



ORGANIZATIONAL CULTURE... IT'S VITALLY IMPORTANT!

"The thing that I have learned at IBM is that culture is everything"

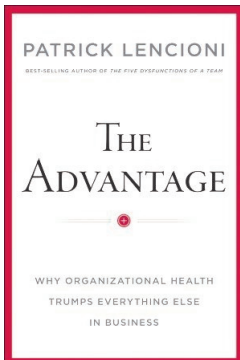
Louis V. Gerstner, Jr. — former IBM CEO

Culture exists in our countries, in our families, and in our businesses. In business, the right culture is crucial to the success of a business and to the engagement of business owners and employees.

I did not expect this subject to be emphasized as it was at the Gazelles Coaches Summit and at the Fortune Growth Summit that I attended in October 2012. The Fortune Growth Summit is the Super Bowl of conferences... an invitation only event with a line up of the best of the best business thought leaders in the world as speakers.

The Coaches Summit is an annual compulsory professional development conference to maintain my status as a Certified Coach with Gazelles International; a gathering of Gazelles Coaches from ten or more countries around the world; leaders in their field that challenge business owners to excel and have a goal of excellence, which includes continuous learning.

The Advantage by Patrick Lencioni



When I travel I spend my time in airports and on airplanes catching up on reading, whether hard copy or reading on my Kindle, laptop or iPad. Coincidentally, and somewhat strangely, I started reading Patrick Lencioni's book "The Advantage" on my Kindle. His book makes the case that excellent organizational health, including an excellent culture, trumps everything else in business. Lencioni, who has written a number of excellent business books, draws on his years of experience as a writer and a consultant and states that there are four disciplines to follow in building excellent organizational health:

- Discipline 1. Build a cohesive leadership team
- Discipline 2. Create clarity
- Discipline 3. Over-communicate clarity
- Discipline 4. Reinforce clarity

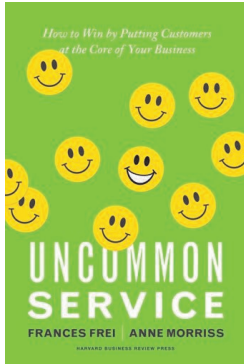
Fortune Growth Summit

I consider it a great privilege to have been able to listen and interact with some of the world's best thought leaders in business. I listened with great interest to a lineup of six speakers, all with a strong message. The takeaways about culture rang loudest from two of the speakers although the others emphasized the need for a strong culture, as well.

Assist business owners in achieving their **goals**



"Uncommon Service" by Anne Morriss and Frances Frei



It is obvious that this book and its authors believe and teach, with lots of humor and stories, uncommon service.

The Formula:

Design (system) x Culture (values and strategy) = Excellence in business

Anne Morriss left the audience with these four truths about "uncommon service":

- Truth 1. You cannot be good at everything
- Truth 2. Someone has to pay for it
- Truth 3. It is not your employees fault
- Truth 4. You must manage your customers

The book makes a case that sometimes in order to excel business owners must "dare to be bad". One of the examples is Southwest Airlines; their trade off for low prices is no pre-booking of seats... yet they are the most profitable airline in North America. Much like "Good to Great" by Jim Collins, the advice to business owners is "hire for attitude and then train people with a great attitude". To achieve "great", as opposed to "good", spend great effort to design a system which every employee can excel in naturally.

Culture:

1. Multiply your systems with the *right culture*
2. Everything else pales in comparison to having the *right culture*
3. The *right culture* tells staff how to behave in the absence of formal rules
4. The *right culture* empowers employees
5. The *right culture* tells staff what to do if the boss is not there

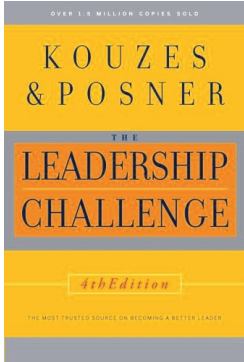
The Mental Model:

The Mental Model of a business is the same picture in the mind of the business owner, the leadership team and in the mind of every employee of not only how the company will compete and win, but also what everyone's irreplaceable role is in that picture.

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"The Leadership Challenge" by Jim Kouze and Barry Posner



Jim Kouze makes it very obvious that he is passionate about what he does. His emphasis is leadership; how leaders should act and what makes a leader. "The Leadership Challenge" has been adapted to a series of seminars that train leaders. Kouze shared a great deal of insight about leaders in his 90 minute speech. Some of the takeaways were:

1. What do employees and others look for and admire in a leader, someone who they would willingly follow?

The top 4 attributes admired in a leader have not changed in 25 years:

1. Honesty
2. Forward looking
3. Inspiring
4. Competent

2. The "First Law of Leadership" is "If you do not believe in the messenger, you will not believe the message".
3. Leaders must:
 1. Model the way: clarify values and set the example
 2. Inspire a shared vision: envision the future and enlist others to do the same
 3. Challenge the process: foster collaboration and strengthen others
 4. Encourage the heart: recognize contributions and celebrate the values and the victories

My challenge to you...

1. How much learning do you do on a monthly or annual basis? High functioning business owners read an average of 49 business books per year. Set a monthly learning goal and keep it, expand your knowledge and yourself.
2. How strong is the culture in your business? What can you do over the next three months, six months and one year to change the culture in your business?
3. What one thing are you able to commit to today to become a better leader as a business owner?

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