

# Organizational Culture The Foundation of Success in the 21st Century

Milliman

Without a solid foundation in place no organization can be successful. Culture provides the firm, steady and solid foundation that helps grow in good times and weather the tough times. The creation and maintenance of positive organizational culture should be an executive priority and something that leadership performance is measured against.

Organizational culture is the intersection of employee and leadership beliefs. When aligned, the culture is positive and strong. Positive culture brings collaboration, high confidence and trust. But, if the alignment is off, mistrust rises and creates a fragmented, disjointed and uncooperative environment.



# **Communication Strategy**

To build a positive culture, the most important thing to do is develop a communication strategy and program. Make sure that your entire organization knows where to go for the most current and accurate information. Fire drills are not done to prevent fires, they are done to make sure that people know what to do in the event of a fire. Corporate communication is similar, make sure that your organization is hearing information on a regular basis from the chosen solution. When there are problems, challenges or emergencies, they will follow their habit and turn to the channel they usually do for the information.

### **Leadership Visibility**

Executive leadership visibility is a two-way street. Smart executive leaders will be in touch with their employee base on a regular basis. This may involve roundtables, employee surveys and local site visits. The Wise executive knows that the information must flow both directions and they are highly visible to their employees. The use of video is the best way to make this happen. Technology advancements have made it so that with a simple smartphone, high quality video can be captured and distributed quickly and easily. Get in front of the camera on a regular cadence and tell the base what is happening, why decisions were made and how things roll up to support the overall goals and objectives.

## **Flexibility**

This is another area that can help build a positive culture. Things like a relaxed dress code, flex-time work hours, and support for life events. People want to be somewhere where they feel empowered and trusted. Trusting people to get the job done and to know what is appropriate for a business situation is cornerstone to building positive culture. This is supported by training, helping the organization to understand expectations and what is appropriate in various situations. Dress code, for example, might be an area where you are flexible. Employees can wear casual clothes to work, but they need to understand what is too casual and also that when clients are visiting that it is appropriate to have more formal attire. Flex-time work hours is another situation where clear expectations and feedback are critical. Focus is placed on the delivery of work product, not on the hours spent in the office.

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#### **Build Connections**

It is imperative that employees feel connected to the organization and to its goals. This directly impacts the alignment and the creation of positive culture. People perform better when they know how what they are doing helps achieve the broad vision. People don't want to be in the bottom of the ship rowing, not knowing where they are going. But if you ask them to row and explain that by rowing hard and fast, we will arrive at the destination faster and be able to enjoy the benefits, they will row. A real-world example is the retail clerk who works in the shoe department. Why should he keep the shoes neat and picked up? If he understands that customers are 3x more likely to purchase shoes when they are presented in an organized and clean environment. That will increase the shoe department revenue by twenty percent, and this will help the store achieve its growth goal for this year. By achieving the growth goal, the store will be able to promote people, hire more people and continue to provide great customer service in the community. This connection into the bigger picture is important and builds that positive alignment necessary for great culture.

### **Push People to Overachieve – But with Balance**

Nobody wants to be doing the same thing next year that they are doing this year. People want to feel that they are improving, growing, developing new skills and advancing. Set expectations in such a way that they can easily see that you expect them to grow and develop. There is a balance to this, setting unrealistic goals and constantly pushing on people to do more will backfire. Another important point here is to make sure that the whole team sees that everyone is being asked to contribute, do not let any one person feel like they are an island and that they are being unfairly required to do more while others are not. High performers want to be challenged and want to work with others who push themselves too. Teach your mid-level leaders to understand this concept and train them to work with their teams to find a balance between high expectations and unrealistic targets.



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#### **Finding the Right Place for Everyone**

Good morale is important to creating a positive culture. Morale is heavily dependent on enjoying the work. It is not wrong to move people around in the organization to help them experience various teams and to understand the organization as a whole. This movement is also a good way to find the right place for a person to contribute. Someone who is hired as a marketing specialist and can do that job well, but who is very good at talking to people in new situations might be better suited to work in sales. By giving them some exposure, you can find out where they are most comfortable, can be the most successful and contribute the most to the organization. This concept is also important when considering promotions and leadership opportunities. Being a good individual contributor does not by definition mean you are a good leader. Too often people who are high performers are promoted, only to learn that they are not suited for leadership. This is usually discovered when they leave the organization for another opportunity. Growth and compensation should be based on the value delivered to the organization, not the management level. Make sure that people know you want them to be a great contributor to the organization and their personal opportunity will depend on that value on not on the management level they achieve.

#### **Be Consistent**

Goals may change, the organization may have to adapt to changing environments, don't confuse being responsive with being consistent. If you expect high performance from one, expect it from everyone. If you emphasize high quality, make sure you are doing it in all areas. No matter what your goals are, and even when they change, you need to remain consistent in your approach to how the organization will achieve the goals. When you are talking to a large group or talking to a colleague in the lunchroom, always be consistent in your approach. Being consistent will inspire confidence from your teams. This furthers the development of positive culture because people know what to expect and they will trust the process and the organization.

## **Summary – Lead by Example**

All of these ideas come together in the leaders who will live by what they say. People respect a leader who "gets their hands dirty." Leadership may mean that you can't work side-by-side with your team all the time, but find time to sit with them, contribute to the project and participate in the workload. This will build loyalty, admiration and trust. If you expect your team to arrive by a certain time each day, be sure that you are there too. If you expect your team to perform certain tasks every week, be sure they see you doing similar activities.

High performing organizations are built on the foundation of positive culture. The development of positive culture is not a single activity, it is a combination of many activities and it is a path, not a destination. When positive culture is present, everyone will enjoy the journey and the results will be higher than expected performance.

# **About Hughes**

Hughes Network Systems, LLC (HUGHES) is the global leader in broadband satellite technology and services for home and office. Its flagship high-speed satellite Internet service is HughesNet®, the world's largest satellite network with over 1.4 million residential and business customers across the Americas. For large enterprises and governments, the company's HughesON™ managed network services provide complete connectivity solutions employing an optimized mix of satellite and terrestrial technologies. The JUPITER™ System is the world's most widely deployed High-Throughput Satellite (HTS) platform, operating on more than 40 satellites by leading service providers, delivering a wide range of broadband enterprise, mobility and cellular backhaul applications. To date, Hughes has shipped over 7 million terminals to customers in over 100 countries, representing approximately 50 percent market share, and its technology is powering broadband services to aircraft around the world.

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