The Power of Positive Culture

Backbiting and infighting can undermine even the best business plans.

By Aileen Wilkins

When I was head of human resources for a technology startup back in the dot-com days, we started off with a bang. Everyone was excited about the future. When times got tough, however, the team turned on itself. Everyone had a different idea about how to get the business back on track. The leadership team was unsuccessful at setting a direction because of incessant backbiting and second-guessing within the team. Ultimately, we determined our own destiny when we spent too much time on internal differences and not enough on achieving the company's mission. We went under in less than a year.

It was a great lesson for me, and one I have never forgotten: There's a lot more to success than a solid business plan.

Going Beyond Strategy

There are several elements of successful businesses. First and foremost, they need a good—but not necessarily perfect—business strategy and they need to execute that strategy daily and over time.

But, as I learned from my experiences, successful businesses require even more than that. They also need a positive culture and work environment. This factor isn't discussed much, yet it is just as vital to success as a sound business plan. You need to harness the power of your organization's talent in order to achieve the organization's goals.

It's no secret that toxic cultures create unhealthy internal politics and dysfunction. Conversely, in cultures that support thriving businesses, the talent is engaged. Employees focus on growth, minimize internal politics, and constructively support and challenge each other to do better.

Notice that I said talent is "engaged," not "happy." It's impossible to create a work culture where everyone is happy in the sense of being joyous and brimming with positivity. That's just not human nature. However, employees should be committed to supporting the goals and values of the company and to supplying their teams with the resources and support needed to get the job done. They shouldn't be concerned with gossip or undermining another person's good work.

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It Starts with Leadership

Creating a healthy culture starts with strong leadership. The people at the top set the tone for behaviors all the way down the line. No matter how large an organization is, it's hard to hide what senior leaders spend their time on, and everyone else in the company sees it. If there is backbiting and infighting among an organization's leaders, others will behave similarly.

The attitude of senior leaders is influenced by the degree to which they are aligned with the board of directors, as well as whether the board supports the direction management is headed.

Continuity in the C-suite also helps good organizations prosper. I have experienced disruptive turnover of C-level executives, and nothing is more costly to business success. It creates constant churn and stalls potential forward momentum.

In my role as chief people officer at H&R Block, culture has been at the center of the HR team's attention. We are working hard every day to create a "no-blame" culture. That means having open
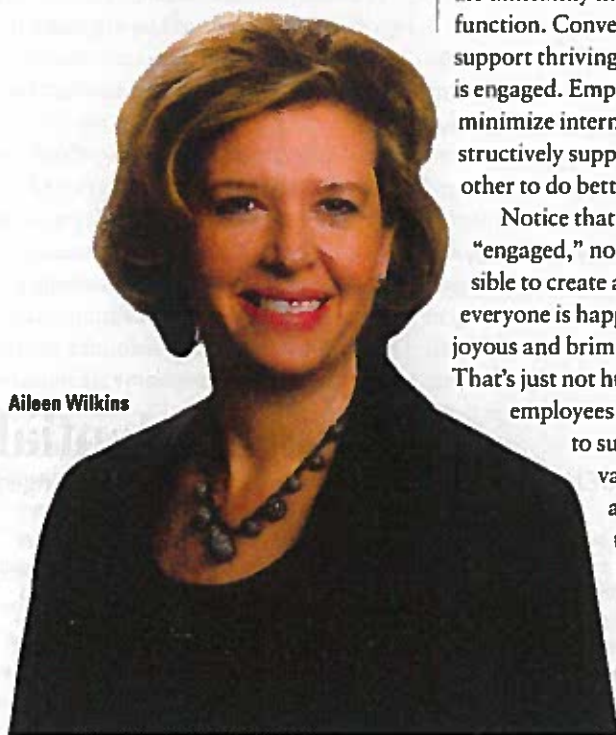
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and constructive conversations focused on improving the organization, and not on who made the last mistake. As long as everyone has a similar set of values, you can be honest with your colleagues, even when it is uncomfortable. Our senior team does this, and we are encouraging the rest of the organization to follow suit.

The goals of all organizations must be clear and above any one individual's motives. Personal agendas have no place in high-performing organizations, and leaders need to make sure this is clear in the minds of their associates.

Cultural Fit Required

When someone is not a good cultural fit and they've demonstrated that they cannot adapt, they have to go. The role of human resources is to help people fit into the culture—not to fit the culture to the people. I'm vigilant about this, and I say to senior staff repeatedly, "Our culture won't assimilate to you." We can learn from everyone, but, at the end of the day, senior leaders must adapt their style to some degree to be effective within our culture.

Organizations have to fiercely protect company values or their cultures will gradually worsen over time and their brands will suffer. Along with the CEO, HR is vital in this effort.

HR professionals are the ultimate sponsors and champions for the right set of behaviors, and they should not be phoning it in. There are great HR leadership teams out there, and there are some mediocre ones waiting for someone else to take care of problems. But HR is responsible for driving the culture, enforcing it, redirecting it and improving it. It's a continuous process and one of the most important ways HR leaders can contribute to the bottom line of an organization.

Great cultures drive great results. And great results create career and growth opportunities for talent—two ingredients essential to creating great organizational culture. [HR]

Aileen Wilkins is chief people officer for H&R Block, where she leads the company's people strategies, including workforce planning, talent management, organizational capabilities and culture.