EP 12
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[00:00:00] What if you could build a business in the modern world as big or as small as you want without having to compromise the things that were the most important to you in the very beginning? This is the Wealthy Consultant Talks podcast with Taylor Welch and Mike Walker as they share with you today, their learning lessons from stories in their experiences over the past 10 to 15 years.

[00:00:24] And share with you right here, right now. Let's get into it. What is going on? My friends, Mike Walker here with you and another episode of the Wealthy Consultant. Podcast. All right. Uh, we've got some really cool things to talk to you here about. It's actually a, a topic that's near and dear to my heart because it has such strong implications into the success of any business.

[00:00:47] Uh, hopefully your business. My business, everybody's business. Uh, it's something that, um, I think a lot of people are familiar with the term, but they may not necessarily understand the. Uh, underlying benefits and why it's so critical. You know, I'd think people would say, oh, yeah, that sounds pretty important, but they don't necessarily know the implications if you don't have it in place and, and what it means when you do.

[00:01:07] So, what we're gonna be talking about today is building a strong culture within your organization. Now, I don't care if you are a, a, you know, company of, of two, you and somebody else, or you, and in dozens and or even hundreds. The reality is that you have to have a strong. Company culture in place, um, in order to run effectively.

[00:01:27] And obviously the larger your organization is, the more and more imperative this becomes in order to truly keep the, the business operating in a way that is cohesive and in a way that everybody is in the same alignment, kind of heading towards the same objectives and, and in the same fashion. All right, so let's dive in a little bit.

[00:01:44] Obviously I let's cover the basics. I, I always like to take things down to the simplest, uh, core values first, and then we can build up from there. So what is culture? What does that actually mean? Right? Well, culture is the personality of the company. It's, it's a, uh, the values, the beliefs, the attitude, the way of operating.

[00:02:01] Um, if you could, you know, take everybody in your team, again, whether they're few or many, put 'em all together. And then wrap them up together out with a nice package. That packaging would be your culture. It would be the way that you operate and the reasons why you operate the thought processes behind that.

[00:02:20] And I'm gonna dig into that here in a little bit. Uh, some more. But before we go into that, what I'd like to do is, is outline why creating culture is so important to the successful organization. What happens if you don't have it? Right? Let's kind of look at the inverse of it. So

if you don't have a good, uh, company culture in place, you're gonna have a lack of identity and purpose amongst your team members.

[00:02:43] They're really not gonna necessarily know why they're doing what they're doing. They're gonna have a feeling of like, I'm doing my task and I'll, I'll do 'em well, and that's fine, but they don't necessarily have any. Outside linking them, you know, outside influence is linking them to their end results that they're creating.

[00:02:58] Like, why am I doing this? How is this actually making a difference in the world? Um, it's really, really important for people to feel like whatever they're putting their time and effort into is that it's making a difference. And when you do, you're gonna get more buy-in. And that's the next, uh, point here is if you don't have culture, a strong culture in place, you're going to have low buy-in or low engagement from the team.

[00:03:19] Because again, they're just simply not gonna know. Necessarily why they're doing what they're doing. There's gonna be a detachment between their effort and the outcome that's that's making that impact. So you truly wanna have a strong culture in place so that there's a connectivity between, hey, these are the reasons why we're doing this.

[00:03:35] These are the people we're doing it for, and here's how we're gonna make this happen. Right? Like part of the mission. And that's why mission statement and culture are certainly going hand in hand. I'll speak to that as well. Here as we move along. Um, the next reality, if you don't have a strong culture in place, is you're gonna have high turnover.

[00:03:52] You know the best in the market, the best players out there. The A players we call them here at T W C, uh, they're looking for culture because they're not just looking for compensation. They're looking to be part of something bigger than themselves. They're looking for something that where they're going to invest.

[00:04:07] Most precious assets of energy and time, they wanna know that that's for a good cause and not just for a paycheck, right? And so when you have a clearly defined culture, when you have the um, things in place that are going to attract higher quality people, then naturally your turnover's gonna be reduced and you're gonna get.

[00:04:26] You're gonna attract better players on your team and you're, therefore you're gonna generate better results in the market. It's pretty straightforward, right? So, again, nothing too revolutionary here, but it is important to understand that a lot of these things need to be put in place before you need them.

[00:04:40] And here's where I wanna spend a little bit of time. I like to consider the, the culture and the mission statement of a company as the lighthouse. That lighthouse is very much needed in the storms of d Advers, right? Which inevitably are gonna come as, uh, you go through business regardless of whether you've been, you know, you're just starting, or you've been in the game like myself for multiple decades.

[00:05:01] The reality is that you're going to confront adversity. And if you consider that those adversity, the, the storms, the wind and the waves, then you need a lighthouse to align with. You need to be like, okay. Even though it's, it's rocky and we're getting bumped around everywhere, we're still heading in the right direction.

[00:05:17] That's where we're going is we're trying to align ourselves with the culture and the mission of the company. And so where a lot of people have a hard time in business is they get confronted with something. Maybe it hits 'em outta left field. They weren't even necessarily aware of the problem. So they have a really hard, uh, Coming up with a decision, they kind of get into analysis paralysis phase, and they're like, I don't know.

[00:05:39] This is tough. I don't know what we should do. And, and they start to freak out. And then it's kind of downward spiral of, of negative thinking. And as a business owner, as a founder, you need to have these pre-established pillars, these pre-established guidelines that you are going to operate on and how you're gonna make decisions and why you're making the decisions the way that you.

[00:05:57] These need to be built before you need them. You know, maybe you've heard the old analogy. It's better to build the well before you're thirsty. Well, that's exactly the same thing here, is you have to have your culture defined. You need to have your mission statement clearly articulated before it's confronted with adversity.

[00:06:14] Now over time, you know, some people think like, wow, this is a lot harder than I thought. And they get going on it and they, they struggle with the idea of like, well, what should. You know, culture include, and what should my mission statement include? These are things I'll talk about here in a minute as we wrap, but here's the thing.

[00:06:30] They can evolve and they probably will, and they probably should. Over time things are o obviously going to optimize. You're gonna be, you know, you're gonna become better as a founder. It's a leader. Uh, the organization's gonna grow, maybe the. The change that's in the market is gonna force the company to evolve as well.

[00:06:47] So these things aren't concrete, but they should be fundamental. They should be the foundations of which everything else is built. And the interesting thing is, is that some of the tactics and strategies may change, but if you look very closely at say, our culture codex here at the Wealthy Consultant, which I'll share with you here, is you'll notice that the underlying values.

[00:07:06] Our pretty first principle type stuff, they're, they're not gonna change. If the tactics and strategies have to change because of the various elements of the market and those variables that we can't control, that's fine. But the underlying value system, the way that we operate, the way that we think isn't gonna change.

[00:07:22] And that's really what you're looking for in a culture and, and even in a mission statement, is elements that are going to be the bedrock of your organization. That regardless of the adversity that you face, these are the things that you can depend. You know, and a lot of people are looking for anchors in a storm.

[00:07:37] You know, most people don't have these things in place in their lives. And so when they can align with the company that does, you'll, you'll really a, attract a strong, uh, group of people because they're, they're looking for that type of, uh, you know, strength and, and, uh, Just solidity in the, in their operating.

[00:07:54] So, um, you know, a really cool quote here by Herb Keller. He was the former c e o of, uh, Southwest Airlines. He says, cultures the sum of all things that people do when no one is looking. And I really like that cultures the sum of all things that people do when no one is looking. So this is really. Key is that you want to embed the culture in your organization.

[00:08:14] It needs to become the D n A of everybody and how they operate. And this takes time. This isn't something like, Hey, I print out some culture that you know, codex and here read it and now it's you. You know, this takes time to get into integrated in and ingrained in the culture, in the employee base, but.

[00:08:31] It's worth it because again, these are the things that they're gonna operate on, on a daily basis that maybe you're not around and, and you want to know that, hey, the company's running at full steam. It's, it's as optimized as it possibly can be, and you obviously want to, uh, you know, have that trust built up.

[00:08:46] Will, that trust can be more. Um, solidified when you have that culture established and you know that there's a strong, uh, framework for people to operate on and make decisions with. Having that in place is, is again, like the lighthouse and the storm. It really helps people. All right, so let's dive in a little bit.

[00:09:02] Um, The last piece I'll leave you with before I actually start reviewing some of the culture codex that we have here at the Wealthy Consultant. I think, um, by sharing some of this with you, it will really benefit and, and kind of give you some frameworks that maybe you can build off of on your own. Um, one of the last components is Y Power.

[00:09:19] You know, uh, what I call Y power is basically the reasoning behind something. Yes, I'm gonna work hard, and yes, I'm doing it, but why? What is that outcome? What is the thing that I'm doing this and why am I doing it in this fashion? Right? When you can establish these for people, it's really gonna give them the clarity.

[00:09:38] To move forward more effectively and more independently, because it gives them the freedom to make decisions autonomously and go, you know, this is the organization, this is the culture, this is the framework that we are operating with. These are how we make decisions. This is what we believe about our customer base.

[00:09:54] They're gonna operate at a much higher level than if you don't have these types of cultures, uh, culture fit built into your organization. So it really, it really is, um, pretty critical. You know, um, last quote here for you, the culture of any organization is shaped by the worst behavior the leader is willing to tolerate.

[00:10:14] That's a big one, right? The culture of any organization is shaped by the worst behavior the leader is willing to tolerate. So this goes back to, you know, if you have a lot of employees and and whatnot, you need to understand that they're all humans. Everyone's got, everyone's got their own things that, their own ways of operating, their own past experiences, their own hiccups, and, and all the things that go along with it.

[00:10:35] You just need to understand that by having more and more clearly defined mission statement and culture code. It's gonna allow these people to know, am I on baseline? Am I in alignment with the company and how it operates or am I not? If you don't have these, it's like you have no rules. It's, it's playing football with no rules.

[00:10:52] It's just every man for himself or every woman for herself, right? So you need to have these things pre-established again before you need them. So let's dive into, um, our culture codex here. I think this will give you some insight into how we operate as an organization and why it's such a powerful piece of our.

[00:11:09] You know, daily operations here. So culture codex, we innovate daily, creating new ways to serve our clients in what makes you happy. Things that worked last year must be proven again this year for us to keep teaching it every quarter, every year, every season, and in every process ask, how could this be better?

[00:11:27] Then make it better. Okay, so we innovate daily. Again, it's a perfect way of injecting the DNA n a into, um, your culture is like, look, we are all innovators right now, whether that's true for you or not. Again, these are just our frameworks, but you can use them for, uh, you know, as an example and build off of them.

[00:11:47] Another one is we have high initiative. We act quickly to solve customer and client problems. We don't need to be asked or told what to do. If it serves a client and makes their lives or business better, you don't need permission to do it. Just move. Okay. So again, creating high initiative independence among the team.

[00:12:06] Say, Hey, you are a leader here. You have the power, you have the right, you have the responsibility to act independently and, and focus on the end objective, which is to help our client, help our customers. All right, um, I'll leave you with two more. Um, we know our numbers. You know, to experience, uh, leadership or promotion, you need to know your data.

[00:12:25] If you're in a client service, this means client satisfaction and retention. All the other metrics, if you're marketing, this means CPM and lifetime value and cost per acquisition. So if

you're an operation, that means revenue per head, average time per hire. The people who check out and say someone higher up must know that number are people who will never be.

[00:12:45] And they don't wanna expand to learn new things. So again, basically this is putting the responsibility on the individual. Like, look, we run on data here. We use KPIs, key performance indicators to monitor whether we are above baseline or below baseline. And. You must know those numbers. If you don't know those numbers, it's like flying a plane and not knowing how to read the dials, right?

[00:13:07] So it's really, really critical to have predefined KPIs for each, um, division of the company. But then make sure that your leadership, your managers, and even your employees, they understand what those metrics are, what they mean, why you're measuring them, and then how to actually read those numbers so they can make independent decisions on their own.

[00:13:25] Uh, here's another one and an important one too. We have. Straight up. We have fun. People who have fun doing what they do will always do what they do better than people who don't have fun doing what they do. So, uh, this is fun. It says, read that five times fast. Have fun, right? So again, you can see how we've, we've embedded a little bit of humor, a little bit of, of, uh, brevity and, and lightness into something that is so important.

[00:13:50] And it, that's another key point that I'll leave you here with is as critical as the culture is, make sure it's not all too serious. Build some fun into it because again, people are attracted to a company, an organiz. A team that is, um, you know, having a good time. They like what they do, and, and no one wants to show up every day, um, in some kind of drudgery, right?

[00:14:13] They, they wanna feel impactful, they wanna feel important, and they want, feel like what they're doing is meaningful both to their lives and the lives that they are touching, you know, via the, the work that they do. Make sure you have fun with it, guys. All right? It's a really, really key piece. All right, so, okay, that's basically it guys.

[00:14:30] So I wanted to wrap on that. Building a strong culture within your organization is such a key component to any group. And again, regardless of size, small or large, this is something that you're gonna want to build now before you need it. Build that lighthouse. Before you need it. All right guys, we'll see you in the next episode.

[00:14:46] Take care.