

# The “Process” of Culture

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I have spent my entire career as an “operations guy” running commercial printing plants, so I very much think in terms of process. Building a culture is usually viewed as a soft skill based on emotional intelligence, but I’ve learned that the programs and processes

around culture building can be quantified and institutionalized. Once those processes are hardwired, they become part of your company’s positive culture and how you do business.

## Branding and Culture

Every interaction you have with your customers, suppliers, and stakeholders sends a signal about your culture. How they are greeted when they walk through the door, the demeanor of your staff when you give a tour, the tone of an interview, how problems are rectified, or how you engage your community—everything you and your employees do reinforces your brand and speaks to your culture.

## Hiring

Placing structure and processes around hiring can yield great rewards. When I started my career in the 80’s the pool of solid, experienced employees in our industry was huge. We all knew who the A players were and we routinely hired them away based on their reputation in the marketplace. I’m sure we can all recall a press operator or sales rep who fits this description and turned out to be a high-maintenance challenge. Today is a very different landscape. Many owners indicate that finding talent is

among their biggest challenges. In our companies we adopted the “interview 365 days a year” mentality—we used networking and unsolicited applications and resumes to constantly meet potential candidates—regardless of whether we had openings. This provided a pipeline of pre-qualified individuals with an interest in our company when the time came to hire. We could point to countless cases where top-notch employees were people we had met years before we actually hired them.

Reduction of employee turnover and hiring right the first time are tremendously important. With a national employee turnover rate in excess of 16% and the cost of replacing a mid-level employee estimated to be 150% of their salary, it’s important to invest the time and resources necessary to assure new hires meet your unique requirements and, more importantly, fit your culture.

## Onboarding

Nothing will tell your new employees more about their importance than those first few hours and days with your company. Often, “onboarding” consists of an hour with HR to review benefits and the employee handbook (with a firm reminder to read the entire book and return the signed acceptance page in the back). They are then sent out into their work area for on-the-job training.

Not good enough! Onboarding should be a weeks-long—or even months-long—process of making sure new hires understand the company’s history, meet the owners and key employees from every department, and learn how the company functions and how their role fits into its success. This can easily be accomplished by creating a shadowing program. Employees spend time in each department over a

period of several weeks, working side by side with co-workers to understand workflows, the department's responsibilities, and how they fit together. Without some sort of structured onboarding program, new hires will naturally gravitate to like-minded individuals who will use their opinions, good or bad, to make sure they know "how things really work around here."

## **Training**

When the downturn hit, many companies scrapped their training programs, if they existed at all. Companies with strong cultures recognized training and employee development could not be curtailed. Although training programs come in many types and flavors, training of front-line supervisors and managers is, in my opinion, the most critical. An employee's job satisfaction is in direct correlation to the quality of their direct supervisor. It's critically important they are well trained in how they carry out the HR processes and policies of your company.

Meaningful topics might include time management, how to conduct performance appraisals, team building, conflict resolution, talent selection and interviewing, and business professionalism. In my experience, the best results are experienced when training is conducted by a trainer or consultant from outside your company. This is an investment that will pay dividends through leadership development and reduced turnover.

## **Employee Communication**

One of the most important responsibilities of leadership is effective communication with employees. Most employees want to know what is going on, and there are many ways to do this. Make sure to inform your staff of company events, new employees and customers, important changes for the business, meaningful financial metrics, and most importantly, messages of gratitude from clients and employees. Communications should occur on a fixed schedule in a way that ensures employees in different work environments (office vs. shop) are able to access it.

A second level of employee communication involves financial transparency. Many companies keep revenue and profitability closely guarded, but progressive companies train employees to understand basic financial concepts and regularly report revenue, margin, spoilage, and performance against budget and plan. This is most effectively conveyed in a quarterly staff or "town hall" meeting. Over time, employees will gain an understanding of what it takes to be profitable and their part in ensuring that you are.

## **Employee Performance Appraisals**

The tradition in our industry is to conduct an employee review once a year—maybe. Nothing will demoralize a new employee faster than being told they'll get a review and for them not to get it or have it occur late. Once a year isn't nearly often enough. The focus should be more on achieving goals and looking forward and less on what happened in the past. To effectively do this, supervisors and managers need more frequent interface with employees, preferably two or three times per year.

## **Wellness**

In the past decade, employee wellness program popularity has exploded. While primarily seen as a way to control and reduce health care costs, improving the health and well-being of your employees should be your goal. Education around nutrition, fitness, smoking cessation, and stress reduction—which are foundational elements of all wellness programs—provides a meaningful and positive impact on the lives of your employees. You can't put a price on that.

## **Conclusion**

These "processes" are just a very small sampling of employee engagement and culture building tools at every company's disposal, but represent some of the most important, baseline practices that can have a profound impact. Consider the ones that resonate and get busy boosting your company's culture.

*Steve will explore this topic in greater depth in his presentation "Lessons from the Front Lines—Real World Tactics to Elevate Culture and Boost Employee Engagement" at the Continuous Improvement Conference in April.*