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How Operationalized Cultures Help Companies Thrive



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Forbes Human Resources Council
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Nov 21, 2023, 07:00am EST

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A changing workforce. A challenging economy. These are simply two of the many obstacles that corporate leaders must navigate to

grow their companies. When developing strategies to thrive in the post-pandemic business climate, members of the C-suite often overlook one important aspect that can serve as a compass to stay on the track to success: culture.

Many leaders see culture as an intangible element of the workplace. Nothing is further from the truth if culture is implemented properly. And I have the statistics to prove it.

Operationalized Versus Memorialized Cultures

To create success, your corporate culture needs to connect purpose and strategy. To determine if your culture does that, ask one key question: "Is it operationalized or memorialized?"

The answer will be the difference between retaining or losing quality talent, increasing or decreasing productivity and a corporate balance sheet that is black or red.

A memorialized culture is one that is set in stone. It never changes, even as the company evolves. Invariably, there is misalignment between the company's culture and its purpose. Employee motivation and retention wanes, and productivity stagnates.

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Conversely, an operationalized culture is a powerful tool at leadership's disposal that can change as needed. Operationalizing a culture brings about a vibrant, focused vision through alignment with purpose and strategy—invigorating employees and managers to achieve a common goal.

How To Operationalize Your Culture

To operationalize culture at scale, leaders need to be able to adapt culture when necessary to achieve the desired results. But this is about more than adapting culture on a whim. Truly successful companies pivot to the right culture at the right time after evaluating results in the context of ongoing changes.

Company management can determine if they have the desired operational culture by answering "yes" to all three of these questions:

- Does my company have systems in place that allow my culture to assess progress and adjust to changing business strategies and needs?
- Are there established processes so the company culture advances from ideas to experiences? Communication and transparency are key to these processes. Management must convey strategy and desired results to team members, as well as the role each person plays in achieving those results.
- Have frameworks been established to help everyone recognize how culture impacts business results?

Operationalized Culture = Revenue

An operationalized culture—one that's been built into a clear process and framework—has the ability to adapt and scale. By doing so, companies are poised for success.

Research conducted by my company in collaboration with Stanford University found adaptiveness to be a statistically significant cultural dimension that positively affects revenue growth.

According to the research findings, adaptive cultures (another word for operationalized cultures) increased revenue by nearly 50% while non-adaptive cultures (a.k.a. memorialized cultures) only grew revenues by 17%. In other words, companies with an adaptive culture experienced 192% greater revenue growth than those unable to adapt to changes.

Avoid Being Caught In The Action Trap

A key aspect of a successful operationalized culture is to pivot at the right time. Adjustments need to be based on internal factors and established goals, not external variables that may lead to new cultures based on a whim. If the latter approach is taken, a company gets caught in what we at my company call "the action trap." When this occurs, leaders institute a continual cycle of implementing new processes and systems to change results rather than addressing the underlying experiences leading to those results.

We've all seen how "the action trap" can lead to disaster: Large brands attempt to align with societal trends with little regard for whether they fit the company's goals and current culture. The end result of this misalignment is that employees feel a disconnect with the company, productivity suffers, customers become disgruntled and sales and revenue drop.

An operationalized culture adjusts based on how the company evolves. For example, a startup company can be much more flexible

in its business approach and work schedules in the early years. As it grows and becomes more established, structured processes and procedures need to be put in place.

Another example of an effective operationalized culture is an automobile manufacturer rolling out EVs. To align with the company expansion, the culture should support and encourage employees to participate in environmental programs and the manufacturer can institute initiatives to reduce its carbon footprint.

Conclusion

Success in today's market economy requires leaders to take a closer look at culture. They need to take accountability for aligning purpose, strategy and culture so their organizations will be positioned to readily adapt. In such a workplace, employees will understand the "why" behind their work, even as they adjust to new changes. That's what empowers employees to do their best work, for company goals to be met and for growth to be achieved.

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