

## Chapter Four

### How to Deliver Change Through a 6 Star Culture

Why is the culture of a business so important? Surely the financials or operations deliver the tangible results and success? This is true, but a toxic culture can kill a company, and a positive culture can grow or revive a business's success.

At thirty-two, I was handed the opportunity of a lifetime because of the hard work I had put into developing a reputation. My personal brand. It was the dream job, big everything, salary, car, corner office. You get the picture.

My job was to revive the business performance and be a Change Manager. Get results no matter what, the 80's approach! I'd never done that before, but how hard could it be? I'd never managed a large team, but I was confident I could pull it off.

Within three months, I realised it wasn't that easy, and I was out of my depth; the harder I tried, the more mistakes I made and successfully alienated everyone from the Managing Director to the tea-boy. Yes, I had a tea-boy. Sadly, people wanted to help me, and I pushed them away.

By the end of twelve months, I was unceremoniously sacked. I wasn't surprised; in fact, I was expecting it.

That wasn't the problem, as I had unbounded hubris. What hurt me was that only a few people came and wished me well. It felt like an emotional dagger stabbing me as the door slammed behind me.

I made a pact with myself that I would never behave like that again and dived into improving myself, what is now called Emotional Intelligence. First, I educated myself by reading the management classics, including Dale Carnegie's *How to Win Friends and Influence People* and Stephen Covey's books. Then, I spoke with as many successful people as I could and sought out Mentors for guidance.

In 2009 I had the opportunity to work in Papua New Guinea to help corporatise a business. Over the next ten years, I rounded off my management skills in human resources and understood how a positive culture is the glue that binds the business's success.

In my last role, my job was as a Change Manager. I had one hundred and twenty staff; my job was to turn the business around.

When I left, the organisation was better than when I found it, and I had treated the staff with respect, which created trust that money could not buy. They were proud of what they had achieved as I had gifted them self-confidence and empowerment. I was proud of them.

There were no emotional daggers this time. On the contrary, we hugged and cried and were equally grateful for the experience.

That is why I do what I do. I want you to experience the power of a cultural transformation and its impact on both the business and the people who work in it.

So how do you deliver and experience this transformation?

## **Culture Starts with Vulnerability**

As a leader, I believe you must be vulnerable, open and honest. Vulnerability is a strength, not a weakness. When you're vulnerable and truthful, it demonstrates that it's OK not to know, be scared, and make mistakes.

It seems too simple, but if you're open, others will eventually be open too.

The people under your charge feel safe to open up. This builds a platform of trust between you, a bond you need to honour. These days it's known as Psychological Safety; I call it caring.

## **Get Started by Doing Nothing**

The mistake I made as a thirty-two-year-old was to start changing things automatically. So, if you're looking to create change, first take your time to understand. Don't be in a hurry to change things for the sake of looking like you're doing something.

Regardless of whether your role is owner, manager or advisor, the first step is to observe. Listening is the key. Remember, you have two ears and one mouth and use them in that proportion. You'll find that few people enjoy change. There will be resistance, so look for signals and the possible saboteur.

Repeating what you've heard confirms you've truly understood the culture and business.

## **Have a Plan**

Having a clear objective and goal is obviously important; communicating this to everyone is even more critical. If you don't tell the staff what's going on, the gossip and rumour mills will explode.

My approach is to look at each functional area and assess where it lies in the "Satisfaction Level" assessment and what shift is needed? How Important and

Urgent is making the change? And what resources can you allocate to shifting the needle to the desired Satisfaction Level?

Take a holistic view of how a change in one area impacts another -The Ripple Effect Concept.

You can't change everything, so you need a plan to work out the priorities.

The key here is to include the relevant stakeholders at each stage of the Plan's development. So not only will you uncover their genius and ideas, but you'll also be making a deposit into the Cultural Trust Bank, a real asset on the businesses balance sheet.

### **Acknowledge Success**

The best way to alienate people is to tell them what they've been doing is wrong. Some success was created before you arrived by the existing employees, so you need to honour that. Another deposit into the Cultural Trust Bank! Change for change's sake is not your mantra; change needs to be purposeful and intentional.

The conversation is not what's broken, but what could we do differently to be even better?

These are likely to be difficult conversations, so get them on and off the table as quickly as possible. The stronger your relationship with your team, the easier these become. Regardless of the relationship, the difficult conversations relate to the project's goals, looking forward, not at past mistakes. This provides the context for the conversation.

### **Understand the Existing Process**

**Question - "Why do we do it like that?" Answer - "We've always done it like that," Red Flag.**

To paraphrase the words of Michael Gerber in the *Emyth*, if you have a problem, put in a process, and the problem goes away.

This is the least sexy thing you can do when changing an organisation's culture, but it is the operational foundation and must not be overlooked.

Whatever goal you have in place cannot be achieved without this fundamental business principle.

These processes need to support the values of the business, not impede their performance.

## **Create a Framework of Accountability**

People prefer boundaries. It gives them comfort and something to push against as they grow.

It's almost counterintuitive to have boundaries and encourage them to be stretched; nevertheless, a positive culture encourages creativity, pushing boundaries.

Creating a safe place is at the core. Your staff need to know you have their back when things go wrong.

If a team member has failed inside the boundary, find out if they have the skills needed to do the job. Do they have the time and capacity, or are you flogging the willing horse?

If it's a mistake that's outside the boundary, that's a good thing because it indicates a desire to improve. But there is a lack of knowledge or experience.

In both cases, as the leader, acknowledge that your team member failed because of something you have not done. The second is finding what's missing and working on supporting them to fill the gap.

Mistakes are only decisions with not enough information.

Sometimes they have just plain behaved badly. If it's an attitude, it's one of those 'difficult conversations'.

At times like this, you feel disappointed in their behaviour, and your natural reaction is to get angry. But, instead, stop and take the time to understand why they have behaved this way.

The context for the conversation is you "value them and their contribution, but at this moment you are disappointed". You want to understand what has caused this behaviour change. Get this right, and there is another deposit in the Cultural Trust Bank.

Entrepreneurs and founders also need to be held accountable! Having good people around you who are not scared to call out the Boss is the sign of a safe culture.

## **How Long Does it Take to Build a 6 Star Culture?**

The first ninety days is a focus on the foundations.

I don't think there is ever a 'finish line' in building a 6 Star Culture as long as you make more deposits than withdrawals.

## **Tough Love in the Security Business**

Trust and Accountability can be deposits or withdrawals from the Cultural Trust Bank.

I had one occasion where the Cultural Trust funds were leaking out the back door.

I was asked to manage a team of technicians and administrators. The business was losing money and had never met budget. My job was Change Manager.

The problem was simple, our pricing was wrong, our systems were non-existent, and our Customer Experience was dreadful. Our technicians were the worst offenders, not turning up on time, or at all, and doing poor work.

Over time we put in place systems and processes to control our quoting, sales conversions and profit. However, the one thing we were still lagging behind in was the Customer Experience.

We put one simple Accountability Principle in place "Our Word is our Promise."

We had one highly skilled technician who was a law unto themselves and continually refused to abide by our Accountability Principle. He decided he would make up his own rules.

At a toolbox meeting, I said to him, "You have disappointed this customer four times by not turning up as agreed. Is there any reason why it's not been done?"

"I'll do it when I can", he replied. "If you don't like what I do, I'll just leave."

"I accept your resignation," I replied.

There was a stunned silence.

From that moment on, everyone understood that the Accountability Principle was not just words; it was our Culture.

From that moment, the team buzzed with positive energy. Others who had been waiting for an opportunity stepped up. The toxic team member had gone, and they were the real problem.

Cultural Trust Bank deposit.

## **Summary**

To build a positive culture, you need to care. Care about your people, your customers, your suppliers, your community.

Open and honest communication with vulnerability being the first deposit in the Cultural Trust Bank account.

Be patient. It took years to build the existing culture, and it will take time to develop a different culture.

Do the necessary (not sexy) task of putting in place Systems and Processes - all with a purpose.

Be clear on the Culture you want to create. My favourite is Accountability.

Even a great culture can degrade eventually over time so keep working at it!

### **About The Author**



#### **Steve Sandor**

Passion and purpose are to make a difference in the lives of others.

Father of four, grandfather, golf nut, motorbike riding enthusiast, and prepared to try anything once, except sky diving!

Steve Sandor uses his over thirty-five years of management experience from a diverse range of industries in Australia and overseas to now supports small business owners in scaling their business. Steve says, "Business is made up of Product, Processes and People, and it's the people part that is the most important component."

Having spent more than 80% of his career managing small and large teams, he understands and appreciates that running and managing a business is simple but not easy and definitely worth the effort when you get it right.