#### **CULTURE EATS:**

operational excellence for breakfast, strategy for lunch, and everything else for dinner!

Pete Pritts, CEO
Corporate America Credit Union



#### Positive Culture Drives Positive Results!

#### **Harvard University Study**

- More than 200 organizations
- ► 11—year study
- ► Strong cultures increased net income by 756%





# Korean Flight 801





## Flight 801 Culture

▶ Do as you are told

Don't think or contribute

**DO NOT** question authority



## Flight 801

Do you want to feel like the smartest most powerful person?

Are you all about you?

Or do we wish to attain desired results?



# Flight 801

Result: 228 of 254 died

Korean Airlines determined that it needed a CULTURE Change!



#### POSITIVE CULTURE

- ► Safety Team feels connected, secure, free to express with candor
- ► Vulnerability Team looks beyond status in order to overcome hardships and address challenges
- ► Purpose Team knows where they stand, are clear on desired results, and believe the future is promising
- ► Hire Good Apples Hire carefully Remove Quickly



## Korean Airlines Flight 801

- ► Safety Team feels connected, secure, free to express with candor FAILURE
- ► Vulnerability Team looks beyond status in order to overcome hardships and address challenges FAILURE
- ▶ Purpose Team knows where they stand, are clear on desired results, and believe the future is promising
- ► Hire Good Apples Hire carefully Remove Quickly



## United Airlines Flight 232





## United Airlines Flight 232

Results: 185 people survived including the entire crew



#### POSITIVE CULTURE

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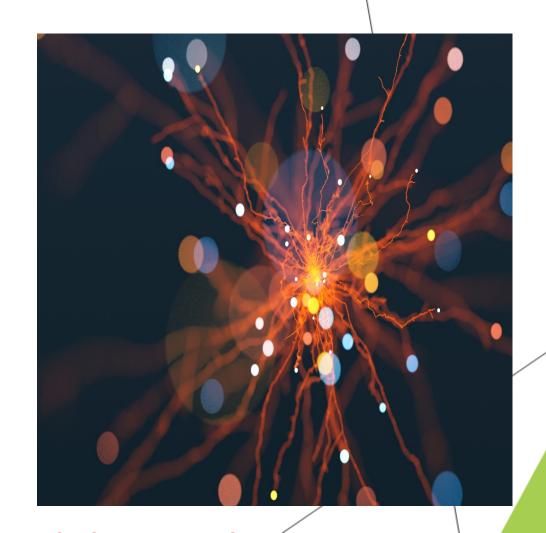
## Untied Airlines Flight 232

- ► Safety Team feels connected, secure, free to express with candor
- ► Vulnerability Team looks beyond status in order to overcome hardships and address challenges
- ► Purpose Team knows where they stand, are clear on desired results, and believe the future is promising
- ► Hire Good Apples Hire carefully Remove Quickly



## Positive Culture Chemistry

- Everyone Feels Safe
- Powerful Connection
- ► Encourages:
  - **▶** Collaboration
  - ► Open minds
  - ▶ Cooperation
  - **►** Effectiveness
  - Creativity





**Get to Better Decision Points** 

## The Marshmallow Challenge

MBAS

VS.

Kindergartners!





## The Marshmallow Challenge

- ▶20 pieces of uncooked spaghetti
- One yard of transparent tape
- One yard of string
- ▶ 1 standard size marshmallow



#### The Marshmallow Challenge

- **►**MBAs
  - < 10 inches</p>
- **CEOs** 
  - ▶ 22 inches
- ► Kindergartners
  - ▶ 26 inches

Not a one time event - same result numerous times!



# Kindergartners Win WHY/HOW?

- **►**MBAs
  - Engaged in "Status Management"
    - ► Who is in charge?
    - ► Is it okay to criticize?
    - ► What are the rules?





# Kindergartners Win WHY/HOW?

- ► Kindergartners
  - Appeared disorganized, yet were effective
  - Moved quickly spotting problems
  - ► Short bursts of commentary all spoke
  - ► Not competing or seeking recognition or status
  - Experimented, took risks

Results: "Ks" outperform MBAs & CEOs



## Kindergartners

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#### Seal Team 6





#### Seal Team 6 Culture

- Challenged authority even though overruled
- Contingency planned & contingency prepared
- Established purpose desired results were clearly articulated to the team
- ► A culture of confidence & belonging chemistry

Result: Successful Mission



#### Seal Team 6

- ► Safety Team feel connected, secure, free to express with candor
- ► Vulnerability Team looks beyond status in order to overcome hardships and address challenges
- ▶ Purpose Team knows where they stand, are clear on desired results, and believe the future is promising
- **►** Hire good Apples



# Culture Defined dictionary.com

"the customs, arts, social institutions, and achievements of a particular nation, people, or other social group"

"CULTUS" Latin, means "CARE"



#### Leaders

**Leadership** – influencing and inspiring

People take action because they want to take action

Management – ensuring that systems and practices are in place

People take action because they are instructed or required to take action





### Actions Driving a Positive Culture

- Build a Safe Environment
  - Safe to challenge authority, current practices – anything!
  - Safe to fail fast, fail forward
  - Safe to learn from mistakes
  - Safe to grow from mistakes



#### Actions Driving a Positive Culture

#### Share Vulnerability

- Open with Fears
- Share Worries
- Value Input & Collaboration
- Get to a Better Decision





#### Actions Driving a Positive Culture

#### Establish Purpose

- Ensure the team clearly understands the mission
- Ensure the team is confident in a promising future
  - Collaborate
  - Listen
  - Seek Input



### Bad Apples & Good Apples

Will Felps

University of South Wales in Australia





## Bad Apples & Good Apples

**Bad Apples Influence** 

**Good Apples Influence** 





Recruit Good Apples!



#### A Positive Culture

- ► Safety Team feels connected, secure, free to express with candor
- ► Vulnerability Team looks beyond status in order to overcome hardships and address challenges
- ▶ Purpose Team knows where they stand, are clear on desired results, and believe the future is promising
- ► Hire Good Apples Hire carefully Remove guickly



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#### "CULTURE"

is a set of living relationships working toward a shared goal. It's not something you are – it is something you do.







