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HOW TO KEEP YOUR CULTURE GREAT WHILE SCALING YOUR BUSINESS

Marc Murphy—Pierce Washington Board Memeber

Success is growth, but sometimes growing pains can strain a company's culture. Pierce Washington board member Marc Murphy shares his experiences on how you can maintain a strong culture while scaling your business.

Growing pains. Scalability hardships. Process challenges.

Whatever you call them, the challenges that come with maintaining a strong company culture while growing your business are inevitable.

Marc Murphy, a Pierce Washington board member, knows about this firsthand. With a career that includes an executive position at a Global System Integrator and founder and Managing Partner of Ignite Labs. Prior to Ignite Labs, Marc was CEO of SPARC, a software development firm that he successfully scaled and exited to a Fortune 500 company. The rapid growth of this company—while exciting—inevitably resulted in some of the conflicts that occur between culture and growth.

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–Marc Murphy, Board Member, Pierce Washington

"In the course of 4 years, the culture we had that we loved at 50 people became hard to hold onto when we were 350 people," Marc recalls.

But as companies scale, the emergence of more formal but necessary company processes, breakdowns in communication, and internal silos can lead to the erosion of a once-strong company culture.

Marc's experiences can help companies develop a strong company culture that will carry them through the inevitable change that comes with scaling a business.

WHY COMPANY CULTURE MATTERS

There's no question that company culture matters. A good company culture is vital for a company's success, as it can significantly impact employee satisfaction, productivity, and overall business performance.

A positive company culture fosters a sense of community among employees, which can lead to a more collaborative and productive work environment. Employees who feel connected to their colleagues and have a sense of purpose in their work are more likely to be engaged, motivated, and committed to the company's goals.

Not only that, but a commitment to developing and maintaining great culture helps attract and retain top talent. One global study found that 79% of job seekers consider a company's culture and values before applying. When it comes to retention, culture is just as important—in the same survey, over half of the respondents said culture is more important than salary when it comes to job satisfaction.

WHAT MAKES A WORKPLACE CULTURE SUCCESSFUL?

Pinning down the makings of a successful company culture can be somewhat difficult, especially in a rapidly changing workplace. Some companies confuse perks like free snacks or games in the break room with organizational culture.

"We've seen elements of culture that have emerged, like snacks or unlimited PTO," says Marc. "But real company culture is a shared sense of understanding and purpose. It's a consistent and universally-held understanding of what you're trying to build and how you'll get there."

Does everyone know and embrace why we come to work? Is the vision statement clear? Do your employees understand how you're contributing to a larger mission? Does everyone know the company goals? These are questions that can help you define and shape your company culture.

SPOTTING A SHIFT IN CULTURE

A shift in your company's culture doesn't happen overnight, and each company will likely experience unique challenges that can erode company culture.

BREAKDOWNS IN COMMUNICATION

This is particularly true in a post-Covid workplace, where many companies are attempting to find a balance between in-office and remote work. Remote companies or those that have diversity of location face communication barriers not always seen when employees are in office.

"It's a topic for debate," says Marc, "But having every person under one roof is a tremendous benefit to culture. Your ability to effectively communicate is impactful when it's in person. When a company has a remote location, methods of communication can become challenged."
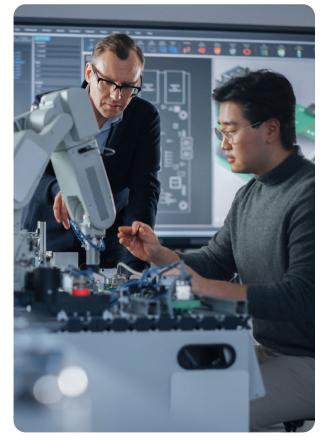
LEADERSHIP DISTANCE

As a company grows in size, so does the distance between company leadership and the people. "As you add needed layers of management, it becomes harder for everyone to feel like they really know the direction of the company and how their work contributes to its growth," says Marc. "When you can't see the full vision of the company, it becomes very difficult to embrace it and contribute to it." As that distance grows, there are opportunities for mixed or conflicting message.

DISCONNECT AMONG TEAMS

As Marc's company grew rapidly, the leadership team noticed the fragmentation of groups within the organization and the impact it had on culture. "We started to see subgroups emerge that had their own directional attitude," he recalls. "It's almost as if they were operating as a smaller company. Absent of consistent communication and structure, teams began making their own decisions that weren't aligned with the rest of the company. When people are forced to write their own narrative about the company, the risk of getting the messaging wrong is high."

This often isn't done out of malice; however, a team may start to focus on what is right for their own group, not necessarily the rest of the company. For example, a department might decide to set their own hours that are convenient for them but make it difficult for colleagues in other departments to meet or do business with them.

CREATING—AND KEEPING—A GREAT CULTURE

If you're fortunate enough to be part of a company that is experiencing rapid growth, there are areas you can focus on to get culture right. Marc recommends the following:

ESTABLISH A CLEAR VISION AND MISSION STATEMENT.

First things first—you can't expect your people to embrace the vision of your company if they don't know what it is.

While this may sound obvious, it's important to make your values clear in the beginning, and then write it down. "It's never too early to put down on pen and paper your vision or mission statement and core values," Marc says. "You can change it as needed, but if you really want to build a culture, determine what you believe in as a company and why you are doing what you're doing."

Once you've made your values clear, share them regularly during both smaller team meetings and all-hands. "With a smaller company, you have a very keen, shared understanding of what the company stands for, and everyone is very clear on the direction the company is going,"

Says Marc. "One of the biggest factors that starts to disintegrate really great company culture is inconsistent messaging on the vision and values of a company."

COMMIT TO CLEAR COMMUNICATION

Consistent communication is absolutely critical for building culture on scale. "This is important not only in clearly conveying elements of your culture, but in day-to-day business as well," Marc explains. He recommends creating a variety of communication platforms and forums and a regular cadence of all-hands communication at all levels of the company.

Regular communication with employees can also help managers get a sense of potential issues within the workplace that can lead to larger culture problems, providing an opportunity to address challenges as they arise.

INVEST IN YOUR MANAGERS.

The importance of your management team and its effect on culture shouldn't be underestimated. The data backs this up—6 out of 10 workers who leave an organization cite their manager as the primary reason.

Your company's managers are the leadership's team link to the rest of the company. "As a growing company, your managers become your most important element of your company," Marc says. "If you get communication right and then empower your managers to go send the message, you can be powerful in creating company culture."

Conversely, a manager that isn't on the same page can influence the thinking of the rest of the group in a negative way as well. Investing in your managers from both a time and training standpoint can ensure you have the right people to help carry out the company's mission and help their teams maintain a strong culture through growth.

PRIORITIZE THE ONBOARDING EXPERIENCE.

The onboarding experience sets the tone for an employee's trajectory in the company. "Being thoughtful about the onboarding process and investing in it sets your employees up for success," says Marc. "They know the mission, their leaders, and they're empowered to start on the right foot."

Despite this, many companies don't invest in the onboarding experience. This often has nothing to do with the work they're doing. While it's important to ensure employees are administratively on board by providing things like the equipment they need and information about benefits, onboarding should also arm employees with a clear understanding of the direction of the company and its values.

Knowing who the leadership team is—or at least what they look like—is also key in helping ensure a positive experience and culture from day one. Marc's company created videos for new team members, allowing them to see and hear from company leadership even if they couldn't meet in person.

REMEMBER—SUCCESS *IS* GROWTH

Ultimately, regardless of mission, all companies are striving for growth. Marc recalls reminding his team members of this while facing growing pains. "If we all believe success is growth, and if we're all on board with that, we have to embrace certain elements to help us get there," he says.

Ultimately, instilling values deeply within all employees and keeping those values at the forefront can help you turn growing pains into opportunities for growth.

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