Brands should worry more about culture

By Sue Morris   2 Oct 2017

I am thrilled that someone like Travis Kalanick can't continue to run Uber and that James Damore was held to account by Google for his views on the companies' diversity initiatives. These events are victories for employees and of great interest to consumers. And they are likely to continue as a result of the social networks within and outside of businesses. It's getting harder and harder to hide a dysfunctional culture from the outside world.

© iqoncept - 123RF.com

Moreover, we are seeing brands taking on increasingly social stances, even when there might be potential economic consequences. From the 70 or more companies that are loudly supporting transgender rights to the Merck CEO, Kenneth Frazier resigning form the presidents manufacturing council. Locally, we have Magda Wierzycka, who not only fired KPMG, but has openly taken them on for their alleged role in state capture.
Bill George, the former CEO of Medtronic said:

> *"Today's CEOs are public figures, with responsibility to uphold their company's mission and values. When these values are violated, even by someone as powerful as the president of the United States, they are obliged to take a clear stand. In this era of instant global communications and social media, it is no longer possible to hide in the shadows."*

So, culture has become a marketing asset. But wait a minute, I hear you say, organisational culture initiatives originate and live in the HR department, how are we, in marketing, supposed to work with this new risk/asset?

Collaborate. If your culture is well identified and articulated, and by that I do not mean a set of vague, fluffy values stuck up in reception or on your website, then there is an opportunity to understand these values and align both your internal and external communications. You might even find that the organisations values are more powerful perhaps than the marketing-oriented values that you might have listed somewhere in your brand strategy.

Lack of awareness of core business values

If, however, you find that there are mutated sub-cultures everywhere and a distinct lack of awareness of the core business values, do not feel alone. Recent research conducted by Deloitte, surveying over 7000 businesses in more than 130 countries, ranked the biggest worries for the C-suite. 86% of respondents cited culture and engagement as a major

concern with top executives increasingly recognising the need for a conscious strategy to shape their corporate culture. This focus has its origins in the slew of data that indicates that organisations with strong cultures greatly outperform their competitors. Unfortunately, only one in three executives claim to understand their own culture and 54% feel unprepared to tackle the challenge.

If you are in this position, I encourage you to grasp the opportunity and engage at a senior leadership level about the benefits of developing a set of shared values across your business. Not only do strong cultures consistently predict subsequent ratings of customer satisfaction and sales, as shown in this study in the *Journal of Organisational Behaviour*, but they also provide a sustainable competitive differentiation as they are not easy to copy.

Again, let me be clear that when I talk about culture, I am not referring to perks, flexitime and snacks in the workplace, I am talking about a comprehensive process that elicits the purpose and behaviours that staff most value and then working that back up to management and down again through the organisation in process that create meaning and believability. Without a strong process, it's just corporate propaganda and this will have little impact on how customers view your organisational brand.

ABOUT SUE MORRIS

Sue works with teams to improve business performance by shaping compelling visions, articulating clear purpose and values, strengthening leadership and building effective engagement programmes. She believes that without these, there will always be a gap between strategic intent and execution.
▪ Brands should worry more about culture - 2 Oct 2017

View my profile and articles...

For more, visit: https://www.bizcommunity.com