/services>

## II. Involvement

These activities accelerate speed and efficiency toward your vision, and are often simple overlooked solutions to poor morale.

### 4. Addressing Points of Pain

- Do leaders address frustrating, bureaucratic, and non-performing areas of the business quickly?
- Do your change efforts show clearly how you will achieve top business outcomes?
- Are people trained and empowered to remove obstacles to efficiency and serving the customer?
- *Trap:* Many leaders over-focus on internal political issues that mean nothing to employees. In healthy cultures, leaders listen well to employees' ideas to solve real problems.

### 5. Developing People

- Are opportunities for learning and career development available to all employees?
- Does your commitment to investing in employees go above and beyond the minimum job training?
- Do people feel supported in seeking new career paths and opportunities?
- *Trap:* Today's organizations are quick to slash their "people development" budgets when they need to make their numbers. This is a very short-sighted move. Healthy cultures protect popular developmental programs as a critical driver of a performance-based culture.

### 6. Feedback

- Do teams and individuals engage continuously evaluate what's working and what's not ... what is done with that information?
- Do you have organization-wide systems and a common language for giving feedback regarding: Early course-correction, conflict management, and working across boundaries of geography, hierarchy, and function?
- What are your processes for creating large-scale buy-in during change?
- *Trap:* People do not naturally and easily give useful feedback. In a healthy culture, leaders build the skill and expectation into the culture. When people have experienced the benefits, they stop being afraid of it.

### 7. Empowerment

- Are meetings focused mainly on problem solving and decision making? (vs. information-sharing)
- Do you have processes to coach and mentor employees so decisions can be made at the lowest possible level?
- *Trap:* A culture of "empowerment" requires preparation and readiness. Unfocused meetings with wandering agendas that end with no decision or actions are a lost opportunity in business.
- In healthy cultures, empowerment happens through using meetings and other interactions to teach people to make quality decisions.

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### III. Communication

Most companies over-focus on “PR” – one-way, information-only “spin-selling.” These communication activities build connection to people and to the vision, provide a clear and consistent message about what’s expected, and leaves no uncertainty about what leaders want to happen.

#### 8. Relentless Focus on Results

- Are the goals and desired results clear for the next 12 months?
- Does your company have an execution “infrastructure” that reliably makes things happen on time to customer’s satisfaction?
- Do you engage employees in the process of creating, making, and tracking commitments?
- *Trap:* Too many organizations have no idea *how* they create success – it’s often accidental luck or relies on the charisma of a driven leader. In healthy cultures, the focus on results system-wide is unapologetic, conscious, purposeful, and consistent. And contrary to popular opinion, it does not sacrifice caring about people.

#### 9. Walk the Talk

- Do leaders demonstrate the behavior you want your people to exhibit?
- Who are the “heroes” in your business and what values are highlighted through their heroic feats?
- Do leaders openly acknowledge mistakes and talk about how they learned from them?
- *Trap:* “Do what I say, not what I do” never works. If you are concerned about a pattern of unhealthy behavior in the culture, look no further than what leaders demonstrate. In healthy cultures, “walk the talk” is not about perfect behavior. It’s about leaders engaging in open, honest, and transparent dialogue ... and offering an occasional apology.

#### 10. Accountability

- Do managers deal with non-performance in a reliable and consistent way? (see “Feedback” above)
- Do people know precisely what’s expected on any given project or goal?
- Are rewards linked to results?
- *Trap:* Poor accountability is an “after-the-fact” conversation in business. In healthy cultures, accountability is the natural outcome of cultivating strong practices in all of the above areas.

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