



‘Culture Eats Strategy for Breakfast... Every Day’



BY GARRETT J. SULLIVAN

Recognize this quote? It’s attributed to the late management guru Peter Drucker. Basically, what its saying is that regardless how brilliant a company CEO or strategic plan may be, the company will never achieve greatness if it is not supported by the organization’s culture. Period.

So, how do you, as the CEO, ensure a great corporate culture in your company? In both research and practical experience, I have identified three critical characteristics of companies with great corporate cultures.

They care. They care deeply. They care about one another, they care about their products or services, and they care about their customers. In other words, they have a higher purpose. You have probably worked with or visited companies where you can feel the sense of family or love among the employees. Usually, these companies are very active in their communities. This can’t be trained into an employee. It lives in the corporate culture and it’s contagious.

They have fun. They recognize that employees spend a lot of time at work, so it’s a good idea to let them enjoy being there. Having fun can be achieved in a variety of ways such as celebrating birthdays, having barbeques, hosting company-sponsored family events, attending charitable events together, etc. Having fun does not need to cost a lot of money; instead, it requires conscious thought about what your employees consider entertaining—and then doing it.

They have very high expectations of performance. Performance is not measured by activity, but rather by operational and financial excellence. In one company I know, they have boiled down this characteristic to the following phrase: “You don’t get paid for effort, you get paid for results.”

This is an interesting mix of characteristics that comprise a successful corporate culture. The reason many people struggle with it, is that from their experience at other companies, high expectations of performance often come only from management. However, what you notice at the very best companies is that high expectations permeate the company from bottom to top and across the organization. They simply have winning cultures.

It is not only possible to have an organization that cares, has fun and is financially successful—it is probably also that this kind of organization will be the most profitable, regardless of the type of work undertaken. If you’ve ever been part of one, you know exactly what I’m talking about.

Once employees practice these

characteristics, there begins to be an organization of excellence—rather than pockets of excellence. This also creates an organization of high visibility and even higher accountability. Why? Poor performers can no longer hide in being “busy.” Very often these “historically busy” employees will either rise to the turning tide or just go away.

What also begins to happen is that companies with the right corporate culture begin to attract top-notch talent because it is a market leader where the employees themselves will not tolerate poor performers as coworkers.

Once you’ve established this kind of corporate culture, you will have a sense that everyone is now “sharing the insomnia” of the company’s day-to-day challenges. They all care, not just you. Research shows that an average of 8 percent of your profit falls through the cracks, but with the right corporate culture, your employees will now note where the profit leaks are, and will help you recover it.

As we start the new year, make your company’s corporate culture more important than a clever strategic plan. Live it. Give your employees the tools they need to create the culture you’ve always wanted. Allow them to propel your organization into a truly great construction company.

For more reading on this subject, please visit www.SullivanHi.com. **BI**

Garrett Sullivan is the president of Sullivan & Associates, Inc., a management consultancy focusing on the construction industry in Hawaii. Connect with him at GSullivan@SullivanHi.com, www.SullivanHi.com or 808.478.2564.