HOW TO IMPROVE CULTURE AT YOUR ORGANIZATION

CULTURE RELENTLESSLY DRIVES EMPLOYEE BEHAVIOR, HERE'S HOW TO GET BACK INTO THE DRIVER'S SEAT

AN EXPERT INTERVIEW WITH JOSH LEVINE

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with

JOSH LEVINE

ABOUT **JOSH LEVINE**

For over 15 years brand strategist Josh Levine has helped local and global organizations engage customers and empower employees. Most recently Josh helped found CultureLabX where he leads brand development. His writing has been featured in publications including Fast Company, The Design Management Journal, and 99u.com. Josh teaches at California College of the Arts' renowned MBA program in Design Strategy and is principle of bay area brand consultancy Great Monday.

Josh holds a BS in Engineering Psychology from Tufts, and BFA in design from the Academy of Art University.

You can usually find Josh going on about culture on twitter @akajoshlevine.

ABOUT **RYAN PICARELLA,** MS, SPHR

As President of WELCOA, Ryan works with communities and organizations around the country to ignite social movements that will improve the lives of all working people in America and around the world. With a deep interest in culture and sociology, Ryan approaches initiatives from a holistic perspective that recognizes the many paths to well-being that must be in alignment for long-term healthy lifestyle behavior change. Ryan brings immense knowledge and insight to WELCOA from his background in psychology and a career that spans human resources, organizational development and wellness program and product design. Prior to joining WELCOA, Ryan managed the award winning BlueCross BlueShield of Tennessee (BCBST) Well@Work employee wellness program, a 2012 C. Everett Koop honorable mention awardee. Since relocating to Nebraska, Ryan has enjoyed an active role in the community, currently serving on the Board for the Gretchen Swanson Center for Nutrition in Omaha. Ryan has a Master of Science in Industrial and Organizational Psychology from the University of Tennessee at Chattanooga and a Bachelor of Science in Psychology from Northern Arizona University.

In this expert interview with Josh Levine, a national expert who has worked with top technology firms to build high performing cultures, you'll hear about the role of culture change in the success of the nation's top companies. Want to start managing culture in your organization to improve employee health? Josh shares plenty of tips and tricks for defining, understanding and creating a great culture.

RYAN PICARELLA So Josh, let's get started. I know you are a brand strategist by trade. How did you first connect with the concept of culture?

JOSH LEVINE Yeah, that is a great question. During a transition moment when I was leaving an agency that I helped build, I realized that the work that we did inside organizations had the biggest impact. Specifically, we would run programs for organizations that helped employees understand the brand story or we would create unique reward and recognition programs for groups within the organization that did not usually get rewarded for particular behaviors. What I understood—what I saw looking back—was how important the internal work was and how much more effective it was than an external brand program. It was really the change in the behaviors of people inside the organization, what people call corporate culture, that created a lasting impact.

In my work I will often have clients come to me and say, *hey, we need a new logo*. Or *we need a website*. One of the things that I always want to know about the client is if they really understand the core of this whole process; the story of why they are in business? What is it that they do beyond making money? Why do they get up in the morning? That piece is called *purpose* and it is the organization's North Star. If we can help employees understand why they come to work, why they chose to work at this organization and understand the connection to the work that they do, it will help them make decisions that are in line with our brand. The culture piece is really the only way that a brand can truly exist with any authenticity. You can put any message you want into the market, but if you are not delivering on it, it is a brand over-promise and that is bad for everybody involved.

RP In follow-up to that, in your perspective how does the internal culture of a company become an outward expression of that organization? Are they related?

> "The culture piece is really the only way that a brand can truly exist with any authenticity. You can put any message you want into the market, but if you are not delivering on it, it is a brand over-promise…"

J L Yes, intimately. Even in the example of a customer service representative who has the opportunity to talk directly with a customer, if they understand the value of the organization and understand they need to prioritize satisfaction over the cost of the time that they spend on the phone, they are going to be incentivized to satisfy that customer's problem. Another example of the way that the world is moving are the Ubers of the world. There is quite a bit of buzz in the market about how the decisions that Uber is making are indicative of the personality of the people inside, especially at the executive level. That is effecting the way people are thinking about that organization. Uber is making poor decisions that may drive people away from their service. It's not that the service is any worse than the competition, but it is that consumers have other options and they would rather not be associated with an organization where the management team are a bunch of jerks, not to mention taking a gamble on being unnecessarily overcharged. There is something very interesting happening there and I think that culture piece is directly related to brand.

Brand is not just a logo. Brand is the reputation of your organization, and you better believe that article in Daily Beat about Uber raising prices by four times during the Sydney hostage crisis has a major effect on an organization's brand and that is directly related to the decisions that someone makes inside the organization and the culture that evokes. That is a story we all need to learn from.

R P That is interesting. From your perspective what are the primary components of culture and how do those relate back to the work environment as well as outward brand expression?

J L I think that is a question that everybody has. How do you define culture? People will say it is the habits of an organization; Wikipedia says it is *the behavior of humans within an organization and the meaning that people attach to those behaviors.* I prefer to think of company culture as the cause and the effect of the decisions that the people inside of organizations make. I have a hypothesis that the reason it is hard to define is because of exactly that—it's both the cause *and* the effect.

It is hard to grasp because it's everywhere. My organization, Culture Lab X, has been working hard to define culture through its elements. So far we've identified six components: purpose, values, behaviors, recognition, rituals and cues. Purpose we talked about earlier—it connects your daily work to the vision of the organization. We ask "What are we trying to achieve here together long-term?" Values are the beliefs about what is most important to the organization. What are your priorities? Behaviors are the actions that are guided by those values. How do we act with our colleagues? How do we actually make our decisions? Recognition is about applauding those who bring company values to life. It is less of a pat on the head and more about telling employees how valuable a decision was or what his or her performance means to our customers. It is basic human psychology. You are going to do what you are rewarded for doing.

> "Brand is not just a logo. Brand is the reputation of your organization..."

6 COMPONENTS OF CULTURE

1 › Purpose
Connection between an individual's daily work and the vision of the organization

2 › Values
Beliefs about what is most important to the organization

3 › Behaviors
Actions that are guided by values

4 › Recognition
Applauding those who bring the company's values to life

5 › Rituals
Repeated behaviors that establish our community

6 › Cues
Reminders that keep people in touch with purpose

Rituals are not to be undervalued. They are repeated behaviors that establish our community and the piece that people typically think about when they think about culture. Sometimes it is the perks that you get that make the biggest difference. Then finally our cues. Those are the reminders that keep people in touch with purpose—the physical environment that reminds you of the story that you are supposed to be living every day and the behaviors that senior leaders are enacting. Cues ensure that we are creating a robust, self-reinforcing system.

R P I think that's one of the best definitions I have heard. It seems like it can be a challenge to measure. How do you break those components down into quantifiable terms?

J L That is a great question. The answer is we are still figuring it out. One of the ideas out there that can help us do that is that behaviors are driven by values and values are driven by assumptions. Assumptions being basic ideas about the way the world works. One example is Zappos. I had the opportunity earlier in my career to spend a few days at Zappos and sit with one of their Customer Loyalty Team members (CLT). Their behavior on the phone is not only one that shows that they value satisfying the needs of the customer, but they aspire to make an emotional connection with customers. The reason for this is that Zappos employees have been trained to see that a connection with customers is really an investment. The resulting behavior is that a CLT member is going to sit on the phone with a client for as long as it takes to get the job done. This focus on extending the time on the phone is unheard of at other organizations. One of their longest calls on record lasted for over 8 hours—and the Zappos employee was heralded as a hero. And the value is that making that emotional connection and connecting with a single customer is really what their job is about. The assumption is that it is all about making people happy, and that truly happy customers are going to talk about you, share that experience, and order again.

So you could measure that in an organization by asking what behaviors are happening. What are the values that support that? What are the assumptions that support that? Are we recognizing good behaviors? Are we making sure there are enough cues inside the organization that people really understand? Are we communicating our purpose clearly? If you sit down with somebody and ask them, *why are we here? what is the purpose of our work?* and they cannot clearly articulate that in a sentence or two, that is a problem. In our experience most organizations do not have that story clearly articulated for themselves or their employees.

R P There has been a lot of research looking at the happiness of an individual as it relates to health. What are your thoughts on how the culture of an organization can have an impact on individual and organizational health and wellness?

> "If you sit down with somebody and ask them, *why are we here? what is the purpose of our work?* and they cannot clearly articulate that in a sentence or two, that is a problem."

J L Anyone who has visited a colleague at work for the first time can immediately feel the culture of that organization. They can tell to at least a small extent if it is an organization that is healthy, that is, doing a good job of ensuring all those people that work there are taken care of.

When someone becomes a member of the wellness community by starting a career in health promotion, he or she learns from others what the evolution of that designation is. What is that career about? We now know that it is not just about incentives or weight loss and smoking cessation. It is all of those things. It is top to bottom taking care of that human. So then the question becomes how do I really take care of my employees so they will take care of the organization? Organizations who try to manage culture to improve organizational and employee health create a company of people who really feel taken care of and can focus on doing great work and creating value.

Hopefully the idea is if you establish a purpose as an organization, you will find those people who believe in that purpose. A great example here in California is Patagonia. Patagonia is a company that believes deeply in having an active lifestyle and exploring the world. And you know what, they deliver on that. When surf is up their office shuts down. For some people that makes a lot of sense; others might think that it's ridiculous. But you better believe that every single person who works there loves what they do. I'd like to see more organizations define their culture so clearly—it enables a level of organization-employee fit that allows employees to bring deep passion to work every day.

R P A lot of people hear that story and think that they would love to work for a company like that. Or a small business owner might be reading this and wonder how to create a culture like that. Where do you begin and what are some of the biggest barriers for organizations who want to move their culture in a more positive and energized direction?

J L As much as I believe in the power of people, humans are tribal and it comes down to whether the leader is committed. If there is one thing that either makes or breaks a program, whether culture change or wellness, it is if that leader believes in, and is committed to it. It is like committing to a healthy diet. A diet is not about changing how you eat for the next 60 days, it is about how you eat for the next 50 years. It is a lifestyle. And creating a healthy company is the CEO's job. The CEO sets the course and determines the culture. As a CEO who is mostly working *on* the business not *in* the business, you have to be able to make sure that those people who are the engine of your business are making the right decisions. Great leaders take care of their people so that the people can take care of the company.

> Organizations who try to manage culture to improve organizational and employee health create a company of people who really feel taken care of and can focus on doing great work and creating value."
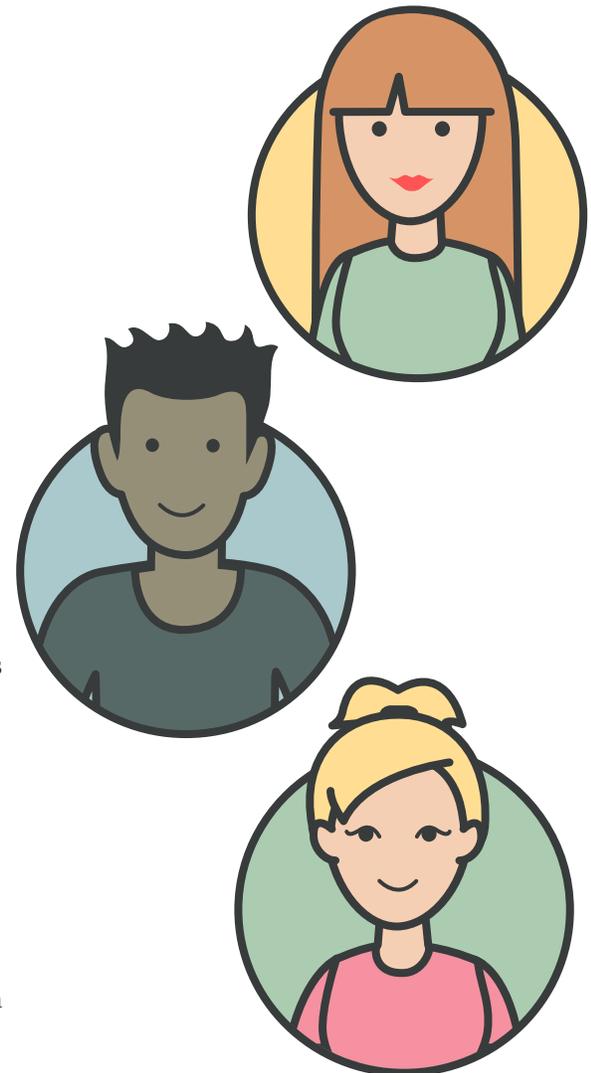
R P Do you have any examples of organizations that you have worked with that would bring this to life? What were you asked to do, what process did you implement, and what was the result?

J L Last year a digital design services consulting group asked my consulting firm Great Monday to come in and help them redefine their purpose. What were they doing there? They told us that, after 10 years of being thought leaders in digital design, they had a great stream of inbound calls and clients and were doing good work, but the problem they faced was turnover. They had a lot of senior consultants getting offers from other companies and needed to understand the value of staying put.

Through research into the market, internal projects, and their definition of success, we helped them uncover what they have been doing all along, which had moved beyond creating great user experiences to helping clients create great human experiences. They began to see that they were actually guides helping their clients on a journey to create great experiences. All of a sudden employees began to understand what their role was. With this new point of view, they began to shift their story from has-been industry leaders to newly relevant servant leaders with purpose. Over three months, we helped them understand their true value and create an alignment of purpose. At the end of the day senior leadership agreed on where they were headed. Are we going to produce this product or that product? Are we going to take this client or that client? Will this decision help us and our client accomplish purpose?

One of the stories that came our of this work is every week during the staff meeting one person tells a story of great human experience. The story does not have to be internal; it can be about an article they read or something they observed at a client organization. That is a great example of creating cues. They take that opportunity to say "remember, we are talking about creating human experiences here."

The agency went on to be acquired by Capital One Financial Corporation. I'd like to think that it was their shared vision of creating great human experiences that Capital One was looking for to broaden their portfolio.

> "They began to see that they were actually guides helping their clients on a journey to create great experiences."

R P   Great example. What would you say to the health promotion professionals who read this interview about their role in building a culture component into their wellness program? What is something they can start doing right now to improve wellness outcomes through culture management?

J L   Start acknowledging great decisions and great work. Specifically, you can start recognizing the work that aligns with the ultimate goals of the organization. Maybe there is and maybe there is not a clear purpose in your organization, but if you could begin to systemically identify and applaud employees publicly, making case studies out of great business decisions or health behaviors that implicitly point to company values, that would be a powerful start.

I have had this question before which is, what if I am a business unit manager but I do not have the attention of the CEO; what can I do? You, as someone who has control over a certain segment of the organization, a business unit or a practice, can start affecting the culture of that group. It does not have to be company-wide. It can be a smaller group. It can be your group of close-knit co-workers inside of a business unit. If it feels like you guys have a ritual that really strengthens your bond and people start to see that, they will want to be a part of that. Examples of rituals might be going out and getting coffee as a team or passing around a little toy trophy that says "hey, I acknowledge you. I thought what you did this week was really great." I read a story recently straight out of the wellness community about walking meetings where this one manager made it a priority to meet with one of their employees every day for a post-lunch walk-and-talk around the campus. That is a small thing that really starts to fulfill some of that recognition: some acknowledgment, some of the activity, some of the cues, the check-ins. It is a way you can start to change culture a little bit at a time.

R P   Any other last bits of advice that you would like to share?

J L   After years of doing this work, the key piece that really carries it through is a powerful story. I go back to the story that organization shares about their purpose for existing. The crux of it, the right thing to do, is to really make sure that everybody is clear about why they are working. If that organization cannot be clear then you as an individual need to get clear on why you are doing your work, and maybe it is not the right fit for you. Maybe you have to go find an organization that is on its way. These pieces—purpose, value, behaviors, rituals, cues—these are all things that one can do as an individual as well. The culture of you and your family, the culture of your friends and colleagues, the culture of your business unit all the way up to the culture of the organization, there are certain circles that you do have influence over.

> "Life is too short to be some place that is not allowing you to become a person who is well from top to bottom."

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