

Why Corporate Culture Matters

Much of your professional success depends upon your ability to adapt to, or to change, the corporate culture of your company. Before you accept a position at a new company, ask qualitative, open-ended questions to help you determine the rules of how things get done.

By GMR

When deciding whether to join a new company, there is more to consider than the position's responsibilities, growth potential, or compensation package. Certainly the relationship between you and your future superior is important. Trust, communications and clearly articulated expectations between both parties will play a critical dynamic in your success and satisfaction. By the same token, if you are, in fact, to be the new company head, the quality of the relationship between you and the board of directors will be similarly essential. In both scenarios, the hiring authority is likely to be the most motivated, and best positioned, to see you succeed.

A corporate culture shares no such motivation. Much like a heartless virus that feeds on its host, what matters most to a corporate culture is that it survives. Corporate cultures like the status quo. They are resistant to change. They evolve slowly. If you are compatible with the new corporate culture, or simply highly adaptable, you are more likely to be welcomed. If you are incompatible in any way, you will be rejected. No matter how supportive the hiring authority may be, a hostile corporate culture can overwhelm his or her best intentions. Only once you fully understand the nature and rules of your new corporate culture, can you hope to comply with, or to change, the culture.

Perhaps you have been recruited to be a change agent because the existing corporate culture stands in the way of any number of potential improvements. If you are a C-level executive, realize that studies have shown that you will need to churn 60% of the management team if you hope to achieve significant cultural change. Even then, depending on numerous factors, change may not become apparent for years, if ever. Change only happens with considerable effort, persistence, and clearly communicated objectives in mind. If you are being brought in as one of many members of a new regime, you need to gain a sense of whether management churn will approach the 60% mark, and if not, just where it will fall short so you understand your own liability. Playing a role as a change agent can be incredibly rewarding, so long as sufficient support exists where it counts to help you achieve and maintain the momentum you need.

So how can you determine your compatibility with a corporate culture before you leave your current employer?

On a superficial level, many see corporate culture as a reflection of the dress code; an open, closed or even virtual office environment; the number of hours people are expected to work; or the degree of formality with which people behave toward one another or the outside world. What's far more difficult to discern is the manner in which one is

expected to accomplish things. This aspect of corporate culture increases in importance with each level in the corporate hierarchy. It's not simply what actions executives take that draw scrutiny; it's how they apply them. This is the single most overlooked aspect of corporate culture, and it is the most perilous.

Researching a company's culture

There is much you can learn about a corporate culture before your first interview. In fact, early research can be an asset to your interview, and your interview can, in turn, serve to qualify the validity of your discovery. The Internet can provide incredible insight, as can articles in the trade press, business journals, and executive autobiographies. Even newspaper articles can offer evidence of what to expect: a history of repeated layoffs, divestitures, consolidations, mergers and acquisitions can speak volumes about how a company treats its people, in good times and bad. The more sources you explore, the clearer your picture of life within that company will become.

Many companies will extol their virtues in mission statements or value statements about their people, work/life balance, or their responsibilities to the community at large. While these may be genuine, they may just as easily represent the image a company wants to project, or an end state it wishes to achieve. What is stated, and what is reality, are often far different.

Ask around. Tap your personal network of friends, associates, and professional recruiters to learn what they have heard lately. In addition, ask the people in your network if you can speak confidentially to people they may know who work within the company. No one source or data point, however credible, should be accepted at face value. Consider the entirety of your research before drawing any conclusions. People's impressions or their memories often become dated, if not tainted. For instance, what if you are introduced to one or more former employees who have an ax to grind as a result of a layoff or purge of poorly performing employees? Will they give you unbiased testimony? If the company had simply been trying to heal itself - or its culture - they may never have understood the full truth of why their careers were cut short. When confronted with negative or bitter testimony, you may be wise to focus on how the company treated them during their dismissal, not their perceived injustice.

To get to the truth of a corporate culture, ask qualitative, open-ended questions that, taken collectively, will paint a richer, more layered picture of what matters most: the rules of how things get done.

How are decisions made? Some cultures demand consensus building, which slows change or action. Others promote individual initiative and decisiveness, which accelerates change. The former tends to share responsibility among many while blurring accountability. The latter leaves little doubt as to who will

reap the rewards or suffer the blame for decisions that have been made. In both cases, it is equally important to understand the level and type of analysis that is expected of executives faced with critical decisions. Is this a culture that believes only in quantifiable metrics, or can a strong executive rely upon his or her past experience to 'make the hard call'? Is this a company that relies excessively on management consultants to bless every initiative, or is the use of outside consultants considered a professional weakness?

How does the culture view risk and reward? Gartner classifies companies as Type A (Aggressive Innovators), Type B (Pragmatic Adopters of Proven Solutions) and Type C (Risk Adverse Followers). Such companies foster cultures that reflect their business philosophies and styles. How is this company depicted by Wall Street analysts? At the head of the pack, or somewhere else? If you are fortunate enough to discuss risk/reward with company insiders, ask for their insights into the most influential executives in the company. Do they avoid risk, or do they accept it at pragmatic levels? How does one determine an acceptable level of risk? What role do politics play in the approval process?

How important are social relationships between executives in this culture? In many large companies, the relationships execs develop outside the office build the strongest bonds of trust and support. Other companies feel that social interaction is a distraction from the work at hand.

How does this company prefer its executives to manage their people? There are a number of follow-on questions to this. Is there a preferred management style, and how consistently and effectively is it applied? Is this a top-down, autocratic organization, or one that promotes enablement? Do management styles vary in different departments, regions or levels of the organization, and why? How might those differences affect the corporate culture?

Once you are in an interview setting, these same questions can provide a framework for thoughtful, meaningful dialog that is not only important to your decision, but will impress the interviewers with your insight.

Other topics to help you get a read on a company's corporate culture:

How much time do people spend in meetings?

Role of team/personnel development?

Project oriented? Nature of projects/changes: incremental or big bang?

How to read between the lines of public/interview statements?

Image conscious or "proud of thrift"?

Frequently hire experienced people or hire out of school and build them up?

Flexible around family needs?

Culture around:

- Decision making
- Management style

- Foreign companies - how do they treat non-natives?

- Hiring personnel

- Consultants/contractors
- Off shore
- Permanent employees

- Changing the company

- Processes
- Products
- People
- Systems

- Personal development
- Quality of business life
- Quality of personal life

- Family time
- Benefits