Intellectual capital from Think Shift brains
What are brand and culture?

The Internet is probably here to stay.

Why focus on culture? Results.
Aligning brand and culture: the process.

What’s the why?

You’d better believe it. Behaviours (a.k.a. practices, actions conduct)

Moving the words on the wall plaque to actions on the shop floor.
Be intentional about creating the culture you want, and your brand will take care of itself.

**INTRODUCTION**

We all know a strong brand when we see one: Starbucks, Nike, that little company from Atlanta called Coca-Cola. But let’s face it; most corporate leaders aren’t entrusted with the stewardship of billion dollar consumer brands. They operate in less rarefied air with far fewer resources available to them. From this vantage point, where is the best place to start when thinking about your company’s brand?

The most important point of leverage in building a strong brand, regardless of industry or size, begins as far away from your marketing group as possible. It begins with the members of your leadership team accepting their brand stewardship responsibility of defining and managing the corporate culture. And to push the starting line back even more, it begins with the company’s leader, its senior officer, being clear on his leadership style and how it impacts both his leadership team and the corporate culture at large.

Strong brands are built from the inside out. They are contingent on creating a culture worth caring about. When a company’s culture is aligned with its brand, it wins.

In this paper we’ll offer some reasons why aligning your brand and your culture is more important today than ever before, we’ll discuss the benefits of an aligned brand and culture, and we’ll unpack the process of aligning the corporate brand with the company culture.

**WHAT ARE BRAND AND CULTURE?**

“Brand” has become part of the 21st century, consumer-driven cultural zeitgeist. As marketers, we often do ourselves and our clients a disservice by using the word too loosely, often as a shortcut for “visual identity,” for example. To be clear then, when we reference brand, we mean the way a person thinks and feels about your company. A brand is, by its very nature, an intensely personal and therefore subjective idea. It lives in the minds of those people who interact with it; it is a mental basket full of thoughts and feelings. It’s as simple, and as complicated, as that.

“Culture,” as we think about it, is simply the collection of behaviours that are encouraged or discouraged by people and processes. A good many of these behaviours, both good and bad, occur in the interactions people have with your company, and it’s those interactions that inform how they think and feel about you… about your brand.

What those outside the organization think of you is brand. What those inside the organization think of you is culture.
From these definitions, two things are immediately obvious. First, a company’s brand and its culture are connected by behaviours. They are two sides of the same coin, interconnected and intertwined – yin (culture) and yang (brand) – inseparable. Second, they both exist whether they are managed or not. And because every system is perfectly designed for the results it creates, your company has a brand and a culture whether you’re intentional about defining and managing it or not; whether you know (or care) about it or not.

Given this, we believe a leader who is intentional about defining and creating his corporate culture and ensuring it is aligned with the brand can materially impact the success of his organization. There are a number of reasons why this is so.

THE INTERNET IS PROBABLY HERE TO STAY.

There’s nowhere to hide

At the risk of stating the obvious, the internet has changed the landscape and many of the rules of the game. While the World Wide Web impacts companies in ways big and small, there are two game-changing realities corporate leaders should think about when it comes to aligning their culture and brand.

First, social media has changed the dynamics of communication. It gives customers and employees alike the power to share information – good or bad – about your company. It has unleashed the crowd’s ability to call out companies for inauthentic behaviour. How a company acts inside is now available for all to see outside. The ability to be and be seen as authentic and “real” becomes a sustainable competitive advantage in a connected online world, as consumers and prospective employees alike use social media to affirm the truth of corporate messaging.

How a company acts inside is now available for all to see outside.

Competing for talent

Second, companies are increasingly relying on post-baby boomers to bring value to the workplace. These generations have grown up online with all the advantages and challenges that entails. They have a different world view, one informed by the web ethos of transparency and flexibility. They are less concerned about tenure, considering themselves “free agents” in the knowledge marketplace. They are more idealistic, putting purpose before pension, and aren’t as emotionally committed to a traditional work environment with traditional hours. They are comfortable using technology to work from wherever, whenever. Therefore, organizations that are intentional about creating their culture are in a better position to attract the candidates that are a cultural fit – and keep them engaged once hired.
WHY FOCUS ON CULTURE? RESULTS.

Strong culture creates discretionary effort
Rallying a group of committed, engaged employees around the company’s purpose is surely the nirvana of organizational behaviour. The end result of such a culture is discretionary effort – the extra 10 per cent employees give, not because they have to but because they want to.

Culture drives bottom line results
The literature is clear: engaged workforces deliver bottom line results in the form of less turnover, less absenteeism and overall improved quality of output. In its 2012 Global Workforce Study, the HR firm Towers Watson found that highly engaged workplaces delivered an average operating margin of 27.4 per cent as compared to the 9.9 per cent operating margin of companies with average or traditionally engaged workforces.1

Built in resiliency
A strong culture inevitably defines a company that, from top to bottom, is clear about what it does, how it does it and – most importantly – why it matters. Such companies build trustworthy reputations. They enjoy more loyal customer and employee relationships because they connect around values other than price. When the economy goes south or the competition tries a frontal assault by lowering its prices, it is the loyal base that makes the difference.

ALIGNING BRAND AND CULTURE: THE PROCESS.

Everyone loves a good story
Why is it so difficult to remember a definition? Why don’t people read policy and procedure emails? Why can’t we remember more than five grocery items without writing a list?

The reason is simple: these things lack emotional significance, and in the absence of meaning, they don’t matter enough to stick. This is why we tell each other stories. It’s why we invent parables and myths, and why we tell jokes. Stories give meaning and structure to content. Stories and metaphor are the way we understand new, complex ideas. They are the way we relate to one another and are able to pass ideas from person to person, generation to generation.

As painfully obvious as this may seem, it’s not evident in the tortured, dry, multi-syllabic, corporate-speak of traditional mission, vision and value statements. This is unfortunate because these sentiments are meant to animate the beliefs, attitudes and behaviours of the company. By barring the organizational gate to the storyteller, companies miss the chance to put their most cherished ideas into a meaningful framework – one that the employees and customers can care about.

A culture worth caring about starts with a story worth telling.
A culture worth caring about starts with a story worth telling. A story imagined by the leader and informed by his leadership style. A story made whole by the rest of the leadership. One so authentic that, when told by the leaders, it’s picked up and retold throughout the organization in ways big and small so that in the end, everyone is telling the same story.

So how do we come up with this story? How do we decide on its themes and how do we go about crafting it? How does the culture development journey begin?

A ship has a captain for a reason

The decision to take the journey must start at the top, so before beginning, the leader must think carefully about two things. First, because his values, beliefs and personal style significantly impact the corporate culture, being intentional about defining the culture requires the leader to invest time in self-reflection and, in turn, be intentional about defining his own leadership approach – the legacy he will leave and how he will operate along the way. This articulation of a leadership agenda becomes the pebble dropped into a pond, creating the ripples of understanding, story development and the other elements that support the company culture and brand.

You can’t be half pregnant

The leader must also be all-in and make the commitment to follow through. He must decide to become the “chief cultural officer” and evangelize early and often on behalf of the company’s culture. Further, he must work hard to get and keep the senior leadership team engaged in the difficult work of culture development. Elevating culture improvement as a strategic objective will give it profile, but ultimately the senior team must come to understand that, because the culture “journey” never ends, the payoff is in the effort.

Cultural change management is not an HR “thing;” it’s not a brand “thing.” It is a comprehensive senior leadership effort.

The future is now

Most companies have formal vision and mission statements and some description of corporate values that either hang on the boardroom wall or hide in the About Us section of the corporate website. But how real are they? Are they meaningful? Can the sentiments they express be seen at work in the everyday lives of employees?

Once leadership decides to go all-in, the next step is to undertake a cultural assessment and decide to what extent the traditional elements of corporate expression are in play in the organization – or what military planners, during the fog of a battle, call the “ground truth.” Understanding how people think and feel about the company now and comparing that to how leadership believes people think and feel about the company will uncover areas of culture disconnect that can be addressed later in the roll-out phase.

If vision, mission and values haven’t been reviewed for a while, or feel stale and tired, this is the time to breathe new life into them and create meaningful statements of belief for the organization to rally around. If these elements are not open for discussion, the exercise becomes about assessing how well the organization understands them.
Clarity in regards to the future state of the organization is also very important. By future state we don’t mean only the formal vision as usually articulated for public consumption, but the internal state as well. What kind of culture do we want to create? Should it be performance-based or opportunity-based? How do we want our employees to think and feel about us in the future? What do we want them to say about their work environment?

Getting clear on the type of culture you want to create should be part of the broader corporate vision. Then, once leadership has defined where it is going, it should turn its attention to why it’s going there.

**WHAT'S THE WHY?**

The answer to the “why” question is the foundational idea in culture development because it grounds the organization around a common purpose. We get to this idea by asking the following kinds of questions: *Why do you matter? Why do you exist?* We call the answer to these questions the “orange.”

The orange is the “noble idea” – the thing the company wants to change in people’s lives, the difference it wants to make in the world. It should have a transcendent, uplifting character to it and speak, in some way, to an aspect of the human condition (because ultimately it will be easier to connect with). The orange is the single, dominant theme that is the essence or heart of the brand’s story. Why is this important? As business thinker Simon Sinek points out in his book *Start with Why*, “People don’t buy what you do, they buy why you do it.”

Research finds that most people approach their work in one of three ways: as a job, career or calling. Those with jobs have less intrinsic satisfaction in their work, while those who consider what they do a calling have much more. While we might assume blue collar work would be seen as a job, white collar work as a career, and medicine or spiritual leadership as a calling, the research shows all three orientations across a broad range of occupations. In one study, janitorial hospital workers responsible for mopping floors and emptying bedpans saw themselves as part of team of healers rather than “just” janitors. They went beyond the minimum requirements of their jobs to brighten the lives of patients and to anticipate the needs of doctors and nurses. They saw their work as a calling.

“Performing employees give to get. Their focus is on the getting. They value what they get from the company… They are more likely to be lured to another employer from whom they can get more, than to one to whom they can give more. In contrast, engaged employees get to give. Their focus is on the giving. The engaged employee is proud that they help people… they work on challenging projects; they lead a team; they make a difference. Their pleasure is in the giving. Getting is incidental.”

– Balaji Krishnamurthy

The idea that people connect around shared values is another one of those obvious truths that, because it is so obvious, is often overlooked. As the French say, fish discover water last. We all want purpose in our lives. People want to be part of something larger than themselves. The pursuit of meaning is perhaps the uber-narrative of the human experience, so it’s not surprising that employees want to connect around a larger corporate purpose.

The process of uncovering the company purpose should ideally involve a broad range of opinions within the organization. In its final form (as a statement) it should resonate as authentic. The more people have the opportunity to discuss it, the more likely this is to happen. Its expression in story, of course, is an on-going effort.
Behaviours (and the beliefs that guide them) create your organizational culture, and your culture is the single most important component of your brand.

YOU’D BETTER BELIEVE IT.

In addition to purpose, the other ideas that animate culture are the beliefs everyone in the organization shares – claims about what’s important or worthwhile about the world.

Defining the core beliefs is critical to creating a culture worth caring about. These beliefs should ultimately be written in language that people can either agree or disagree with – language they “get.” A truism is ideal, but often a memorable belief statement can already be found in the corporate slang. For example, at Think Shift one of our beliefs (we call them values) is “constructive transparency” which we often refer to as “getting naked.”

Beliefs that are formally structured and organized can be thought of as a Statement of Principles or Guiding Principles. They could also be called Our Corporate Manifesto or What We Believe. Think of the Declaration of Independence, the Ten Commandments, the Five Pillars of Islam or the Hippocratic Oath as examples of belief statements worth rallying around. The examples and styles are endless.

To summarize, vision is where the company is going from both an external strategic perspective and an internal cultural perspective. Purpose is why they’re going there in the first place, and core beliefs guide how they’re going to behave as they move ahead. And it’s the collective behaviours of the company that ultimately turn beliefs into the experiences that build brand reputation.

BEHAVIOURS (A.K.A. PRACTICES, ACTIONS, CONDUCT)

Behaviours are actions – manifestations in deed and word of beliefs held to be important. Behaviours consistent with the core beliefs are defined as “right” because they contribute to the desired culture. Beliefs are what “we think;” behaviours are what “we do.” Behaviours (and the beliefs that guide them) create the organizational culture, and your culture is the single most important component of your brand.

It is impossible to create a list of all-encompassing behaviours (do this, don’t do that), which is why codes of conduct or statements of beliefs are such a critical component of culture development.

Once the language and framework of meaning is defined, and the leadership team is aligned and understand the kind of culture it wants for the organization, it is time to operationalize.
MOVING THE WORDS ON THE WALL PLAQUE TO ACTIONS ON THE SHOP FLOOR.

After leadership defines the vision, purpose and beliefs – and after they start spreading the “virus” by telling the story – a common understanding will unfold which will help employees understand the right kind of behaviours and actions.

“Traditional approaches to culture create a set of core values (the how) of the culture. They do so without extracting the orange, the why. But equally fatal is that they do without providing the what. Culture statements risk becoming platitudes and generalities with which few can disagree. They become plaques on the wall. Unless you address the what, those desired behaviours will not turn into action. The why creates the drive; the how creates the feeling. But it is the what that creates day-to-day action. Leadership tools are the what of culture. It is the leadership’s responsibility to translate behaviours into practical tools the organization uses on a daily basis. This is the what of culture that people see.”

– Balaji Krishnamurthy

So there is much more to be done beyond the consistent focus of the leadership team. To keep the momentum of culture development going, senior leadership must spread the culture “virus” to managers and supervisors by engaging them in culture coaching, providing them the tools and developing the skills necessary to identify and change (or support) behaviours consistent with the beliefs of the organization.

A concrete step for leaders and managers is to identify three or four changes that can be made during the first couple of months that will prevent back-sliding on the forward momentum gained. Like the pinions a mountain climber uses to establish a firmer hand hold, these cultural pinions will allow the organization to continue forward. They could be as simple as a policy change to remove a stupid rule or something more drastic like getting rid of a top performer who refuses to buy into the new way forward.

To further support the coaching efforts, we recommend designating a small group of people to help keep the culture journey going. These cultural ambassadors’ principle role is to develop tools and techniques to bring the culture to life, and they also hold leadership and the rest of the organization accountable to the cultural vision. They become the eyes, ears and conscience of the organization and support the CEO as he evangelizes on their behalf. If they do their job well, at some point, the infection takes over and the rest of the organization organically adopts their lead. Over time, brand and culture become aligned and everyone understands that “the way we do things around here” is the right way.

SUMMARY

Culture and brand are different sides of the same coin. If brand is the sum total of how people perceive your company, then your culture is the single most important part of the total. Employees who feel connected to the organization’s purpose, who share a common set of beliefs and understand how their work contributes the company’s success, will deliver the extra 10 per cent – the discretionary effort that is the hallmark of an engaged workforce.

This doesn’t happen by accident. It requires the commitment of leadership to be intentional in deciding what kind of culture and, by extension, what kind of brand they want to lead. And it requires the sincere commitment to fully embrace their responsibility for creating a culture worth caring about.
“Creating an engaged trusting workplace culture is a combination of intent, process and heart”
Howard Schultz, CEO Starbucks

Footnotes

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