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The Definitive Guide to Company Culture

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We believe that a vibrant company culture which supports and nurtures our employees is so important that it is the key to our success—and a unique and sustainable competitive advantage. As our CEO and cofounder Ben Peterson says, **"If you create a great place to work, great work takes place."**

Since we launched BambooHR in 2008, we've found again and again that what's good for our employees is also good for our organization. For example, one of the BambooHR core values is "Enjoy Quality of Life." We help our employees do that by encouraging a healthy work-life balance. We come together and do amazing work during business hours. Then, everyone leaves their work and goes home while they still have enough time and energy to enjoy the evening with their loved ones. As a result, when we return to the office the next day we are rested, refreshed, and ready to continue doing our best work.

Over the years, we have learned a lot about establishing and improving company culture. Now we want to do something meaningful with that knowledge: share it with you. That's why we wrote this ebook.

We're not saying you should copy everything we (or anyone else) may do. That never works because (A) every organization, BambooHR included, has more to learn and aspects to improve, and (B) every organization and culture is different. Instead, **in these pages you'll find principles and best practices that can help any organization develop and maintain its own thriving culture.**

And there's more. Throughout this ebook, **you'll see important insights from our recent culture survey of more than 1,000 small- and medium-sized businesses.** Find out what our research reveals about company culture and the powerful role that HR professionals can have in establishing and improving it. See how your organization compares to others, and benefit from their experiences.

Let's get started!

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What Is Company Culture?

94% of those surveyed said company culture is important to an organization's success.

—BambooHR Research

Company culture is often called the personality of an organization.

Company culture is a shared set of workplace beliefs, values, attitudes, standards, purposes, and behaviors. It reflects both the written and unwritten rules that people in an organization follow. Your organization's culture is the sum of all that you and your colleagues think, say, and do as you work together.

If that sounds important, it is. In the 2019 culture survey conducted by BambooHR, an overwhelming **94 percent of respondents agreed that culture is related to their organization's success.** Sixty-three percent said it's very important or essential.
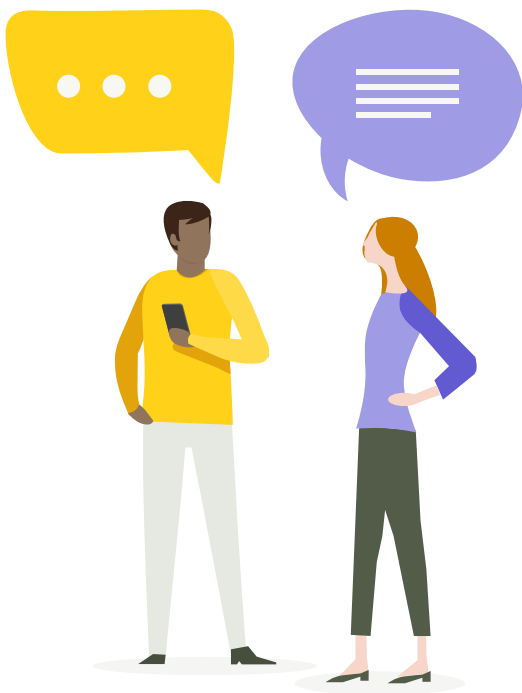
Examples of Company Culture

Culture includes a thousand little things, and some big ones too:

- The way work assignments are doled out
- How opportunities for advancement are provided
- Whether employees prefer to collaborate or work alone
- Whether **casual dress is okay**, and, if so, how casual
- What's talked about (or taboo) in the lunchroom
- Whether there's pressure to work when you're sick
- Whether birthdays are celebrated
- How different departments and teams get along
- Whether you can have face time with an executive
- And so on

Some elements of company culture are easier than others to shape and guide—and that's okay. Fostering a vibrant culture doesn't require having complete control of it (which is unrealistic to expect); it's about creating an environment where people can thrive and do their best.

As we explain what company culture *is*, it's also important to know what it *is not*. People often associate company culture with superficial perks for employees, like free food and video games in the workplace. Such things don't define a company's culture, although they may be welcome expressions of it.
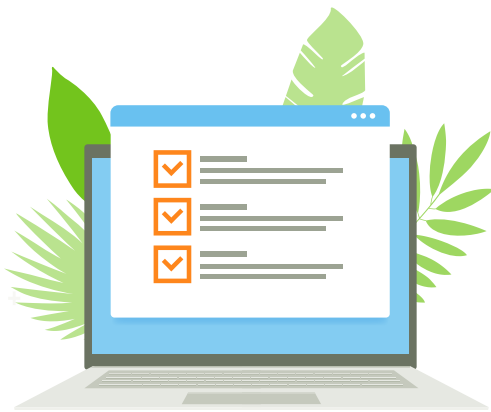
It's important to take steps that help shape and strengthen your culture and align it with your organization's values and goals.

No Two Cultures Are Alike

Every company culture is different—the result of a unique combination of many factors such as the organization's mission, values, leadership, goals, obstacles, industry, and position in the marketplace.

Every organization develops a company culture, whether they realize it or not. That's because even if an organization does nothing, culture forms and evolves on its own. But an unguided, unstructured culture may do more harm than good. It's important to take steps that help shape and strengthen your culture in positive ways and align it with your organization's values and goals. Otherwise, there could be a serious disconnect between how your company defines its culture and what its leaders and employees actually do. That's a telltale sign of weak company culture—and something to be avoided at all costs.

Subcultures

Dig a little deeper into an organization's culture and you'll often find subcultures. Subcultures may form within a department, team, or other subset of employees whose members have more in common with each other than with the rest of the organization. For example, they may share common experiences, attitudes, job responsibilities, or simply work in the same area of the office.

Subcultures aren't necessarily good or bad. Their members may be loyal or not-so-loyal to both the subculture and the company culture it's part of.

Culture and Reputation

Your company culture will largely determine your organization's reputation, both internally and externally. A vibrant culture with a reputation for keeping employees engaged and rewarding great work will help you attract and retain top talent. Simply put, if your organization becomes known as the kind of place people like to work in and are proud to be associated with, you'll have an easy time recruiting.

A strong culture also helps improve many other key business metrics, as you'll see in the next chapter.

How Company Culture Helps Achieve Business Goals

"Corporate culture is the only sustainable competitive advantage that is completely within the control of the entrepreneur."

—**David Cummings**, Cofounder, Pardot

Having a strong company culture that treats employees right can do a lot more than give you a warm feeling inside. According to **Chron**, **ERC**, and other sources, great culture helps foster enduring benefits like these that strengthen your organization and improve your bottom line.

Increased engagement

Creativity and innovation

Reduced turnover and associated recruiting and training costs

Improved customer experience and satisfaction

Higher productivity

Increased revenue and profits

Improved morale

Greater interest from top talent

The list of potential benefits goes on. Sound too good to be true? It's not. When employees enjoy their jobs, they strive to improve their work and their workplace. That's why maintaining a strong, appealing company culture is not only the right thing to do, it's a smart business strategy.

87% of survey respondents say culture significantly supports their business goals.

—BambooHR Research

Types of Company Culture

"Our belief is that if you get the culture right, most of
the other stuff, like great customer service or building
a great long-term brand, or empowering passionate
employees and customers will happen on its own."

—Tony Hsieh, CEO, Zappos

In *The Wizard of Oz*, young Dorothy stepped into a magical place that was nothing like the farmland back home and declared to her little dog, "Toto, I've a feeling we're not in Kansas anymore." She quickly recognized the differences between her own culture and another. (In this case, it would have been hard not to.)

Just as each land's culture is different from others, each company's culture is unique too.

Knowing how your company culture differs from others can help you develop strategies tailored to your firm's unique opportunities and challenges. You can't do that by trying to copy another organization's culture, no matter how successful they are. It won't work because the other guys don't have exactly the same people, history, workplace practices, values, environment, and other factors that make your firm's culture as unique as your fingerprint

Defining Your Company Culture

Though no two cultures are exactly alike, most organizations can be classified into cultural categories that share key characteristics. Recognizing which culture types your organization identifies with can help you define and refine your culture.

Research in **Harvard Business Review** (HBR) has identified eight distinct culture styles:

1. Caring, collaborative, and supportive

2. Purposeful, idealistic, and altruistic

3. Learning, inventive, and innovative

4. Enjoyable, fun, and stimulating

5. Results-oriented, driven by achievement and winning

6. Authoritative, competitive, and controlling

7. Safe, predictable, and risk-averse

8. Orderly, methodical, and cooperative

According to HBR, every organization has some combination of these styles. Yours may have only a few, or it may have most or all of them, each in varying amounts.

None of the styles are inherently better than the others; they are just different from each other. Each style has potential advantages and disadvantages. Your company culture, the researchers say, can be defined by how prominent each of these styles is in your organization—and whether they align with employees' perceptions of the culture.
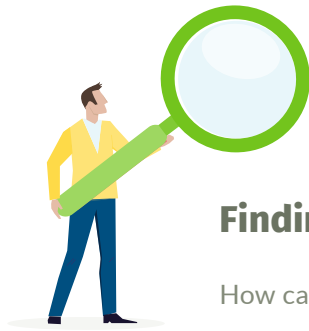
Finding and Using Your Data

How can you determine which cultural styles appear in your organization? Here are some ideas:

- Gather feedback from executives, managers, and employees with surveys and during performance reviews.

- Observe the ways people think and behave.

- Analyze which kinds of culture initiatives are undertaken or avoided and whether they align with your organization's values and goals.

- Follow the money: see which culture initiatives get more or less financial support.

- Evaluate the success or failure of each culture initiative.

Use these findings to determine which of the eight styles are most important to your organization's well-being and what you can do to improve areas where you might fall short. For instance, if your organization depends on innovation but doesn't condone occasional failure, it may stifle trial-and-error efforts that are essential for discovering valuable breakthroughs.

What a Great Company Culture Looks Like

Even though company culture can't be copied, you can learn a lot about developing and maintaining a great culture from others' examples. Organizations with a truly great culture don't all look alike and may have a very different mix of the eight culture styles than you do. But, according to **Women of HR**, they often share one key characteristic: **"a belief in really, truly looking out for the people who work there."**

It's as simple—and as complicated—as that.

What does this core belief look like in action? As you might expect, it varies from one organization to the next depending on needs and circumstances, but here are some examples of common characteristics in great company cultures:

- **Encouraging diversity:** Organizations with great cultures hire different types of people who add new perspectives and skills instead of people who all think alike.

- **H**e**lping new hires feel welcome:** From the beginning of onboarding, these organizations provide the tools, training, and guidance new hires need to settle in and do their best work.

- **Engaging employees:** They promote performance, growth, and loyalty by providing meaningful learning opportunities and appealing career paths.

- **Including everyone:** They make sure every employee is heard, valued, and respected.

- **Recognizing and rewarding:** They regularly provide helpful feedback and sincere appreciation.

- **Preparing for the future:** As the industry and workforce change, they proactively adapt to their employees' evolving needs and interests to sustain each individual's success.

Implementing these cultural best practices will put you well on your way toward making your organization a great place to work—and a place your employees won't want to leave. As Dorothy said when she returned from the land of Oz to the culture that she loved best, "There's no place like home."

Who's Responsible for Company Culture?

Everyone in your organization can play a part in developing and maintaining a great company culture. Executives forge initiatives that shape it. Middle managers put those initiatives into action. And employees can strengthen your company's culture by supporting its ideals. We'll discuss these three roles in more detail below.

But first, we want to shine the spotlight on HR professionals. In many organizations, they are the ones who quietly do much of the heavy lifting that keeps company culture and values moving forward. BambooHR cofounder **Ben Peterson** says, "HR is the company's greatest advocate of values because they are so uniquely positioned within the company to have the greatest impact." Yet HR professionals often work behind the scenes, so they don't always get as much credit as they deserve—or as many opportunities to make a difference.

38% of those surveyed said HR's role in creating or building their company culture should be greater than it currently is.
—BambooHR Research

It's encouraging that 66 percent of our culture survey's respondents said that HR plays a big role in creating or building their organization's culture. But 38 percent also said that HR's role should be greater than it currently is—a vote of confidence and an opportunity for HR professionals to play a more active and strategic role.

Getting the Most from HR

Here are some of the many ways HR professionals can **influence company culture**:

- Collaborating with leaders to **define company culture** and make adjustments as it evolves over time

- Counseling leaders about wise strategies that align culture initiatives with the organization's values and goals

- Maintaining open communication and feedback between employees and leaders to improve company culture

- Attracting job candidates who will strengthen and diversify company culture and filtering out those who won't

- Making culture a conspicuous **part of onboarding** and the everyday employee experience

- **Rewarding and recognizing** employee behaviors that support company culture

Is your organization taking advantage of all that your HR professionals can do to sustain and strengthen its culture? Make sure HR's voice is heard at every opportunity.

Now, let's talk more about how executives, middle managers, and employees can each play a vital role in promoting company culture.

How many of your organization's operational challenges are related to culture?

36% said most or all

Only **8%** said none

—BambooHR Research

Executives

As leaders and decision makers, executives establish an organization's values, approve company culture initiatives, and allocate resources to them. Executives need to take an active role in making sure company culture continues to benefit their organization and raise red flags if it doesn't. **Company culture can only thrive when top leadership accepts responsibility for it.**

Equally important, executives have a uniquely powerful opportunity to teach the organization's values and advocate for its culture by the example they set. Their good behavior naturally trickles down and becomes a key part of company culture. **Executives shape company culture both by speaking to employees about it and by the attitudes and behaviors they display at work.**

As the fictional hero Spider-Man famously said, "With great power comes great responsibility." The powerful folks in the C-suite may not be superheroes, but they have a responsibility to strengthen company culture and values by embodying them—an opportunity not to be missed.

Managers

Middle managers are on the front lines of an organization, in close contact with both the executives they report to and the employees they supervise. That makes them an invaluable resource for improving communication about company culture and values.

Managers are doers and fixers. They can administer culture initiatives, keep an eye out for culture problems and help solve them, solicit valuable employee feedback, and help employees stay focused on the organization's policies, values, and goals. No wonder **Gallup research** finds that across organizations managers are responsible for 70 percent of the variance in employee engagement.

Good managers foster a culture of trust where employees talk openly and regularly with them, whether it's in weekly team meetings, formal performance reviews, or just chatting around the water cooler.

Like executives, managers also need to model company culture and values. For instance, if your culture focuses on outstanding customer service, managers need to do more than tell their team to treat customers better; they should get out on the sales floor and show team members how to delight customers and exceed their expectations.

Every problem a manager faces is an opportunity to show employees their company culture in action and at its best.

91% of U.S. managers say culture fit is more important than experience or skills.

—Robert Half

Employees

No matter what kind of work they do in your organization, each non-managerial employee is responsible for company culture, too. As they do their jobs and collaborate with teammates, employees need to support company values and goals and align their behaviors accordingly.

Attitude has a lot to do with it. If employees feel good about where they work, find their jobs meaningful, and believe in the organization's future, they are likely to project a positive, can-do attitude that reinforces and strengthens company culture. Leaders are responsible for providing a nurturing environment and consistent guiding principles; employees are responsible for supporting them.

As you define your vision of improving company culture, listen to employees' unique perspectives. Talk with them, survey them often, and take their feedback seriously,

even if it's not always what you'd like to hear. Employees usually have a good idea of where your workplace culture currently stands, and they know when there's a cultural misfire—where the company says one thing about its culture but the reality is something else.

One more thing: Sooner or later, just about every organization has to deal with a few dissatisfied employees who can damage company culture if left unchecked.

As much as you might wish everyone loved your company, it's important to listen to fault-finders' feedback, too. Are there grains of truth in what they say, even if they say it in a disagreeable way? If so, use these insights to improve your culture going forward while preserving your values.

It's essential to stay consistent with your mission, vision, and values. Unfortunately, as employees change over time, a few may no longer align with these ideals, and this sometimes leads to turnover. If an employee doesn't fit into your culture and is jeopardizing it, you may have no alternative but to let them go. This might sound like punishment, but it's not—it's simply doing what's best for everyone involved. A truly dissatisfied employee will likely be happier in another organization where they are a better fit, and their departure will allow your other employees to move forward, improving and strengthening your culture.

Better Together

As you've seen, everyone can play an important part in promoting a great company culture—and the effect is magnified by collaboration. When employees, managers, and executives unite their efforts and also take full advantage of HR's participation, they can make more progress together than they ever could separately.

Four Key Findings from the Culture Survey by BambooHR

Our in-depth survey of more than 1,000 small- and medium-sized organizations turned up some important trends and intriguing insights about company culture. In addition to the findings you'll see throughout this ebook, here are four you should know more about.

1. Even organizations with no formal HR staff recognize how HR contributes to culture.

When we asked, "How much of a role does HR play in creating or building your organization's culture?" we were surprised that **31 percent of respondents in firms with no HR staff said HR plays a big role.** What gives? How can non-existent HR employees contribute?

The answer may be tied to what experts call the "informal" HR roles that may exist in such organizations. Put simply, that means even if no one has been hired to be an HR worker, someone still has to take care of HR responsibilities. Many of the people who shoulder those tasks recognize how important HR and company culture are, even though they were hired to do something else.

Again and again in our survey, you can see similar striking differences between organizations that have an HR staff and those that do not. For example:

- 59 percent of all respondents said their culture supports their business goals a lot or a great deal, compared to only 29 percent of those whose organizations have no HR staff.

- 72 percent of all respondents like their company culture, but only 43 percent of those with no HR staff feel the same.

- 34 percent of those with no HR staff don't do anything to measure employee satisfaction, compared to only 16 percent of all organizations.

The takeaway: many organizations without a formal HR staff realize they're missing out on important benefits—a story that decision-makers need to hear and respond to.

2. Some aspects of company culture are more influential than others.

We asked respondents about 10 characteristics of their company culture and whether they enhance, detract from, or have no effect on it. **More than half of the respondents said that each aspect enhances their culture, but some characteristics ranked higher than others:**

- Company values (69 percent)

- Regular communication (69 percent)

- Company benefits (68 percent)

- Employee rewards and recognition (66 percent)

- Professional development (66 percent)

- Diversity (61 percent)

- Interactions with executives (60 percent)

- Employee in-office perks (59 percent)

- Onboarding (57 percent)

- Office space (54 percent)

Of these 10, the highest scores for "does not affect culture" were:

- Onboarding (32 percent)

- Office space (31 percent)

- Diversity (29 percent)

- Employee in-office perks (29 percent)

Only a few respondents said any of the 10 characteristics detract from company culture, and the percentages didn't vary much.

Keep in mind, these characteristics were only compared to each other. Different aspects of company culture weren't asked about in this question.

What does this mean for you? Though every organization is unique and its culture needs are constantly evolving, comparing these results to your own firm's priorities may help you know whether it is focused on the right areas.
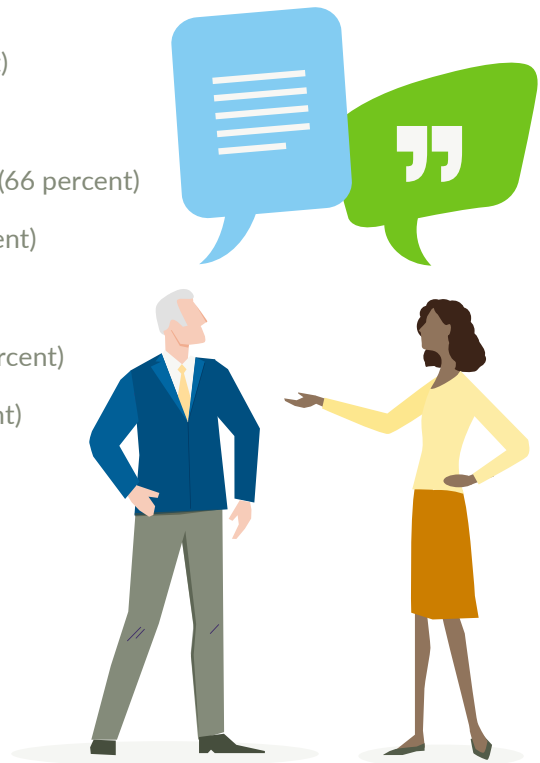
3. Organizations should embrace risk-taking instead of fearing it.

Only 27 percent of those we surveyed said risk-taking is encouraged a lot or a great deal in their organization. We discovered that this could be a missed opportunity for company culture.

Digging deeper into our results, we found that risk-taking is strongly linked to a well-liked culture. An overwhelming 92 percent of those who say their organization vigorously promotes risk-taking say they like their company culture.

In contrast, only 53 percent like their culture in firms where little or no risk-taking is encouraged.

These results show that embracing risk-taking may be worthwhile for any organization that wants more employees to bond with its culture. And in organizations that depend on innovation to thrive, risk-taking is even more valuable. Extraordinary discoveries are more likely when employees are encouraged to experiment and to keep trying even when failures occur. As bestselling author Laszlo Bock said in Work Rules, "If your goals are ambitious and crazy enough, even failure will be a pretty good achievement."

4. One thing really matters when it comes to employee satisfaction.

In today's tight job market, keeping employees happy is more important than ever. But where should your organization focus its efforts?

We pitted six activities that are associated with strong culture against each other, asking which one contributes the most to employee satisfaction. **Recognition and rewards was the winner by a wide margin:**

1. Recognition and rewards: 31 percent

2. Perks, such as food: 20 percent

3. Regular one-on-ones: 13 percent

4. Team meetings: 12 percent

5. New employee training: 12 percent

6. Personal interaction with upper management: 10 percent

This doesn't mean any of the runner-ups aren't worthwhile, or that other options aren't worth considering. But the point is clear: employees value being appreciated and having their accomplishments acknowledged. Don't ignore recognition and rewards!

WHAT DO EMPLOYEES WANT BESIDES MONEY?

Download Free Infographic

Strategic Steps to Improve Your Company Culture

"Hire great people and give them freedom to be awesome."

—Andrew Mason, Founder, Groupon

Wherever your culture stands now, there's always room for improvement. The following twelve steps can help you repair a broken culture, or turn a pretty good culture into a pretty great one.

Building a better culture is a wise investment in your organization's future. As you've seen in this ebook, a strong, vibrant company culture can help improve productivity, innovation, employee engagement, retention, profitability, and a host of other benefits.

As you tackle the task of improving your culture, you might become overwhelmed if you try to do everything at once. Study these steps and evaluate which ones need the most attention in your organization. Then choose one high-priority step to focus on and add others as your time and resources allow.

1. Know where you're going.

If your organization is just starting out, the first thing to do is establish its mission, values, and vision. If you have an established organization that already did this some time ago, take another look to make sure they are still as relevant and precise as possible.

In either case, think of this process as laying the foundation for a stellar culture.

First, leaders should carefully identify their organization's **reason for existing (mission)** and write down the **values** behind it. Then, they can use their mission and values to establish what the organization's **vision** is—what it wants to become or the effect it aspires to have on the community, nation, or world. Here are examples of mission, vision, and values statements:

Mission — Paypal: To build the web's most convenient, secure, cost-effective payment solution

Values — Virgin Airlines:
- We think customer
- We lead the way
- We do the right thing
- We are determined to deliver
- Together we make the difference

Vision — The Alzheimer's Association: A world without Alzheimer's disease

Check out these additional **mission statements**, **values**, and **vision statements** from leading companies to help you create your own.

2.   Find people who fit.

According to the **Society for Human Resource Management (SHRM)**, the average cost-per-hire is $4,129, while the average time it takes to fill a position is 42 days. Imagine spending all that time and money only to find that your new hire isn't working out.

Unfortunately, that happens a lot. **Psychology Today** reported 33 percent of new hires quit their job within 90 days, and 32 percent of them blamed company culture.

To help prevent this, hire people who not only have the needed job skills but also share your organization's vision and values and will fortify them with fresh perspectives. Help candidates get to know your company culture during the application process so both you and the applicants will have a better idea of whether they would be a good fit.

Avoid the common mistake of hiring people who all think alike. That might seem like an easy way to have a unified culture, but instead it limits the healthy differences in experience, background, and perspective that strengthen organizations and their culture.

Learn how to use your organization's vision, values, and culture strategically to make successful hiring decisions and improve employee retention with **this blog post**.

⅓ of all job seekers would pass up the perfect job if the corporate culture was a bad fit.

—Robert Half

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3. Help new employees fit in.

Does your onboarding process do enough to welcome new hires into your **company culture**? Only **39 percent of new hires** receive company culture training during onboarding. That's unfortunate, because learning about and having positive experiences with your company culture right away can help new employees bond with your organization and feel good about the decision they made to work there.

Starting a new job can feel stressful, but even small, simple gestures can help new hires feel at home. For example, here at BambooHR, welcoming a new employee begins before their first day in the office. "I often interview newly hired employees," said our HR director Cassie Whitlock, "and so often they mention how much it meant that the manager reached out and sent them a message or texted a picture of the team. It made them feel cared about and part of the team."

And once they begin? Cassie added, "Each week for the first five weeks, new hires come together for one hour to meet with our executive team or learn skills about crucial conversations and other topics we have identified that accelerate full participation in our company culture."

Here are more ways to help new employees fit into your culture:

- **Use the buddy system.** New hires have questions about everything from where the conference room is to what's okay to wear on casual Fridays. Help them get answers easily by assigning a nearby coworker to be a friendly resource.

- **Talk about culture.** Help new employees learn what your values are and why they're important. Explain how new hires can help strengthen company culture, and how they will benefit from it by creating an even greater place to work.

- **Show them how they matter.** Explain how the work they do in their new role will make a difference. Help them see meaning and purpose in their job and know that their work will be valued.

Thoughtful onboarding practices such as these can help your new hires get up to speed more quickly and become confident, successful, long-term employees. For more great ways to onboard new employees into your company culture, download the free BambooHR ebook *The Definitive Guide to Onboarding*.

4. Set the right example.

Integrity. Empathy. Determination. When leaders embody their culture's positive values, the good example they set trickles down to all levels of the organization. There are a lot of ways for your leaders to do this, depending on the values you're cultivating. For example:

- **To foster transparency and trust:** In company meetings, leaders should be as **open and honest** about your challenges as they are about your successes.

- **To encourage open communication between all levels of your organization:** Leaders should walk around your firm regularly, greeting employees, asking their opinions, and answering their questions.

- **To promote teamwork:** Leaders should welcome collaboration in their own tasks and use rewards and recognition to shine a spotlight on outstanding team efforts throughout the organization.

Through behaviors like these, wise leaders magnify their positive influence on company culture by being the **kind of leader worth emulating**.

When you're hiring someone for a leadership role, look for key personality traits that are common in great executives and managers who lead by example. **Hays** names eight of the most desirable characteristics:

1. Always professional in demeanor and actions

2. Focused on results

3. Inspiring to others

4. Takes responsibility for their own words and actions

5. Able to influence a large number of people to work toward common goals

6. Possesses intuition that helps them make difficult decisions wisely

7. Has emotional intelligence that helps them nurture relationships with team members

8. Concentrates on the big picture while trusting team members to handle details

5. Integrate your values into everyday activities.

Your culture should be the showplace where your values come to life and prove their worth. As BambooHR CEO Ben Peterson **said**, "The values you define for your organization will mean nothing if you don't intertwine them into everyday work."

Ways to integrate your values can be found almost everywhere in your organization. For instance:

- Teach your values and their significance to each new employee during onboarding

- Stress the importance of your values during company meetings and in company communications

- Make sure your external messaging (marketing, social media, etc.) reflects the same values so your branding is consistent

- Make values-based decisions when choosing company initiatives

- Use your values to guide performance management and **help underperforming employees improve**

Reinforcing values strengthens a healthy culture, which further reinforces values—a virtuous cycle. Here are more ways to help everyone in your organization **live your values every day**.

HOW TO BUILD AND MAINTAIN
A Culture of Performance
By Rusty Lindquist
bambooHR®

Watch the Video Now

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6. Give rewards and recognition.

It's no secret that employees want to be recognized for great work—and rewarded for it too. Recognition and rewards help employees see the value, meaning, and purpose of their work and know that their colleagues recognize their accomplishments too. When company culture helps employees feel valued, they are happier in their jobs and more productive—which motivates them to keep improving their work.

But is money the only kind of reward employees want?

Everyone likes a cash bonus for a job well done, but fostering a culture of employee recognition doesn't have to break the bank. In fact, **BambooHR research revealed that some of the most meaningful and effective recognition costs nothing.** For example, we found a sincere, in-person thank you from the boss was the most preferred way of receiving recognition. And, surprisingly, nearly one-third of employees said they'd rather be recognized in a company-wide email than receive a bonus!

To help you make smart decisions about showing appreciation to employees, here are five characteristics of **successful rewards and recognition programs**:

Inclusive: Everyone is eligible to receive rewards and recognition, and people at all levels of the organization actively foster the programs' success.

Timely: Recognition for outstanding work is given as soon as possible, making it more effective and more meaningful to the recipient.

Specific: Being told you always do a good job is nice, but not very motivating. Instead, successful recognition programs say exactly what an employee did that made a difference, such as solving a vexing problem or meeting a difficult deadline. As a result, the employee takes ownership of the rewarded behavior and is more likely to repeat it.

Highly visible: When employees see that great work is recognized and rewarded, they're more likely to do it themselves. Successful programs make sure employee recognition is prominently showcased in companywide meetings and communications.

They give the right rewards: The promise of a big cash bonus can turn recognition into unhealthy competition between employees. Instead, successful programs choose rewards that are big enough to be meaningful, but small enough that organizations can afford to give them often.

If you'd like more ideas to improve your rewards and recognition program, download the free BambooHR ebook *13 Ways to Get Rewards and Recognition Right*.

51% of survey respondents said an employee incentive program is very or extremely valuable.

Only **10%** don't use one.

—BambooHR Research

7. Keep up with changes.

Think of the dizzying number of changes we've seen in recent decades. From the digital technology revolution to the watershed events of September 11, 2001, the world has changed in countless ways—with no end in sight. That's especially true in the business world.

New industries rise. New processes disrupt proven ways of doing things. New generations of employees and customers bring different expectations to the workplace and marketplace. No organization is exempt from the effects of change.

As your organization and workforce change over time, your company culture must change too. Right now, for instance, baby boomers are retiring in droves as millennials replace them, bringing different beliefs, values, and aspirations to your workplace.

The best way to prepare your culture to adapt to such changes is by basing it on timeless best *principles*, instead of locking it into rigid best *practices* that often become obsolete. This article by BambooHR CEO Ben Peterson can teach you more about evolving your organization and its culture to keep up with the times.

Facing change means facing the unknown, and that can seem scary. But within every change you face is an opportunity for growth. Look for these opportunities and chances are you'll find new ways for your organization and its culture to flourish.

8. Pick the right perks.

When leaders are asked what's great about their company's culture, it's easy to point to crowd-pleasing perks like free food and foosball tables. Although such perks can be worthwhile *signs* of a healthy culture, they are not the *foundation* a healthy culture is built on. As we've said, that foundation is your company's mission, vision, and values. Perks should be carefully chosen to reflect those principles and help create a great work environment that reinforces positive aspects of your culture.

For example, one of the BambooHR values is "Enjoy Quality of Life." It's supported by a perk we call **Paid Paid Vacation**, which is an annual stipend employees can use to pay for vacation expenses—and nothing else. "We believe employees have healthier, more meaningful lives when they have quality time spent with the people they love," said Cassie Whitlock, director of HR at BambooHR. "We've seen employees finally go on that honeymoon they couldn't afford when they were first married, or go on a dream family trip to Disneyland which previously felt years away due to cost."

Which perks do employees want most? Topping the list in a national survey:

- 88 percent want flexible work schedules
- 66 percent want a compressed workweek
- 55 percent want to telecommute

This survey has **more insights** that can help you choose the most meaningful and beneficial perks. (Spoiler alert: no ping pong tables in sight.)

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9. Foster more feedback.

Both your employees and your organization can benefit from a company culture that encourages more and better feedback. Here are solutions to two common feedback issues:

First, to help staff members progress, many organizations still primarily rely on annual performance reviews that aren't very accurate, timely, or helpful. **Performance management software** enables you to replace this often-dreaded ritual with a constant channel of communication that's more meaningful, up to date, and simpler to administer. When comparing performance management software, consider such features as:

- Ease of use
- Automated reminders
- Custom reporting
- Setting and tracking goals
- Documenting provided training

- Recording manager feedback
- Mobile access
- Role-based access control
- Online document storage
- E-signatures

Second, many organizations don't know what their employees really think of them, leaving leaders in the dark as they make decisions about culture initiatives. **Simple, anonymous surveys** can reveal what employees like and don't like so you can shape your culture in ways that increase employee satisfaction and reduce turnover. Emailed surveys are simple, inexpensive to administer, and easy for employees to respond to—which promotes frequent feedback and helps ensure a high response rate.

Like tending a garden, maintaining your culture requires constant attention and care.

10. Monitor key metrics.

Once you're on the right track, track your progress.

First, decide which qualities are most important to measure in your organization's unique culture. To help get you started, **Entrepreneur** names 10 characteristics of strong cultures:

- **Communicative** — fosters understanding between leaders and employees

- **Innovative** — welcomes new ideas

- **Agile** — adapts to changes

- **Encourages wellness** — facilitates employees' physical and mental health

- **Prioritizes work environment** — provides comfortable surroundings that foster productivity

- **Collaborative** — people work well together both within teams and between teams

- **Supportive** — peers, leaders, and the overall organization stand behind one another

- **Performance focused** — each employee's success is defined and rewarded appropriately

- **Responsible** — individuals and teams hold themselves accountable for their decisions, actions, and results

- **Well aligned** — employees know, understand, and live by the organization's mission and values

Is your organization where you want it to be with these qualities and others you might think of? How do you know? And how will you know whether that has changed in a month or a year as your culture naturally evolves? Measuring and tracking tools can give you the answers.

The feedback surveys mentioned above may be your most versatile and valuable tool. One type of survey may be especially worthwhile.

Pulse surveys are increasingly popular because they not only identify employee sentiments, they also track changes over time. To do this, they "take the pulse" of employees by asking the same questions regularly. Pulse surveys can help measure the effects of culture initiatives, turnover, changes in your organization, and many other factors that impact culture. They can expose key trends among individuals, teams, and your entire organization.

Similarly, periodic **eNPS® surveys**, which use a method based on the popular Net Promoter System® from Bain & Co., can help you understand whether employees would recommend your organization as a good place to work, and why—or why not.

Other culture-measuring tools include:

- **Leader observations** can provide invaluable insights into culture successes and challenges because your managers and executives see what's actually happening in your workplace every day. Make sure they know which culture metrics you're monitoring and provide regular updates.

- **360-degree assessments** measure individual employees' adjustments to culture change via feedback from managers, coworkers, customers, and the employees themselves.

- **Professional culture assessments** from companies such as **Human Synergistics** and **Deloitte** evaluate your organization's culture using proprietary methods that claim greater accuracy and detail than do-it-yourself assessments.

11.   Fix what's broken.

Despite best efforts, just about every organization will hit an occasional rocky patch on the road to a great culture. There are many possible reasons why components of company culture can become broken: growth issues, uncooperative employees, inadequate training, lack of transparency, etc. In all of these situations, something about the company's culture isn't living up to your ideals and needs to change. Don't think of these shortcomings as failures, but as opportunities to improve. Learn from each experience. And before you make changes, be sure your employees understand why and have a chance to air their suggestions and concerns.

Harvard Business Review has identified four key practices for successfully changing company culture:

- **Articulate the aspiration.** Analyze the issues in your current culture and define the kind of culture you want.

- **Select and develop leaders who align with the target culture.** Their support, strategizing skills, and ability to implement changes will be critical to success.

- **Use organizational conversations about culture to underscore the importance of change.** Just as culture is everywhere in an organization, frequent and open dialogue about culture changes must be too. Leaders can help one another navigate changes and employees can understand how and why the culture is changing and what the positive results will be.

- **Reinforce the desired change through organizational design.** Align your organization's structures, systems, and processes to support the improved culture you're developing.

Culture changes aren't always easy for employees or organizations, but **this article** can help you overcome common roadblocks and implement your changes successfully.

12. Give culture constant attention.

Once you've followed these steps and improved your culture, you can't set it on autopilot and turn your attention elsewhere. Like tending a garden, maintaining your culture requires constant care. Revisit these steps often.

Whether your firm is a promising startup or a seasoned success, consider how every new change in your organization could affect your culture—and vice versa. Observe, evaluate, analyze, strategize, act, and repeat. Keep on improving!

Watch the Webinar Now

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About BambooHR

BambooHR is all-in-one HR software made for small and medium businesses and the people who work in them. Our software makes it easy for HR professionals to collect, maintain, and analyze people data, improve the way they hire talent, onboard new employees, manage compensation, and develop their company culture. It's designed to set organizations free to focus on what matters most—their people. To find out more, visit **bamboohr.com** or follow us on Twitter at **@bamboohr**.