

Cultivating

Exploring

Stabilizing

Producing

# Your guide to organizational culture

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# Introduction

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While many think of culture as the benefits your company provides, it's much more than that. It's the values and behaviors that are rewarded on a day-to-day basis. And if those values and behaviors aren't aligned with your business strategy, your chances of achieving results plummet.

There are four main types of organizational cultures: Exploring, Cultivating, Stabilizing, and Producing. These cultures align with the Competing Values Framework, which is a widely applied model for describing and diagnosing organizational culture, as it relates to business strategy and workplace behavior.

*Not sure which culture your organization falls into? **Take this short quiz** to find out.*

Some companies fall squarely into two categories. For example, a start-up that's maturing may find itself in both the Exploring and Producing categories. That's normal and totally OK. As your organization grows, your business strategy may change, necessitating the adoption of new values and behaviors. This e-book will help you adopt aspects of each culture and maintain the culture required to execute your strategy.

## What you'll see in this e-book:

- Definition of each culture
- The values and behaviors embodied in each culture
- What leadership is like in each culture
- The trade-offs of each culture type
- How to adopt each culture
- How to maintain each culture

Take note of any misalignment with your current company culture and the culture your business strategy dictates. This is where you'll want to focus your improvement efforts to ensure your strategy is successful.

Cultivating	Exploring
Stabilizing	Producing

# Exploring culture

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**Companies that have a clear exploring culture are—at heart—creators and innovators. These organizations are nimble, flexible, and creative.**

They may prioritize speed over completeness in an effort to push the market into new territories with new ideas. Employees in this culture are likely to spend their time inventing and iterating; products they release are a launchpad to the next greatest idea. In order to succeed in this type of culture, you're expected to make mistakes and learn from them. These companies aren't about perfection, but instead reward and thrive from learning as they go, taking risks, and the idea that they're continually opening people's eyes to new ways of doing things.

# Values and behaviors



## Values

### Novelty

This culture likes “newness”—new ideas, new products, new ways of working together. The organization thrives on originality and the latest and greatest ideas.

### Exploration

You can’t move forward unless your employees remain up to date on developments within and outside of their fields. Employees keep an open mind, stay apace of what’s happening elsewhere, and experiment to see if their ideas have the potential to become something great.

### Flexibility

Employees have to adapt to short and fast-changing timelines, new and unexpected demands, and rapid changes in the marketplace. The typical day brings many surprises—and employees can’t miss a beat when they’re thrown a curveball.

## Behaviors

### Non-conforming

There’s a major emphasis on doing things differently—both as an organization and as individual employees. Uniqueness is encouraged.

### Enthusiastic

Organizations can’t come up with new and creative ideas without having a passionate, positive, and eager team.

### Restless

Employees are prepared to keep up with the fast-moving pace in which decisions are made and deadlines are set.

### Venturesome

Organizations with exploring cultures are all about experimentation and big ideas.



# Leaders, organization and trade offs

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## Leaders

Management structure is loose in these companies; while there are clearly defined leaders who are risk-takers, boundary pushers, and idea generators, they're also transparent and approachable by anyone at any level in the company.

## Organizational glue

These organizations are held together by a need for innovation, exploration, speed, and risk-taking. At the end of the day, an exploring culture is about creating new things, pushing the limits, and making something from nothing.

## Trade-offs

### Details and process neglected

The need for speed and extreme, big-picture orientation can result in details getting overlooked and processes being put to the side.

### Novelty over practicality

At times, ideas are brought forward and carried out because they're new and different, rather than useful.

### Lack of focus

There may be so many projects up in the air that it's hard to zero in and give your best effort to any individual project.

### Frantic pace

Exploring organizations often go beyond what would typically be described as "fast-paced." The speed can be overwhelming for some employees.

# How to adopt aspects of this culture

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## Empower employees at all levels.

Take a step away from a hierarchical structure to a more flexible structure that empowers employees at all levels to make decisions and take on some management-type responsibilities. This can help to increase speed, creativity, and ownership over work.

## Emphasize creativity.

Emphasize the importance of creativity with all employees—not just those in strictly “creative” roles. Encourage all employees to attend product development meetings, schedule periodic open brainstorming sessions, and provide training on how creativity plays a role in one’s everyday work activities.

## Allow mistakes.

Give employees the freedom to make mistakes in their work. Let them know it’s OK—and encouraged—to learn as they go.

# How to maintain this culture

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## Embrace a fluid goal-setting process.

Move toward a fluid goal-setting process, encouraging employees to look into the future and to remain agile with the goals they set, rather than setting goals at the beginning of the year and holding oneself accountable to fulfilling them.

## Encourage innovation.

Hold a “Shark Tank”-style activity for employees to bring forth innovative and, as of yet, unsupported ideas to executives. The executives can then determine which projects should receive resources to move forward and can provide constructive feedback and encouragement to those projects which were not selected.

## Share projects and ideas.

Sponsor company “show and tells” open to all employees. Presenters can share exciting new projects or ideas and what is or is not working. Encourage employees to present ambitious and innovative projects—even if they made mistakes or have not yet found success.

Cultivating	Exploring
Stabilizing	Producing

# Cultivating culture

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**A true cultivating culture is centered around developing people—not around the perks and benefits of working at the organization.**

Employees at a cultivating company are a close-knit and loyal bunch. They're more focused on the collective mission and goals of the organization than they are their own personal agendas. Working in this organization is like being a part of a large family; people are personally invested in each other and go out of their way to support each other.

# Values and behaviors

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Cultivating	

## Values

### Camaraderie

The attitude that pervades is “we’re in this together.” Employees trust one another, leadership, and the organization at large to do what’s right.

### Community

Employees turn to each other in times of need, to celebrate accomplishments, and to generate ideas. There’s a sense of common ownership over the organization’s culture.

### Consensus

Everyone’s opinion counts, and it’s important everyone’s voice is heard. Decisions in cultivating cultures are made when everyone is on board with the solution.

## Behaviors

### Cooperative

Employees remain loyal to maintaining the business that has invested in them.

### Supportive

Communication isn’t strictly business-focused, and employees take interest in each other’s personal lives.

### Collaborative

Collaboration is natural; each person has their own responsibilities, but employees proactively help others whenever there’s an opportunity to do so.

### Patient

Ongoing personal growth is expected and encouraged.

### Sociable

Employees oftentimes socialize outside of working hours.

# Leaders, organization and trade offs

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Cultivating

## Leaders

Leaders are supportive and caring mentors who take an active role in developing their employees.

## Organizational glue

This organization is held together by employees' commitment to each other's growth and well-being, as well as their loyalty to the leaders that encourage them.

## Trade-offs

### Intrusion into personal lives

Employees' concern for each other's well-being can blur the line between personal and professional.

### Tolerance for subpar performance

Loyalty to each employee can mean that employees with performance issues are given more chances to improve than they should reasonably be allowed.

### Overly reliant on team consensus

Without a clear decision-maker or owner of a deliverable, considerations for each other's opinions can override any sense of urgency or setting a clear course for action.

### Loyalty-based decision making

The need to consider others' ideas and opinions can sometimes take precedence over the actual needs of the business.



# How to adopt aspects of this culture

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Cultivating

## Move to a committee-based decision model.

In lieu of senior-level, high-powered decision-makers, move to a model where decisions are made by committee, with every employee having the opportunity to weigh in on important decisions. Create a sense of transparency as to the goings-on of the business to enable employees to feel ownership over the business.

## Reward team achievements.

Reward team achievements in addition to individual accomplishments. It often takes a whole team to make something great happen. By rewarding teams—in addition to individuals—the power and importance of teamwork will be reinforced through the organization.

## Develop a training program for managers.

Develop a training program for managers that allows them to better understand, support, and develop their people. Oftentimes, managers think their job is to oversee the work of their teams and provide occasional coaching. Equip your managers with the skills to empathize with their employees, ask questions about their career interests, and create mutually beneficial development plans that leverage the employees' skills and improve upon their areas of opportunity.

# How to maintain this culture

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Cultivating

## Emphasize collaboration.

Emphasize your organization's climate of collaboration over individual leadership. Explain that you expect everyone to work together to informally lead as the need arises. This ensures that a path is charted together.

## Design a career development program.

Design a career development program to encourage employees to consider their futures, take ownership of their skills, and learn about various career paths in your organization. In the training, emphasize the potential for mobility between teams, how to effectively leverage the skills of, and how to collaborate with other teams in the organization.

## Reward loyalty.

Take the opportunity to reward those who have demonstrated loyalty to the organization through years of service—both through celebrations and incentives, such as bonus vacation days.

Cultivating	Exploring
Stabilizing	Producing

# Stabilizing culture

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**Stabilizing cultures value reliability, efficiency, and scalability. Days are orderly, consistent, and predictable.**

Everyone knows their place in the organization and what they're expected to bring to the team. Procedures are clearly outlined and followed to the letter. Success comes as a result of efficient process, and people thrive working within that process. These organizations are about doing things right and on-time, following established practices that have proven successful time and time again. Structure and control are seen as welcome necessities to ensure the success of the business.

# Values and behaviors



## Values

### Diligence

Employees show a great deal of care about their work. There's no such thing as too much proofreading or double-checking. Work is extremely precise and meticulous, and employees demonstrate thoroughness and caution when completing projects.

### Expertise

Employees are expected to demonstrate mastery of their fields. The organization relies on employees being knowledgeable and skillful to the utmost extent.

### Consistency

Processes and procedures are followed to the letter, and there is little, if any, deviation from established protocol until the change has been carefully vetted. Consistency breeds security and predictability, which are crucial in stabilizing cultures.

## Behaviors

### Conservative

Formality rules the roost here; relationships are professional and business is conducted to minimize risk.

### Deliberate

Decisions aren't made hastily. When a change comes, it's carefully thought out and is either an absolute necessity or a very safe bet.

### Reliable

Employees' responsibilities are clearly delineated and are expected to be followed exactly as dictated.

### Steady

Change is slow-coming, and there's an emphasis on maintaining a structured, predictable routine.

# Leaders, organization and trade offs

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## Leaders

Directions and decision-making follow a chain of command in a formal hierarchy. Throughout this hierarchy, leaders emphasize process and procedure and expect to be respected as authority figures.

## Organizational glue

These organizations are held together by a mutual emphasis on maintaining the existing state, following procedures, and making decisions carefully.

## Trade-offs

### Things move slowly

Decisions are made very cautiously, and approval needs to come from various levels of the hierarchy, slowing things down.

### Limited chances for learning

The emphasis is on doing things how they've always been done to avoid error, rather than experimenting or trying something new.

### Micromanagement

Managers might overemphasize the need to follow the rules and get things done right on time, the first time, with no mistakes.

### Excessive detail orientation

Employees may get caught up "in the weeds" as a result of following detailed procedures and miss out on the big picture.

# How to adopt aspects of this culture

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## **Standardize processes to increase efficiency.**

Ask your team to identify areas of their job they feel are the most inefficient or where they spend the most time doing rework. Solicit their suggestions on how to standardize a process to increase efficiency.

## **Identify cause of mistakes.**

When a mistake is made, do a root cause analysis. Identify whether the issue was caused by a lack of process or by process not being followed appropriately. If the issue was made in a routine task, identify ways to develop a process around it.

## **Establish criteria to maintain best practices.**

Evaluate practices, procedures, and policies across your organization. Establish measurement criteria and methods for maintaining best practices and accountability. Clearly delineate who the decision makers are and which processes are to be followed for certain projects.

## **Challenge people to come up with ideas for improvement.**

Challenge people to come up with ideas for improvements that can be made at the organization. Be sure that their ideas have a way of measuring performance or savings. Pick the best ideas to implement, and recognize or reward the people who came up with the ideas.



# How to maintain this culture

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## **Audit and adjust processes annually.**

Audit and adjust processes and systems to reduce redundancy, improve overall operating efficiency, and keep processes current. Conduct this process on an annual basis to improve existing processes and adapt to the current business climate and the future state of the industry.

## **Leverage existing resources.**

Make use of existing processes, teams, or resources in new projects or initiatives. Show how the processes led to success on previous initiatives, and explain how they will work well in the new application so that employees can link their previous experiences to the new task at hand.

## **Review and replace resources to stay current.**

Create schedules for reviewing and replacing resources, equipment, operating procedures, or even specific roles. This ensures that pieces of the organization do not age out, become redundant, or become obsolete. Just as employees might be allowed to get a new computer every few years to ensure they have the latest technology, a team might rewrite its operating procedures every few months to ensure best practices are followed and to make improvements.

Cultivating	Exploring
Stabilizing	Producing

# Producing culture

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**These companies want to win. Employees who work in a producing culture are driven to be on top and see competition as a way of life.**

Continually pushing the bar to gain bragging rights is a key facet of this culture. Goals are exceeded and then pushed higher to ensure they can claim the best of the best and the biggest of the big. At the heart of a producing culture, there's a burning desire to bring 110% of yourself and beat out the competition.

# Values and behaviors



## Values

### Action

You can never do enough. Employees are on top of their goals and deliver results. They're always ready to make their next move and take little time to rest.

### Audacity

Employees are bold and will do what it takes to beat the competition. When it comes to being on top, few actions are too impractical—employees will do what has to be done.

### Impact

It's all about results. Leadership is focused on accumulating clients, building a reputation in the field, and penetrating the market.

## Behaviors

### Driving

The emphasis is on moving forward. Hard work is the minimum expectation.

### Independent

Decisions are made quickly and independently; employees are empowered to do what they need to do to secure business.

### Assertive

Employees in producing cultures push their agendas forward and won't take "no" for an answer.

### Challenging

This environment demands the best from everyone, no matter the circumstances.

# Leaders, organization and trade offs

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## Leaders

Leaders and managers expect the best out of their teams. They focus intently on metrics and goal attainment, challenging employees to push themselves.

## Organizational glue

These organizations are held together by a mutual desire to beat competition and be the best. There's a true spirit of competition, drive, and ambition guiding employees' actions.

## Trade-offs

### Winning at all costs

The emphasis on winning may outweigh other considerations, like team morale, work quality, or serving the better good of the community.

### Lack of work-life balance

Employees work very hard in producing organizations, putting in long hours and late nights to get the job done.

### Cutthroat and undermining

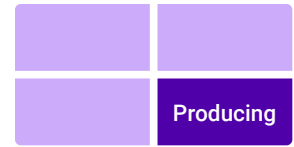
The drive to win is not only external, but internal as well. Peers compete with each other, sometimes in unhealthy ways.

### Nothing is ever good enough

Rather than celebrating wins, producing cultures move on to the next win and how to be even better than before.

# How to adopt aspects of this culture

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## Make customers the focus of all decisions.

Interview customers and prospects when implementing new services to find out what they want or what will earn their loyalty. Reward and publicly recognize individuals who go the extra mile to get a new customer or help retain an existing customer.

## Evaluate competitors.

Challenge employees to evaluate competitor's strengths and weaknesses as they relate to your organization's current offerings. Make plans for how to compete with each competitor, and consider using aggressive language, such as "battle plans." Next, have your employees pretend they work for the competitors and ask them how they would compete against your organization.

## Ignite a competitive spirit.

Ignite a spirit of competition in your company. For example, instead of tasking a team with coming up with a new product or service, have a contest for individuals or small groups to each try out an idea with customers. The winner is the person who comes up with the idea that customers like best.

# How to maintain this culture

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## Redefine performance expectations.

Implement a system of performance management that redefines expectations for employees. “Meets expectations” performance might entail behaviors that exceed goals, raising the bar for performance and making it easier to define truly strong or poor performance.

## Create a rewards and recognition program.

Create a formalized rewards and recognition program in which you incentivize employees to exceed targets by publicly rewarding those who do. Offer desirable recognition opportunities for employees who contribute winning ideas and increase organizational productivity.

## Explore market growth opportunities.

Establish a market growth-oriented team or committee that explores new areas for the business to expand and new customer bases.