

Does Company Culture Really Matter?

Last year we wrote about how to hire for a good cultural fit at your company. However, the more we read and think about culture, and the more we hear from our clients, the more we want to take a step back and ask ***what is culture, and does it really matter?*** On every search project we do, the employer expresses the importance of hiring a candidate that fits into their culture. Then they usually articulate cultural characteristics that are *the same* from company to company. However, we've come to believe that culture is not what makes you the same as other companies, it is what makes you different.

Many companies now champion their culture as a strong part of their identity, and brand it to people that might be interested in a job. Google has a [company culture](#) page on its web site – which portrays an inviting, “breath with us and become one with the universe” feeling. Zappo’s posts their [core values](#), which are a bit more intense, requiring you to deliver WOW, and to be adventurous. In fact, at Zappo’s, everyone who gets hired (accountants, engineers, executives and warehouse workers) goes through the same 4 week training, that involves time on the phone with customers, and new hires are then offered a severance pay to leave if they don’t want to stay longer than the training period. Zappo’s only wants people who fully embrace their culture.

Is a culture created, from lists of core values, or scooters and gourmet cafeterias? Or, is it what happens organically at your company every day? We see such diversity in culture at our clients, that we know culture can’t just be slogans, platitudes, paint colors and cheerleading. Your company’s culture has to be real. The culture at your company derives from a powerful set of forces that reflect the behaviors and values of its people, and, your culture *influences how things actually get done*. A company can’t profess integrity as a core value, then lie to its employees and customers. That is dysfunctional. If you profess a policy of “customer delight”, is it OK for your customer service people to persist on the phone until a customer finally says they’re delighted? If you say you value teamwork, can you encourage internal competition among your team? Can you “empower” the rank and file without transparency to corporate finances, so they actually understand the result of their effort?

Every company will have inconsistencies between what they say they are, and the visible behaviors. If the differences are significant, then the ***stated*** company culture doesn’t matter. Culture isn’t what you manufacture it to be. It is the cracks in the ceiling and the floor; the willingness of people to eat lunch together, let alone truly be a team. It is ***what is***, and the trick is to get that to be as closely aligned with what you want it to be. In a way, company culture is about *absence*. The absence of deviations, exceptions, excesses, and dysfunctions (from the ideal cultural state). Company culture is about congruence – what you say you are ***is*** what you are, and that is exemplified by everyday activity and interaction between your people.

Does it matter? Yes. Evidence exists from many studies that companies with strong cultures outperform those with weak or ill-defined cultures, in such key areas as revenue, job creation, stock value, employee retention and morale.



You can assess your culture, to get an accurate view of what it really is, and this is best done through employee feedback (survey or direct dialogue). You can strengthen the culture by living your values and ensuring that management sets the tone. Only in this way will your culture really matter.