



A Lean Solutions Group Division

HOW A SUCCESSFUL COMPANY CULTURE **DIRECTLY** **BENEFITS PRODUCTIVITY**





TABLE OF CONTENTS

INTRODUCTION	3
Create a Mission Statement	4
Core Values	5
Leading with Purpose	5
Well-versed Narrative	6
Symbolic Framework	6
THE IMPACT OF COMPANY CULTURE	7
Successful Company: Culture	7
Boosts Productivity	
Culture: Its Importance in	8
Modern Times	
Employee Welfare:	9
Engagement and Culture	
SUCCESS STORIES	10
Microsoft and Its Solid Bases	10
HubSpot and Its Culture Code	11
Lean Tech and Its Warrior Community	12
CONCLUSIONS	13
REFERENCES	14





INTRODUCTION

A strong and well-structured narrative, clear core values, and positive leadership are the core elements of building a good culture.

These companies use virality, freemium business models, untapped acquisition channels, unique hardware and software design, and memorable experiences that when combined, create a flywheel of growth that catapults these companies past competitors who stick to traditional methods.

Sean Hellis & Morgan Brown (Growth Engines)

The book *Growth Engines* by Sean Hellis and Morgan Brown gathers a collection of success cases regarding culture and productivity. In this book, the authors portray best practices for developing a healthy and successful company, in which culture plays a significant role as it increases productivity and profitability. Research has revealed that leaders who use the term 'people' when referring to

their employees foster an equal relationship than those who use 'employees' (Jenkins, D. 2020). (Jenkins, D. 2020). This simple shift creates an environment of commitment and collaboration. Companies ensure growth and competitive advantage in their markets by sharing the same vision, mission, values, norms, and management behaviors. For a quick-growing company, it is vital to establish these concepts with great accuracy. Not only does this help develop the company's culture, but it also amplifies its scope and solidifies the collective conception of the company.

This whitepaper explores the benefits of developing a defined and strong company culture to better approach the current and future IT market dynamics. Additionally, it will showcase how culture facilitates a highly-productive working environment and the essential tenets to implement within an organization. Lastly, the paper will demonstrate a company culture's impact and provide examples of successful culture building.



HOW TO INCREASE PRODUCTIVITY WITH A SOLID COMPANY CULTURE

Create a Mission Statement

A company's mission answers crucial questions like what it does, offers, and functions. This is the base, the backbone of its conception, and the primary purpose for building the company. Furthermore, companies must establish objectives and action plans on how to achieve them alongside the mission.

The company's mission must be well established, focusing goals on a larger purpose and driving alignment and direction across the organization.

According to DenisonTM, in the article "Organizational Culture & Employee Engagement: What's the Relationship?", there are four vital elements in any company: vision, mission, involvement opportunities, and core values. The first is a vision (present in the mission) that brings excitement and motivation to the employees. The second element is a clear mission and direction that provide meaning to work. The third is fostering buy-in and creating opportunities for everyone to feel they are contributing to the mission. The fourth is core values, ensuring a positive framework for how employees interact with each other and their work.



Core Values

Some experts suggest the best way to frame the company's mission is by establishing core values that are clear and actionable. To this end, some critical parts of the process are understanding the company's long-term goals, how it addresses its client's needs, and the expected employee behavior. Standardization is achieved by stating the desired behaviors among the employees within the company's different departments, helping to create consistent company culture regardless of what arm of the organization an employee works. These elements and constant feedback help establish a company's core values.

Leading with Purpose

Good leadership can effectively communicate a company's mission and core values to encourage participation at every level of an organization. To do this, creating an environment where employees continuously propose ideas and new goals for the greater good is essential. However, apart from fostering employees and collaborators to meet the established goals, a leader should maintain these goals purposefully. David Clutterbuck states, "tying goals tightly down at the beginning is not a recipe for achievement, but maintaining a sense of direction and purpose is."

A clear example of this is when leaders allow their team members to have the freedom to deal with problems that arise from the processes, giving them support only when necessary, letting them know that they have complete confidence in their abilities to meet the responsibilities for which they were hired. In this case, the individual goals are each team member's personal and professional fulfillment, who then form an unstoppable team by adding their skills. Thus, the leader knows his team's capabilities and would never assign tasks that are impossible to perform but allow the group's constant growth.

Well-versed Narrative

The company's history must follow the values of the founders. Since every story is derived from the founders' conceptions, which is the basis for establishing a well-structured company, it is vital to have convergence points where all those stories become one, creating the perfect recipe to build a symbolic framework and narrative.

Afterward, recognizable, tangible 'artifacts' must accompany these values. These artifacts are known as physical surroundings, office premises, technologies, products, clothing styles, rituals, and myths (Lazarova, 2020), specially crafted or adopted by companies. These elements provide the perfect space to incorporate the basic assumptions, unconscious processes, actions, and attitudes secondary to a well-established narrative, finally becoming the company's culture.

Symbolic Framework

A symbolic framework is the collection of practices, symbols, names, titles, clothing, and even ceremonies (or ways to carry out specific processes such as onboarding and promotions) that help describe and convey a community's identity (Ireland Scouting, 2014). A company's symbolic framework comprises the values, narrative, mission, dynamics, and methodologies. If a company has a well-established and immersive narrative, with transparent banners and dynamics, there is a clear path to greater productivity and further success. In addition, following the definition popularized by Bolman & Deal in 2013, a symbolic framework "focuses on creating a sense of purpose and meaning in their work by inspiring people to make the organization distinctive by including a motivational vision."



THE IMPACT OF COMPANY CULTURE

Successful Company: Culture Boosts Productivity

A study carried out in Universidad Sergio Arboleda, *Cultura empresarial como estrategia de productividad en Colombia* (2014), aimed to identify models of organizational culture that provide companies with tools to improve productivity and allow them to be more competitive in the marketplace. Apart from summarizing some essential elements of the importance of culture for a company, as has already been stated in this paper, this study compared the productivity and growth of various companies within Colombia, establishing the importance of implementing a solid company culture. The sales growth of six companies was compared from 2009 to 2013, after the implementation of conscious company cultures. In 2010, there was a noticeable growth in sales in five of those companies, especially in EPM, a public services provider company, going from almost 40 M in sales in 2010 to 1,200 B in 2013, an increase of 3000%. EPM has been awarded internationally for its organizational culture, a company that has portrayed a strong focus on its collaborators and employees. In fact, an Oxford study stated that happy workers are 13% more productive. As most understand, marginal gains have a significant compound effect.

Culture:

Its Importance in Modern Times

Many employers and companies believe that a well-established culture is vital for productivity. In the Pulse Survey published by TAB (The Alternative Board), entrepreneurs were asked whether they thought culture positively affected productivity.

In this survey, 86% of entrepreneurs believe company culture helps increase productivity. Also, 46% of business owners believe productivity directly reflects employee work. On the other hand, 47% think this is directly related to the work of their leaders. Furthermore, something that 56% agreed with was that communication was a key ingredient to improving productivity. These results portray a base premise for a company's success: treating employees as individuals accountable for their tasks and responsibilities and not as paid individuals. Therefore, 43% of entrepreneurs stated that holding employees responsible for their actions and decisions is necessary to boost productivity. 31% thought there must be a follow-up with employees to monitor their progress. 20% said it is essential for employers to trust employees with the job the company hired them to do. Finally, in 6% of the cases, it is mandatory to be available for employees when they find themselves stuck in a complex situation.

This is where most modern companies understand that one of the biggest keys to success is implementing a motivating and inspiring culture. It is here where most modern companies understand that one of the biggest keys to success is to implement a motivating, encouraging, and inspiring culture.





Employee Welfare: Engagement and Culture

Forbes has shared exciting results that show companies with winning organizational cultures possess 72% higher employee engagement than organizations with weak cultures. Additionally, essential sources such as Gallup and Mental Health America have reported the following relevant statistics to be considered.

- **In the U.S., 51% of the workforce does not feel engaged, causing a 450-500 billion annual loss.**
- **16% of employees feel engaged and positively directed by employers.**
- **75% of American workers care deeply about the company's well-being, while only 23% state that they fully understand the current state of their organizations.**

There is a direct correlation between higher employee engagement and

productivity. Suppose the employees clearly understand their roles and responsibilities, the purpose and direction of their company, and feel covered, supported, and inspired by their leaders and managers through exceptional and precise communication. In that case, there's a perfect formula for success. In short, a fully-committed employee understands the direction and purpose of the company, constantly contributes to its improvement, and follows the core values created by their leaders and managers. According to the 2018's Employees Retention Report issued by TINYpulse, "employees who rate their culture poorly are 24% more likely to leave their organization within a year". Developing a thriving culture prevents employee desertion rates from increasing and extra expenses from losing and replacing that talent.

SUCCESS STORIES

Microsoft and Its Solid Bases

Ana White, EVP and CHRO at F5 Networks, shared with TINYpulse her thoughts on developing a company culture to meet the company's mission. After 18 years leading human resources teams at Microsoft across multiple business units, she believes that aligning leadership dynamics with cultural initiatives is vital, holding the leaders accountable to live out the company's core values.

White also believes it is mandatory to differentiate a company's culture and core values from those of other companies. Originality rewards in not only terms of uniqueness but also its purpose, bringing the feeling of being part of something meaningful with solid bases. As the employee is the backbone of every company, "working together with employees and representatives at all levels" co-creates its culture and finds improvement opportunities.



Microsoft

HubSpot and Its Culture Code

HubSpot is one of the fastest-growing companies of all time. In their book *Growth Engines*, Sean Ellis and Morgan Brown reported that it started with only three clients in 2006, and by the end of 2013, HubSpot reported 8440 clients. The company did 29MM in revenue in 2011, a growth of 81% compared to 2010, and continued to grow in the following years. Along with extraordinary inbound marketing, website grader, Twitter grader, HubSpot's Blog, webinars, and partner programs, among other projects that ended up benefiting the company's general growth, HubSpot's culture played an essential role in this impressive performance, especially its growth-oriented Culture Code:

We are maniacal about our mission and our metrics.

We Solve For The Customer.

We are radically transparent.

We give ourselves the autonomy to be awesome.

We are unreasonably picky about our peers.

We invest in individual mastery and market value.

We constantly question the status quo.

These three examples of companies portray a clear path to finding the perfect growth formula, where culture is its key ingredient. This ingredient has to be clear and inspiring enough to invite all of the company's members to share the same vision, banners, values, and culture.



Warrior Community at Lean Solutions Tech Division

A company's organizational culture has become the key to success and increasing productivity, gathering important bases for further growth, and playing as an example for future companies.

Lean Solutions Group serves the market's needs from five divisions focused on technology, back-office positions, sales, marketing, and BPO. In 2022, Lean Solutions received 8 Comparably awards for creating a healthy work environment where collaborators feel happy, motivated, and safe.

Our tech division encourages its collaborators to feel identified as Warriors, capable of conceiving, building, and facing challenging projects. Also, it fostered the idea that everyone deserves to achieve their best selves while growing personally and professionally, sharing knowledge and experiences with international teams in global projects. Furthermore, for our Warriors, it is clear that communicating with others and acknowledging cultural differences improves social awareness and provides a better understanding of the world and its constantly changing conceptions. In short, the Warriors Community in our tech division offers:

- **A challenging environment.**
- **A sense of belonging and purpose.**
- **A transcultural mindset that addresses a growing international technological market.**





CONCLUSIONS

By following these recommendations, both startups and mature companies can transform themselves by creating a well-conceived mission, values, and organizational culture and have room for constant improvement and evaluation.

As has already been explained by many experts, two correlated benefits result from a well-established company organizational culture. By conceiving a mission, original core values and vision, fostering positive leadership dynamics, and an attractive symbolic framework, companies will create a culture that becomes the basis for success. This established culture makes collaborators feel identified with a strong message and empowered to contribute in challenging but highly-rewarding environments. A happy and inspired workforce is more productive.

In short, productivity is a matter of refining processes and a complex fusion of a purpose, sense of direction, original and robust message, positive leadership, and clear objectives. Great organizational culture translates to real productivity and company growth in this new era.



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