The culture handbook
What is the ultimate competitive advantage in business today? The thing that helps you stand out among the competition, attract and retain top talent and be the very best at what you do?

Increasingly, it's culture. In fact, 84% business leaders believe culture is critical to business success. How important? Well, according to a recent survey by Strategy&, 60% feel culture is more important than strategy or business model. That's not much of a surprise when you consider that 2015 research from culture consultancy Walking the Talk and investment consultancy Stamford Associates has found that 94% of investors say culture plays an “important” part in their decisions.

Culture is becoming an ever more tangible measure and enabler of business success.

Yet with 45% not feeling their company culture is being effectively managed, many organisations are evidently missing a trick and not making the most of the benefits a great culture can bring. Here is where HR can help. HR is not the ‘owner’ of company culture, that tone needs to come from the very top. But the HR leader can be the ‘culture expert’, advising the top team and others throughout the organisation on how to create and maintain a company culture to be proud of. HR also has a critical role to play in making sure the culture permeates through all processes and procedures. Is it part of the hiring process? Is performance assessed and rewarded using a framework that takes culture and values into account?

There is no one-size-fits-all approach to culture, and what works for one organisation may be totally inappropriate for another. But this ebook aims to give you somewhere to start, and to inspire you to think about what would work best for your unique business.

In this ebook, we explore how to nail the perfect workplace culture for your business, with 10 top tips from a range of experts, and we ask three organisations with enviable workplace cultures how they’ve done it. We also investigate the history of culture in the workplace, from the Quakers to the financial crisis to the gig economy, and debate whether a fun working environment is something HR professionals should be aiming to create.

I’d like to thank our partners at BrightHR, the HR software provider and fun at work champions, for enabling us to publish this ebook. And I hope you find this resource useful, and that it inspires you to create the best culture for your workplace. There’s a reason that old Peter Drucker quote is used so often – it’s true. Culture eats strategy for breakfast.

Katie Jacobs
Editor
HR magazine
The workplace is changing. As ‘Millennials’ (people born between 1980 and 2000) enter the workforce, many workplaces will soon comprise of three generations – if they don’t already.

So what does this mean for today’s businesses?

First and foremost, there needs to be a recognition of this fact and of course an understanding that each generation has different motivations within their working lives. Finding out what these are can be difficult, but maintaining a culture that embodies them can be even more so.

Creating a culture that focuses on positive emotions can and will impact work-life balance, morale and job satisfaction. As well as understanding policy to get the best out of its workforce, employers who don’t invest time and resources in helping employees feel empowered and don’t think about the culture of the workplace could be losing out and be in danger of being left behind.

Working alongside Professor Sir Cary Cooper and his team at Robertson Cooper, we found that the winning formula for a happy, healthy and high-performing workforce is to focus on two things. First, to ensure that people feel connected to, and interested in, the things they do at work, and secondly, to give them the opportunity to experience more positive emotions than negative ones.

When it comes to getting the best out of your workforce, fostering the right culture can help to reduce absence, achieve higher levels of productivity and enhance levels of creativity. All of which can lead to saving and making money.

But how do you achieve this within a business on a day-to-day basis?

One key factor is the policies put in place. HR policies very much form the foundation of the working environment and any that over-manage or police employees that add to them feeling untrusted will lead to disengagement, low morale and high staff turnover.

Having the correct policies in place that allow employees to develop and be treated like adults will create a trusting environment.

From our research with Robertson Cooper, we found that ‘fun’ and ‘play’ within the workplace can help to aid in creating a trusting and empowering culture. It can bring together people of different ages, genders and backgrounds. It can also inspire them to be creative and develop loyalty for their job and their company, meaning they want to stay, and making play a valuable tool for improving staff retention.

If you want to keep the best people, you have to find out what motivates them. Encourage them to be brilliant and think differently by giving them the freedom to express themselves and create a working environment in which everyone feels valued and important.

Adopting a culture that includes fun allows for a disbelief that it’s possible to be professional and playful at the same time. This is despite the notions of ‘fun’ and ‘play’ at work becoming increasingly important to workers who want to be creative, committed and motivated – especially among younger employees.

Placing trust in the employee to use play in the right way – to make them more productive, more creative, more inspired – empowers them.

Laughing and having fun won’t detract from all the amazing work that happens every day. Instead, it will actually help to improve on the great things that are happening and to think differently about some of the challenges faced.

These are just a few ways to develop a culture that employees will want to part of every day. A strong culture built around trust and empowerment will allow any business to thrive and excel.

Paul Harris, co-founder and chief marketing officer, BrightHR
Today, workplace culture is seen as a prime competitive advantage. According to research by Strategy& (formerly Booz & Company), 84% of business leaders believe culture is critical to business success, with 60% going so far as to take the view that culture is more important than strategy or operating model. It’s a position that echoes the famous Peter Drucker quote: “Culture eats strategy for breakfast.”

There is now arguably almost universal awareness that entrenched cultures can either impede or smooth the path to

Culture in the workplace: A history

Workplace culture is today seen as a critical differentiator for firms, but it hasn’t always been this way. From the Quakers to the financial crisis, ROB GRAY charts the evolution of culture at work.
success – dependent on how workplace culture manifests itself and the nature of the organisation’s objectives. But how have we reached this point? What factors have driven the rise of workplace culture up the business agenda? It’s illuminating to take a historical perspective.

Some might claim the roots of what we now call workplace culture can be found in the likes of Quaker-owned businesses such as Cadbury, Rowntree, Fry’s and shoemaker Clarks, which sprung up in the 18th and 19th centuries. Quakers were, because of their deep-seated belief that everyone was of equal worth, benevolent, forward-looking employers, who cared about the health of their workforce, and led the way with the introduction of many practices now taken for granted. They built model factories with adjoining model villages, most famously Cadbury’s Bournville community. (British Unilever’s founder Lord Leverhulme, a non-Quaker, took a similar path with the creation of the Port Sunlight.) Alongside this, there were schools, gyms, medical facilities and libraries. In the workplace itself, the attitude was remarkably progressive. In a little over 20 years at the beginning of the last century, Rowntree brought in a staff suggestion process, pension plan, widows’ pension, annual holiday with full pay, central works council and profit sharing.

However, Michael Rowlinson, professor of management & organisational history at University of Exeter Business School is quick to argue that this is not about managing culture in the way it is understood today. “It’s not that in the early 20th century the Cadburys ever sat down and said, ‘we need to manage the culture’,” he says. “It’s just that theories that emerged many decades later say that organisations like Cadbury’s and many others implicitly managed it. People have not always talked about managing culture. Therefore there is a historical debate about what those organisations did a hundred or more years ago. Can you say that somebody was doing something when that wasn’t what they said they were doing?”

It’s an interesting conundrum – one that Rowlinson tackled in greater depth in an academic paper he wrote with John Hassard for the Tavistock Institute in 1993: ‘The invention of corporate culture: A history of the histories of Cadbury’. It took the stance that Cadbury invented its corporate culture by attributing significance to its founders’ religious beliefs – retrospectively. A little bit of gilding the lily, or perhaps applying a layer of glistening tempered chocolate. To hammer home the point that some canny post-rationalisation was at work, the paper begins with the inclusion of a provocative quote from the writer Jeanette Winterson: “Everyone remembers things that never happened…we are all fantasists and liars or the past has nothing definite in it.” Thought provoking, for sure.

Looking back can indeed be contentious, but there are also huge opportunities to be found in doing so. Last year I worked with leading pest control business Rentokil to write a book, The Pest Detectives, published to mark the 90th anniversary of the brand. Part of the rationale for the project was to use the book as a cultural rallying point for employees past and present. In the context of celebrating landmark achievements, the corporate
history was a compelling way of expressing a number of organisational values that have stayed remarkably consistent through changing eras.

Of course, back in the early years of Rentokil and the company with which it merged in the late 1950s, British Ratin, no one was talking about workplace culture per se. However, that is not to say business leaders were not instinctively looking to cement staff loyalty by developing shared values and experiences.

For instance, to mark its 25th anniversary in 1952, British Ratin – which at the time was owned by a Danish parent company – treated all employees with 20 or more years’ service to a lavish, week-long celebration in Copenhagen, including a grand banquet served by waiters in fine livery. As I wrote in the book: “Activities included a visit to the Ratin Laboratories but for the most part the trip was a luxurious celebration embracing excursions to Elsinore Castle, the Tuborg brewery and a night at the Royal Theatre for a performance of the Tchaikovsky opera Eugene Onegin.” It would therefore be untrue to portray working life in the 1950s as entirely dreary and bereft of unifying activities.

The post-war years were an exciting time, as organisations came under scrutiny as never before. In 1947, the Tavistock Institute was founded with the aim of understanding group and organisational life. While across the Atlantic, there was a wave of academic research into psychological issues relating to the workplace.

“In the 50s and 60s, we had the human relations movement in the States led by people like Rensis Likert and a host of others at the University of Michigan,” says Cary Cooper, professor of organisational psychology and health at Manchester Business School. “The whole field of organisational development took off. Organisations started to create those kinds of cultures that met the individual’s needs, were motivating, stimulating, positive cultures to work and live in. The whole organisational development movement which was part of that was, how do we change existing cultures to move in that kind of direction?”

Likert was an advocate of participatory management to engage employees in the workplace to make their jobs more enjoyable. His influential 1967 book Human Organization: Its Management and Value (1967) divided the management of organisations into four different types of system. His preferred approach, dubbed System 4, was far more inclusive than the others and was characterised by participatory decision making, close and supportive interactions and extensive communications between and across all organisational levels. It would not be unfair to label this a loose cultural template.

Unfortunately, efforts to shape more harmonious workplaces did not to proceed with sweet serenity. The peace and love of the 1960s gave way to the more fractious attitudes of the 1970s. It was an era of enormous and bitter industrial relations disputes, with intransigent unions squaring up against bosses in protracted labour battles. The prevailing sentiment was very much ‘them and us’ rather than a spirit of collaboration. The turmoil of power cuts and picket lines sparked dramatic political change, ushering in the sweeping reforms of Thatcherism.

“Unions were powerful and cultures were not pleasant places to be in the 70s,” says Cooper. “There was no move to try to create them [positive cultures] as there was in the 50s and 60s.”

However, during the 1980s the pendulum swung back once again. Under the Thatcher government, there was a revival in British business productivity. No longer was the UK saddled with the disparaging description the sick man of Europe as industrial strife and business performance issues were tackled head on.

In the US, meanwhile, in 1982 Terrence Deal and Allan Kennedy published their seminal book Corporate Cultures: The Rites and Rituals of Corporate Life. The basis of corporate culture, they asserted, was an interlocking set of elements: history; values and beliefs; rituals and ceremonies; stories; heroic figures; and the cultural network. They coined a folksy but very useful and memorable definition of organisational culture: the way things get done around here.

The US approach was to have a big influence on the UK. “Initially under Thatcher but even under Blair, we saw the Americanisation of the UK workforce,” says Cooper. “As union power decreased and there were no longer jobs for life, companies became more competitive and people have had to become more adaptable. The impact of being Americanised, in my view, has meant we are back to where we started in the 50s and 60s. Everyone is into: how do we create cultures that are more engaging and more about wellbeing? Cultures where people are being allowed to work more flexibly and their needs being met.”

Needless to say, the global financial crisis has accentuated the importance of culture. On the one hand, layoffs and a move to more of a ‘gig’ economy have heightened the need to get culture right in terms of retention and recruitment strategies. On the other hand, businesses whose reputation took a battering have addressed cultural issues as a
means of getting back on track.

“The Financial Crisis and subsequent corporate ethics failings have increased the scrutiny on corporate cultures, but there is still too much oversimplification of workplace cultures as being ‘good or bad’ rather than recognising that they need to be fit for purpose for the organisational context,” says David D’Souza, head of London and head of engagement for the branch network at CIPD.

“The large financial institutions have not only a culture but multiple subcultures. It’s therefore hard to define the aspects of a great workplace culture, but there are some elements of commonality in organisations that are recognised as having healthy cultures and, normally, the most important one is a pervading sense of shared purpose that the leadership team embodies. If leaders are explicit about the expectations, consistent in their own behaviour and reinforce the positive social norms of the organisation, then a strong culture will follow.”

D’Souza is quick to add, however, that while culture is undoubtedly one of the key elements of sustainable success, it cannot guarantee success on its own. He says it has possibly been offered up as a “silver bullet” too often: when culture is in fact a complex puzzle within a broader puzzle that is business success.

Another reason why workplace culture receives so much attention is the rise of digital marketing, big data and analytics. “The growing importance of culture is being driven by the clout of customers in the market,” says Bourne Leisure executive people director Sarah Dickins. “Marketers are increasingly segmenting customers – the great brands and great businesses know exactly who their customers are and what they are looking for.

“In the last five years, there have been unbelievable changes in how businesses look at their customers and target them. This greater awareness of what customers need has led to culture and service propositions becoming clearer than in the past.”

The ease with which information and opinion, positive and negative, can be shared on social media sites has also had an impact, together with the success of ratings/review sites such as Glassdoor and greatplacetowork.com in attracting the top notch recruits through positive ratings from current colleagues. The sheer amount of information available via LinkedIn has similarly focused minds.

“The idea that culture has a huge impact on performance and sustainability is backed up by hard empirical studies, which show the financial value of a productive culture,” says Grant Thornton partner, consulting, Mel Wombwell. According to Dale Carnegie, companies with engaged employees outperform those without by 202%, while Gallup research has found that organisations that implement regular employee feedback have turnover rates that are 14.9% lower than for employees who receive no feedback.

“All organisations know what they do and most know how they do it but not so many seem to know why they do it,” says Wombwell. “As Simon Sinek says in his book, Start With Why: ‘People don’t buy what you do, they buy why you do it.’ This is truer of employees than anyone else. We have seen, time and time again, that when employees really understand and buy into the ‘why’ of the organisation this has a fundamental effect on culture and therefore engagement.”

That of course matters a great deal because as we all know, engaged employees are happier and more productive.
Does it pay to play?

What makes a workplace a positive place to be? And what do the different generations want from work? Those are the question’s BrightHR’s It Pays to Play report set out to answer, writes JENNY ROPER

That work could be synonymous with ‘fun’ was something of an alien idea just a few years ago. This was certainly reflected in BrightHR’s It Pays to Play report, which found that older generations tend to see work as functional – about ‘getting the job done.’

But not so with those younger generations graduating into the workforce now. Younger workers expect a level of fun at work, the report found, as the lines between work life and social life are blurred through longer working hours and continual technological developments.

Not to foster a culture of fun in the workplace could, then, prove a grave error, not only in terms of not meeting millenial talent’s expectations, but also where the health benefits are considered. The report found that 58% of people who hadn’t experienced workplace fun had been off sick 11 or more days, compared with 42% of those who had experienced workplace fun. Stress is the obvious culprit here, something respondents cited as potentially alleviated by fun.

But the concept of creating fun isn’t necessarily an easy one to get to grips with; images of cringe-worthy, mandatory raft-building or human pyramid exercises can all too easily spring to mind. So how to foster such a culture?

The report found there were certainly differences overall, between men and women and different generations in terms of the kinds of fun they’d like to participate in, suggesting the importance of staff-led ‘organic fun’ rather than certain activities dictated from the top.

The message is clear though: business owners and leaders still need to be thinking carefully about how to foster a culture where workers feel comfortable instigating and engaging in ‘organic fun’. Take the finding that 20% of those on lower annual salaries – under £15k – saw ‘clocking off’ as a fun part of work – a sobering reminder of the work still to do here for senior leaders and HR.
80% of those working in arts and culture believe having workplace fun or play would motivate them to work harder.

Only 43% of people working in healthcare... took part in fun activities at work.

62% of employees who had no sick days in the last three months experienced some form of fun in the workplace.

58% of people who hadn’t experienced workplace fun had been off sick 11 or more days.

Office parties/nights out: 21% for each gender.

A lottery syndicate: 16% males & 15% females.

Board games: 9% for each gender.

Karaoke: 6% males & 9% females.

Nerf gun wars: 8% males & 5% females.

Swingball: 4% males & 6% females.

A work choir: 5% males & 6% females.

Don’t do any fun activities at work: 23%

Perceive fun at work to be very/moderately important: 72%

Describe fun at work as clocking off time: 18%
Cooper research found that 79% of employees feel stressed at work. To combat this, businesses are now tasked with creating motivating workplaces where employees feel valued, trusted and committed. As well as providing other perks, fun and play are becoming increasingly important to achieving this. We found that there is a direct correlation between businesses that engage in fun activities and a positive impact on employee wellbeing.

Our fun activities include Nerf Gun fights, games consoles, ping pong, and football nets. We also have a napping area where employees can take a well-earned forty winks when needed. Regular socials are held and staff are encouraged to value time to think or work on pet projects through ‘pirate time’. These activities have worked for our business, and we have seen a rise in organic fun where employees feel trusted to take five minutes and play a quick game with colleagues. This culture has garnered an increase in employee engagement and a stronger affinity with the company. How do we know? Well, our latest absence rates are only 0.05 days per full-time employee.

While our activities work well for our company, we recognise there isn’t a cure all. After all, we’re all different and what works for one employee may be distracting for another. By involving employees in the process of developing your playful environment, you’re ensuring a variety of employee views are accounted for.

Do table football, ping pong and office pets really make a difference to productivity, or is making work fun a step too far for HR professionals? Two experts battle it out.

**For**

**Paul Harris,** co-founder and chief marketing officer, BrightHR

With businesses now made up of three generations, it can be hard for employers to motivate and engage a multi-generational workforce in a meaningful way. Add to this challenge the all too common employee feeling of stress and you’ve got an environment that soon becomes unproductive. Recent Robertson can look to implement strategies to facilitate these needs. This type of employee engagement has been adopted by BrightHR from the beginning. We have adopted and embedded a culture based around trust and empowerment that allows employees to enjoy being in the workplace and grow.

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Research shows that friendship is a key driver for happiness at work, and a fun environment can create opportunities for friendships to blossom. Fun bonds teams together, creating a company dynamic that encourages staff to not only engage with their work and company but with one another. And what’s not fun about that?
Against

Rob Briner, professor of organisational psychology, The University of Bath and scientific director at the Centre for Evidence Based Management

I’m no party-pooping spoilsport. But being made to have fun is my idea of hell. It’s bad enough in everyday life when, for example, you’re with your friends enjoying a drink and talking and somebody suggests it would be much more ‘fun’ to join in with the pub quiz that’s just about to start. It’s even worse when you’re forced to have fun at work.

Let’s get serious about fun. First, fun has to actually be fun: Having a laugh, letting your hair down and actively generating the fun. It’s something you do, not something that’s done to you. Fun has to be a spontaneous. It’s something that just happens. It’s unexpected, not scheduled. Last, fun means different things to different people. One person’s hilarious prank is another’s insensitive act or embarrassing joke. Fun has many dark sides. It’s ‘just’ a bit of fun – right? Maybe.

So why facilitate fun at work? I get the argument. If there’s more fun people will be happier and like their co-workers more and therefore more productive and creative (though reverse causality seems just as likely). Apart from the profound and well-known problems with the happy-productive worker hypothesis, how can you make fun happen?

Well, obviously, you just can’t – any more than you can make employees deploy discretionary effort (the clue’s in the name). Maybe what you can do is create contexts in which fun is more likely to happen. Who knows how to do that? Anyone who’s organised a children’s party or works for Disney could probably give you some tips though I’m not sure that techniques from these settings would work in the workplace.

Let’s suppose that it is possible to facilitate fun at work. When might this be a good idea? New employees or newly-formed teams might get to know each other more quickly if they were having fun – though this makes the dodgy assumption that people are the same whether they’re having fun or working. Also, I guess if it’s your business to provide fun then perhaps if employees are having fun this improves service quality.

So maybe engineered fun is a good idea in a very tiny number of circumstances. However, there are many more circumstances when it’s a bad idea. If people feel coerced into taking part in ‘fun’ activities, such as dressing up as superheroes or ping pong tournaments, it may actually alienate them from rather than endear them to the organisation, their colleagues and the work. As Dr Seuss’ Cat in the Hat put it: “It’s fun to have fun, but you have to know how.” And you also have to know when it’s right and to what ends.
1 Start with what you have
You can’t turn a super-tanker around on a sixpence. Established cultures are deeply entrenched and notoriously hard to alter. And nice though it might be to imagine you could, starting from scratch isn’t an option. So begin by taking time to find clarity on where you are at today. How would you define your culture as it stands? But more importantly, what are the glaring problems?

Be selective and focus on just a few critical behaviours in areas that have a direct impact on the performance of your organisation. If you work on addressing these, you have made a great start. It’s impossible to change many things all at once, but zeroing in on a handful of the most important points may deliver noteworthy progress relatively quickly and build momentum for further changes elsewhere.

2 Board-level ownership
“Culture starts at the top of an organisation,” says Bourne Leisure executive people director Sarah Dickins. “The businesses that are
No amount of workplace culture initiatives will succeed without the buy-in and full support of the leadership team. The fish rots from the head down, as the old saying goes. For a culture smelling of roses, rather than one that is putrid, senior management must lead by example. It’s a question of leaders demonstrating the kind of behaviour they want to see throughout the organisation. Clearly, in order for this to work, cultural change efforts cannot be restricted to the HR department.

Positive recognition
“The key to a healthy workplace culture is having managers who manage by praise and reward, not by fault-finding,” says Sir Cary Cooper, professor of organisational psychology and health at Manchester Business School. “What’s critical is to have people who are interpersonally skilled and can manage employees by making them feel valued and trusted.”

US research by Cicero for OC Tanner in 2015 found recognition to be by far the most important driver of great work among employees. In fact, it was deemed almost three times as important as the next most significant factors. Meanwhile a Bamboo HR study found that 82% of workers are annoyed by lack of recognition.

Ensure line managers receive the soft skills training they need and embed best practice in which they not only praise their people for doing good work but tell them specifically why they are receiving the praise. This level of detail counts for a lot. Employees what to know why they are doing matters and that their leaders care about it. Perfunctory praise will be deemed insincere. A recognition culture is about keeping it real.

Bring the past to life
Heritage management programmes are one effective tool to help organisations build a culture that connects employees to a larger sense of purpose. Most organisations have valuable historical assets — stories about ways in which the institution and its people were part of important historic moments that shaped the present-day company.

KPMG, which has roots going back to 1897, worked with
galvanise culture. In the opinion of BrightHR co-founder and CMO Paul Harris, it comes down to providing vision and direction, then letting people get on with what they are good at.

In order for this to work, however, employees need to be clear as to the link between what they do and their employer’s ambitions. The impact they make, in other words.

Where trusted employees are natural communicators, if feasible give them plenty of leeway to blog or use social media. Communication of this kind is often seen as more authentic by colleagues. In certain circumstances it can help enhance culture virally – for example, as a LinkedIn post by an employee in one department is read and shared by employees in different teams and locations.

Consider how others see you
There are an increasing number of cultural health check products available on a commercial basis, but even in larger organisations it is important that leaders and teams reflect on the consistency of their actions with how they would wish to act.

“Imagining that a customer, or employee, was in the meeting you have just been in is a good test for transparency,” says David D’Souza, head of London and head of engagement for the branch network at CIPD. “If you are talking and acting in a way that you wouldn’t want others to observe or that you need to hide, then that is a good early warning sign.”

It also helps to talk about the importance of culture. If leaders don’t talk about it then they will still get a culture, just not the type they would have had if investing time and energy into ensuring it is healthy. Talk the talk…and make doubly sure you walk the walk.

Collaboration and co-creation
Although we have outlined the important role of the leadership team, it is essential to stress that cultural change cannot be a purely top-down process.

“One of the dangers when the board or executives engage with culture is that they fall into the trap of believing that, if they spend ages defining the culture and values that they would like to see, then somehow, it will miraculously come to pass,” says Grant Thornton partner, consulting, Mel Wombwell: “It...
and managers... A culture that isn’t supportive of wellbeing can undermine an organisation’s efforts where there is a perceived disconnect between rhetoric and reality.

No two ways about it, organisations must genuinely promote and value the health and wellbeing of employees. Those that do stand to benefit not only from reduced absenteeism but also improved engagement and retention of employees, with consequent gains for performance and productivity.

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Wellbeing and flexibility

The word ‘wellbeing’ has become something of a catch-all term and seems to be trotted out ad nauseam. Yet over-use shouldn’t lead to wellbeing being taken for granted. According to ONS calculations, work-related stress could cost UK employers a staggering £57 billion a year in lost productivity.

“The new generations require more flexible working arrangements, they have an expectation that they will be using new technology and working from home part of the time,” says Cooper. “The long working hours culture is not what they want, they seek more balance in their life.”

Increasingly, the onus is on employers to build cultures in which wellbeing and flexibility are major components. As a CIPD policy report on wellbeing from January 2016 made clear, to truly achieve a healthy workplace, an employer needs to ensure that its culture, leadership and people management are the bedrock on which to build a fully integrated wellbeing approach. It added: “Creating a healthy culture is perhaps the greatest challenge for organisations; it requires commitment from senior leaders...

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Be clear on universality

Finally, when communicating new desirable behaviours, explain that these are being applied organisation-wide – so that individuals do not feel they or their departments are being singled out for implicit criticism.
Culture heroes

How have organisations with exemplary workplace cultures done it? And how are they sustaining it? ROB GRAY visits three companies who have managed to create a great place to work.
Holiday Extras

Privately owned Holiday Extras is the UK market leader in add-ons to make travel easier and has been in business for 33 years. It employs around 740 people.

In recent years, the business has expanded quickly and there was a sense that the strong family culture of its early days was being lost.

“We had people coming in for job interviews and managers would say, ‘they are not very H-Ex, they don’t feel right’, “ says Holiday Extras associate director of people, Carolyne Creed. “But when asked what they meant by that, they had trouble explaining it to anyone else.”

Creed decided it was vital to capture and articulate the ethos in a better way. In 2015, she set about reviewing the company’s values. Instead of imposing anything highhandedly from above, grassroots employee involvement was central.

She placed an ad internally, asking employees passionate about “who we are and what we do” to become members of the Culture Club, keeping the details vague at first. There were over 70 responses from people across the business, which was pared down to 40 participants. These volunteers took part in focus groups to talk about what the business stands for, what makes it successful from a people perspective and so on. They were asked to articulate that by sharing different words and phrases.

Hundreds of words were thrown into the mix. These suggestions were narrowed down to five core values statements, to which behavioural indicators and examples were then ascribed. The five values are: be pioneering in spirit, be at the helm, be courageous, be the best version of you, and be one team.

In parallel with the Culture Club research, Creed ran a focus group with the leadership team, which generated similar findings. This alignment, though expected, came as a relief. Consistency and board-level buy-in made implementation far more likely to succeed.

“We rolled it out last August and the Culture Club actually delivered that back to the business through a series of interactive workshops,” says Creed. “And it went down very well. A lot of the feedback confirmed we had captured the essence of the business. While they are internal values, we apply them to our customers as well in terms of product innovation and giving the best possible service, so they are entwined in everything we do.”

One way the culture is amplified is during the traditional Friday afternoon ‘shout out’, when one of the directors addresses the team wearing a headset, talking about business performance, new partnerships, promotions, starters and other relevant developments. At the end of this briefing, there is recognition for employees living the company values. Employees are nominated by their colleagues, who fill in Calling You Out cards.

“We’ve been doing that since August 2015,” says Creed. “Truthfully, I am surprised that people still fill in so many Calling You Out cards every week. It has helped people to think differently, not only about what they do in terms of delivery but how they do it. That has become embedded. At the start we feared it might be a bit naff, but everyone really buys into it and loves it.”
BrightHR

“The crux of making it different for me is all about trust and empowerment,” says BrightHR co-founder and CMO Paul Harris. “My job and the job of our managers is to find great people and bring them into the business. But if you have managed to attract great people into your business, why would you surround them with bureaucracy? That is creating an environment which disempowers them, where you don’t trust them. The result is they become a bit disconnected.”

The way Harris sees it, low levels of engagement in the workplace stem in part from employers operating an “archaic factory system”, forcing everyone to turn up at the same time, finish at the same time and behave in a very controlled manner.

“What I wanted to do here was throw all of that in the bin,” he says. “Is measuring what time people turn up and disciplining them for being a minute late useful? If you ask them to do a job and they are getting great results and you are measuring output, why does that matter?”

BrightHR’s culture, underpinned by trust and autonomy, has a focus on passion and mastery. Harris wants employees to feel passionate about work in the same way they are enthusiastic about hobbies at home. He accepts that people have differing personalities, behaviours and motivations – there tends to be big differences between sales teams and software developers, he notes – so a one-size-fits-all culture would be doomed to failure.

Instead, individualism is championed. People can adapt their own job titles (e.g. the dark lord of coding) and personalise their email signatures with a quote that says something about them.

To foster creativity that may lead to the development of disruptive products, staff are given ‘Pirate Time’ when they are free to explore their own ideas and told it doesn’t matter if they fail. The Pirate Time name was chosen to reinforce the notion of mavericks breaking rules.

To sustain a playful spirit that helps creativity, the office is stocked with games consoles, board games and a table tennis table. There is even an indoor football goal, used for tension-busting penalty-taking competitions, and a supply of Nerf guns.

“After I bought the Nerf guns, the first time I walked past, the people playing with them put them away,” recalls Harris. “So I went to the cupboard, got a lot of ammo and gave it to them, to say ‘don’t stop, I want you to do this’. You have to show people it comes from the top, you believe in it and want people to be doing it.

“You can’t make it compulsory, though. People join in as much or as little as they want to. It is not about forcing this on people, it is about having the freedom to have the sort of environment that works for you.”

BrightHR is currently around 100-strong and faces the challenge of retaining its culture as it grows. However, Harris is optimistic that it can be sustained as long as the business continues communicating to people what it is trying to achieve and explains how each person’s job connects to that, making roles more meaningful.
Baringa Partners is a management consultancy that specialises in the energy, financial services, utilities, telecoms and media markets in the UK and continental Europe. It has won multiple awards for being a top employer. Yet when it took a look at its culture, it found it difficult to define.

“We went through an exercise where we sat down and said, ‘let’s try to codify our culture,’” says David Harris, the Baringa Partner responsible for its people proposition. “On the face of it, it sounded quite simple to do, as we know what it’s like being around here. We soon realised that it is not easy to codify, and trying to do so just undervalues it and does not bring it to life.”

So instead of a chart expressing values, Baringa commissioned a video that features prominently on its website. Running after the culture video is a short ‘making of’ film, designed to give a more natural, unscripted under-the-skin impression of the business.

The company also recently ran a staff competition, inviting its people to submit their own original photography which depicted its values in a visual way. The results were so good that all the photography used on its website is made up of those pictures.

“Everybody being involved is critical to our culture,” says Harris. “Yes, the leadership leads by example but we also need to empower everybody. We recognise that our culture is defined by our day-to-day actions. It’s about everybody in the company – it is not something that comes from having your values written on a mug or a central programme. That has a time and a place, but for us it goes far deeper and far wider.

“We don’t believe in the ‘silver bullet’ of one of these big programmes. We actually believe in many silver pellets – things that we work hard to improve and adjust by authentically listening to our people.”

Baringa’s People executive committee is one of three committees. It is dedicated to the people proposition and firm culture. Harris says that culture is at the heart of the company and that he has personal responsibility to make tomorrow a better place than today.

A cross-section of the business is consulted whenever policy changes are under consideration or anything arises that may impact on strategy or the people proposition. The approach is non-hierarchical with junior member of the team encouraged to have their say as much as more senior people. It’s a sentiment neatly articulated in the opening line of the video: “At Baringa, everyone carries our team spirit.”

Although Harris is proud of the video, he is the first to accept that it is a tiny part of a bigger picture. “Focusing on what you communicate is the wrong answer. It is about doing it and living it every day. By doing the right thing every day with authenticity, making sure that we care for our people and making the right decisions in all that we do, the culture speaks for itself. It’s an outcome.”