

How Small-Business Owners Can Build a Strong Corporate Culture

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No matter the size of your business, your corporate culture matters. Having a strong culture leads to increased employee retention and a competitive edge when hiring. Statistics from the Digest of Company Culture show that a strong culture can reduce employee turnover from 48.4 percent to 13.9 percent. In addition to helping you build and keep a strong team, a healthy culture can help to build your brand, increase your team's overall productivity, and improve client and customer relationships.

While having a strong culture is important, it's not something that just happens on its own. Instead, it's something that leaders have to plan for and consistently work towards. This can feel overwhelming to leaders, especially those at small businesses that are constantly pulled in different directions. Making culture even harder for small companies is the fact that most small businesses don't have the budget for building culture that many big corporations do.

That said, spending time on culture is important and is something that all business owners should do. Even without a budget for big events or perks, there are plenty of things that leaders can do to help develop a culture that will allow for building and keeping a talented, productive, and happy team. Here are a few key actions that all small-business

owners should take.

Step 1: Determine what you want your culture to look like

Corporate culture is nothing more than identifying core values and then finding ways to live them out. It's easy to say that you want a strong culture, but for many leaders, it's more difficult to identify specifics about that culture. The first step towards building a strong culture is clearly identifying what that culture should look like and tangible ways to determine whether you're achieving it. This step might seem obvious, but too often leaders try to build culture without clearly defined goals

Co-founder of Buildium, Michael Monteiro, advises that answering some key questions about culture is an essential first step. He asserts that before you can build the culture you want, you have to be able to answer questions like: Why do you do what you do? What do you believe? Where do you want the company to go?

Further, he encourages leaders to address these core values and plan for culture as soon as possible, warning that "without a defined culture, employees get disenchanted; they move on."

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Step 2: Make core values a part of everyday life

Once you've determined your core values and what you want your culture to be centered around, it's important to find ways to make these values a part of the everyday life of your

business. As many leaders have learned, it's all too easy to come up with core values that live on a shelf or on a poster.

To avoid this and to make these values meaningful, they have to be a part of the everyday experience for your employees and customers. To do this, it's important to find ways to make core values a part of your lifeblood and to find ways to constantly reinforce those values.

Step 3: Keep culture in mind when hiring

It's clear that building a strong culture takes consistent work and effort. As a result, it's important to have a team that fits well with the culture that you're building and that is willing to help support it.

As a baseline, it's important to make sure potential hires understand and appreciate your culture and values. On top of that, however, you should prioritize cultural fit when hiring. It can be tempting to hire based solely on skills and experience, but to build the most effective team possible, you want to prioritize cultural fit throughout every phase of the hiring process.

Step 4: Prioritize communication

Whatever your core values, good communication is key for building a strong and healthy culture. And, it's important for leaders to appreciate that the best way to build a business with healthy communication is from the top down. This means that it's essential for leaders to consistently model good communication. This should include transparency and regular check-ins with employees and teams. Businesses with the healthiest communication styles also include effective feedback cycles, where leaders are consistently getting, reviewing, and responding to feedback from the team.

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Step 5: Plan sacred events to build culture

While corporate culture is much more than holiday parties or family picnic, strategically planning and executing some events can help to build a strong culture. These events don't have to be fancy, in fact, they can be as simple as weekly lunches where the team gets together and just socializes. It doesn't matter what you do, but come up with some regular events that help to build your culture and make these sacred among your team. When planning these, resist the temptation to use these events for things. For example, if you schedule a monthly lunch with the goal of building relationships, don't use that time to get a status update on a new project.

Conclusion

Strong corporate culture matters and it's something that needs to be intentionally built and supported. While all businesses will have a unique culture, the above steps are some actions that all leaders can take to help plan for and build their culture.

No matter the size of your organization, working to build a strong culture is an important way to make your organization as effective as possible. In fact, according to David Cummings, co-founder of Pardot, "corporate culture is the only sustainable competitive advantage that is completely within the control of the entrepreneur."

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