

# How to Build a Good Company Culture in Simple Steps



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## Introduction

Everyone wants to have a good company culture, but what exactly is “company culture?” The business encyclopedia on [entrepreneur.com](http://entrepreneur.com) defines company culture as “a blend of the values, beliefs, taboos, symbols, rituals, and myths all companies develop over time.”

The fact of the matter is, every company has a culture, whether it's intentional or not. Company culture is the culmination of the environment of the workplace and the messages employees receive from leadership.

Company culture is the difference between employees bringing problems to light or hiding them. Company culture is the unseen force that dictates how employees interact with each other, and with your customers. Company culture is the cornerstone of how your organization operates. Moreover, it is perhaps the most important factor in your organization's ability to attract and retain top talent. Ultimately, high-performing employees won't stay at an organization with a toxic company culture for long.

Prioritizing creating a positive company culture is challenging. Many early-stage companies are operating with small, lean teams and are busy concentrating on growth and customer acquisition. However, failing to focus on culture early-on can present enormous challenges for your organization as you grow.

If you fail to get your organization on track in the early days, negative attitudes and toxic habits can slowly emerge and permeate the organization. The failure rate of new businesses is nearly 60% in the first two years. A positive company culture

could be the difference between gaining traction and succeeding or failing to meet market fit and shutting down.

However, company culture is about a lot more than throwing out six adjectives and deeming them your “company values.” It's about creating processes and management structures that are in-line with your company's mission and values. It's about developing performance management systems that instill desired values in employees. It's about building proactive hiring practices that get the right people in the right seats to drive forward your company's mission. And it's about making sure that your values are clearly communicated from the top-down and instilled in every decision your leadership team makes.

Following systematic processes to intentionally develop, implement, and instill a positive company culture across your organization is key. In this guide, we'll overview, step-by-step, how you can create a clearly defined company culture at your organization. Then, we'll go a step further and teach you how to ensure your desired culture is instilled in every aspect of your company. In this guide you will learn:

- Why building a strong, positive company culture is important
- How to build an intentional culture through your mission, vision, and values
- How to pinpoint your organization's core values
- How to instill your organization's core values into your processes, systems, hiring practices, and more





## Why Building a Strong Company Culture is Important

Company culture is essential to every part of your organization. It sets the precedent for how your team members interact, the type of hires you make, and how customers are treated. You have a truly unique opportunity to build a strong, positive culture at your organization. Having a good company culture can be a key factor that sets you apart and helps you differentiate your company in the marketplace. Some of the key benefits of a good company culture include:

- Increased productivity, engagement, and motivation among your team
- Better employee retention, reducing turnover costs
- Improved ability to attract top talent, reducing costs associated with recruiting
- Creation of a results-driven organization
- Better service experience for your customers
- The long-term value associated with having a sustainable culture to support your organization's growth

# How to Write Mission and Vision Statements

Your company's mission, vision, and core values are the foundation for a strong company culture. Taking the time to carve out a crystal-clear company mission can have big returns in the long-term. Research by Deloitte found that 73% of employees that believe they work at a purpose-driven organization are engaged, compared to 23% who don't. Engaged employees are more productive, create more value for your company, and are much less likely to turnover.

Building a clear mission, vision, and values is the first step to defining your organization's culture.

**Vision statement:** Your vision statement looks ahead to where your organization is going. The vision statement should outline your business goals and the long-term vision for the company's growth. This statement overviews how you help people, the core value proposition of your business, and what

you plan to achieve long-term for your customers. The vision statement should be written in ordinary, everyday language that can resonate with your customers and employees. Avoid technical business jargon and instead focus on the emotional aspect of what your company does.

## Creating a vision statement

Your vision statement should accomplish three core objectives:

- Be aspirational; articulate your company's goals.
- Be inspirational; provide life and direction to your day-to-day work.
- Be motivational; captures the reason why you do the work you do.

To craft your vision statement, you can answer the following questions:

- Who does your business help? What's your ideal



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## How to Write Mission and Vision Statements (continued)

customer profile?

- What's the purpose of your business? What's the ultimate reason customers work with you?
- How do you want your business to make the world a better place in the long-term?
- What problems does your business solve for customers?
- What's the ultimate goal for your business?

### Creating a mission statement

Mission statement: Your mission statement captures the essence of what your organization does. That is, it relates to your day-to-day operations. Your mission statement outlines what you do to help achieve your vision statement. Explain what your organization does on a daily basis to make your vision statement come true.

The core question you should aim to answer with your mission statement is: what must I do for my customers to make the company vision a reality?



## How to Create Your Company Values

Once you have a clear mission and vision, the next step is to pinpoint your organization's core values. Organizations typically pinpoint between three and seven values. These values can be words, statements, or a combination of both.

The problem is that although almost every organization has a set of core values, studies indicate that only two in five employees feel they really know what their company's values stand for.

Some of the problems with the way company values are typically handled include:

- They are written by management or someone delegated to just make sure it's taken care of
- They are initially communicated and celebrated, then never brought up again
- They are forgotten, not revised on a regular basis, and not used in the day-to-day operations of the company

Simply put, it's not enough to just recount a list of values. You need to provide them within context. Otherwise, they're just open to interpretation. For example, a startup may say one of their values is "grit." But, what exactly does "grit" mean? The problem is, it can mean many different things to different people. Grit could mean courage, resilience, endurance, resolve, or something else entirely. To give context to the value of grit, you might say: To us, grit is the resolve to stick with it through tough challenges and finish a job well done.

When it comes to developing or refining your core values, the first step is to decide who will be involved in the conversation. To start, your leadership team should be involved. If you're a small enough organization, you might consider involving the entire team at some stage of the values development process as well. In smaller organizations employees may be more receptive to a new set of values if they feel like they were involved in the development process.

Here is a step-by-step process to creating your organization's core values:

- 1. Leadership brainstorming:** assemble your leadership team and spend time brainstorming the traits that best represent your team.
- 2. Refinement:** after brainstorming a large list, narrow the list down to a more manageable number.
- 3. Team brainstorm:** if you'd like to involve the rest of your team in the values-creation process this is a great place to do it. Circle up with your team, tell them the values you've pinpointed so far and have an open brainstorm session with them.
- 4. Refinement:** with feedback from your team, reconsider your first picks and adjust as necessary. Pinpoint between three-seven core values you'd like to move forward with.
- 5. Substantiation:** with your chosen values in hand, come up with examples from previous employee experiences that vividly describe that value being represented.





## How to Create Your Company Values (continued)

**6. Communication:** communicate your new values and descriptions organization-wide and leverage the strategies outlined in the rest of this guide to help instill your new values across organizational processes.

**7. Annual revision/review:** on an annual basis, meet with your leadership team to make sure your core values are still accurate.





# How to Instill Your Core Values into the DNA of Your Organization

Once you've defined your organization's mission, vision, and core values, the next step is to weave these values into the inner workings of your company. As mentioned before, one of the most common mistakes companies make when trying to build a strong culture is to throw out a few key values and hope they stick. Instead, you should aim to systematically incorporate your key values across your company's day-to-day operations. In this section we'll cover how you can strategically weave your core values throughout your organization, building a stronger company culture.



## Embody your values from the top down

Company culture comes from the top down, so it's essential your leadership team embodies your core values. Whenever possible, you should strive to emphasize how your company values influence important company decisions and reinforce the meaning and relevance of those values.

For example, if transparency is one of your key values, then hold regular company meetings, proactively communicate company news, and regularly share important updates.

Ultimately, the way your leadership team acts and speaks has a large impact on the realization of your company's desired culture and values. Here are just some of the way leaders impact culture:

- How much your words match what you do
- How well you handle challenging situations
- Who you hire and who you fire
- Which values you embody and which you only talk about embodying
- Who you reward and who you don't
- The systems and processes you put in place
- How you handle failure

How your leadership team approaches and handles difficult situations is one of the core builders of company culture. In growing companies, challenges such as limited cash flows or a key team member leaving are not uncommon. During these tough times, employees look to senior management for guidance and to set an example. Some tough times you might have to combat include:

- When money is tight, how do you act?
- What a team member is sick, how do you respond?
- When a good customer can't pay their bill, what do you say?

Use pivotal moments to truly shape and build a positive culture.



# How to Instill Your Core Values into the DNA of Your Organization

(Continued)



## Align your employee benefits and perks programs with your core values

Organizations underestimate how much the benefits you offer say about what your organization values. Companies with strong cultures leverage their benefits program as an opportunity to further embody their core values within their workforce.

Spend some time considering your core values and how you can represent these in the benefits you afford employees. Some examples include:

- If one of your core values is “freedom” or “accountability,” you might offer your team a self-managed paid time off program.
- If you value “self-development” or “progress,” you might offer a dedicated career-pathing program or mentorship program.
- If you value “making a difference,” you could offer dedicated time-off for employees to volunteer.
- If you value “community” or “teamwork,” you might offer an annual company outing or trip.

Opportunities to integrate your core values into your benefits program are everywhere, you just need to take some time to think about it.



# How to Instill Your Core Values into the DNA of Your Organization

(Continued)



## Build management processes & performance systems that are in-line with your core values

As an organization, the processes and systems you put in place are one of the strongest indicators of your company culture. Understanding that your management systems and performance review processes make a big impact on culture is the first step in the right direction.

You should audit your existing processes and consider:

- How are team members held accountable for their contribution?
- How often do employees have an opportunity for a candid conversation with their supervisor?
- Are employees micro-managed or allowed to thrive?
- Are employees recognized and rewarded for a job well done?
- What performance metrics are used to assess employee performance?
- Do employees feel comfortable sharing honest feedback with their higher-ups?

After auditing your existing processes, consider ways you can integrate your core values into the way you work. For example:

- If you value transparency, consider an open-door management policy.
- If you value accountability, consider implementing a project management tool that keeps every contributor accountable for their part.
- If you value proactive communication, consider using a team chat tool like Slack to open up the lines of communication between team members.
- If you value personal development, consider using quarterly performance reviews versus annual reviews.

Everywhere you look there are opportunities instill your organization's core values in your day-to-day processes.





# How to Instill Your Core Values into the DNA of Your Organization

(Continued)



## Integrate your core values into every stage of your hiring process

Hiring people that are a good cultural fit is a critical component of building a strong company culture. One bad hire can have a crippling effect on a small team's morale and the realization of a positive culture.

Clearly communicating your mission, vision, and values on careers materials is a great start. Instilling your core values in your benefits offerings and highlighting these benefits in careers materials is important too. Ideally, if your employer brand is strong and accurately highlights your company culture, employees who are a natural fit will gravitate towards your organization.

During the interview process, ask questions that gauge the candidate's cultural fit. Consider asking the candidate questions directly related to your core values and how they picture themselves embodying these values. At every stage of the interview process, aim to assess the candidate's cultural fit along with their professional aptitude.

Also, consider the structure of your recruiting and hiring process. For example, if you value "respect," ensure that throughout the interview process the candidate feels respected and informed. This means proactively communicating with the candidate about next steps and being respectful of all party's timelines.

Ultimately, getting the right people in the right seats is one of the most critical activities for your organization's success. Taking time to build a hiring process that drives-forward your company's culture and values is important.





## Key Takeaways

### **Review the realization of your company culture regularly**

Company values are not a “set-it-and-forget-it” tool. Since organizations change and evolve over time, it’s crucial to review your mission, vision, and values on a regular basis. Setting aside dedicated time to do this can help ensure these components stay relevant and are at top-of-mind of your leadership team and employees.

Building a strong company culture isn’t easy, but it should be a priority for companies planning for future growth. In today’s guide, we covered how to build and instill a strong, positive company culture across your organization. Here are some key takeaways from this guide:

- A strong company culture will help you build a more productive workforce
- Your mission, vision, and core values are the foundation of your company culture
- Company culture comes from the top down, so it’s essential your leadership team embodies your core values in everything they do
- Aim to instill your organization’s core values in your benefits program, management systems, performance review processes, and hiring practices
- Hiring people who are a good cultural fit is essential to the realization of your desired company culture

- Your mission, vision, and values are dynamic and should be reviewed on an annual basis to ensure relevance

# Ready to get intentional about culture?

Building a scalable business starts with getting serious about culture. A distinct company culture will help you attract top talent, motivate and engage your team, and retain top performers. Our consultants are here to help you build a sustainable culture that fuels your company's growth.



**Design the people  
infrastructure to support  
your long-term growth.**

Talk to a team member to learn more about how our expert consultants can help you intentionally build a positive company culture.

[Learn More](#)

