Does company culture matter?

What differentiates successful companies from the rest? Efficient systems? Strong leaders? Clever strategy? Innovative products? Talented staff? All these are important, but it's company culture that gives companies the competitive advantage to thrive and grow.

Company culture, like personal character, is difficult to describe, but it has a powerful influence. At its heart, culture is *why* people do what they do, the shared mindsets that influence how people in an organisation behave. The culture of an organisation sets expectations about how people behave and work together, how they function as a team, and how they feel about the work they do. Company culture matters.

In a sector where change is constant and business models continue to evolve, culture becomes even more important. Poor cultures do not respond well to change, and company culture has a major influence on whether people decide to stay or move on from their company. With social media, views on company reputations travel fast, and a strong company culture is a major drawcard for top talent. For millennials, and for women in particular, strong company values towards diversity, ethical responsibility and sustainability – not only evident on a website but in company actions – is a major decider in their thinking about joining or staying with a company.

> "Guys make inappropriate comments about our appearance and when we raise our concerns no one listens."
>
> Research participant

For almost half the people in our study, company culture was cited as barrier to further developing their career. If employees are able to get away with bad workplace behaviour it can lead directly to poor morale, stress, reputational damage and increased staff turnover. Negativity in the workplace is contagious and it can affect the whole team.

Policies may be in place, and there may be annual reviews of internal barriers to issues such as bullying, gender equality or sexual harassment – but if company culture is poor inappropriate behaviours will persist.

> "Culture comes down to leadership and what leaders are prepared to walk past."
>
> Research participant

Workplace cultures are formed from the actions and beliefs of those who work there but ultimately, company culture comes down to leadership. Leaders must send the right messages about the company's stance on issues like bullying and sexual harassment and represent company values in their own behaviours. If bullies do not see themselves as a problem, then no policy and no amount of training will make a difference.