Why Culture Matters

"If you don’t understand the culture of the company, even your most brilliant strategies will fail. Your vision will be resisted, plans won’t get executed properly, and all kinds of things will start going wrong.”

Isadore Sharp, Four Seasons Hotels CEO

Let’s face it: on the list of important activities for an organizational leader, culture usually ranks fairly low. And that’s a huge problem.

Why should culture matter to you? Well, for three very important reasons:

1. **Your culture is your competitive advantage...or disadvantage.**

   Your organization’s personality—how you show up in the world—can make a big difference in the marketplace. We measure ROI, but what about ROC—Return on Culture? Things like repeat business, confidence in your workforce, costs, time, quality...all are measures of ROC.

   You’re going to get a return on your culture; the only question is will it be positive or negative

2. **Your culture is your differentiator.**

   Every organization wants to differentiate itself and its offering for customers. Culture is one of the best ways because it is unique. Competitors can copy your offerings, equipment and processes, but they can’t play “me too” with your culture.

   How your people interact with customers, how they accomplish the work and how they innovate is in large part a function of your culture. And a good culture helps you attract and retain the best people.
3. Your Culture is always at risk.

Every interaction—with customers, with the marketplace, with new employees—affects the Culture.

In good times and bad, your culture has to be actively nurtured. Growth can dilute the culture, create “thermal layers” that the culture doesn’t cross and disconnects with new hires. And downturns can challenge employees’ beliefs in your values and leaders.

A solid, effective culture is one in which everyone shares, maintains and strengthens The 4 C’s:

- Clear Vision
- Consistent Values
- Conscious Choices
- Candid Conversations

When those are in place, you won’t just have a competitive advantage, you’ll have competitive immunity.

And that’s why Culture matters.

For more information on Culture, Leadership and Training:

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