The impact of workplace culture on fitness to scale

An introductory study for early stage, high growth technology companies

AlbionVC | TRUE INVESTING

Fenji & Co

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Introduction

It's never been a better time to be a disruptive influence on a market, or start a new one.

Power is quickly ebbing away from traditional gatekeepers in media, healthcare, telecoms and the life sciences, amongst others. Companies and consumers are embracing new technologies and business models at an astonishing rate.

And despite volatile conditions caused by Brexit and other macro-economic events, the UK remains one of the best places to start a business. It provides more access to finance than anywhere in Europe, with a robust economy and the professional expertise to help a business scale globally.

Most founders focus on the external factors that they perceive as make-or-break. Product-market fit… go-to-market strategy… customer dynamics… competitive differentiation – these have become the mantra of MBA-graduates and incubator entrepreneurs alike.

Less well understood is workplace culture. Why does it matter? Let's start with the fact that, of 40% of leaders who are hired from outside each year, nearly half fail within the first 18 months (2014 CEB research). The cost to the business can be more than five times each failed appointment's salary and even that doesn't include the disruption caused along the way.

The main reason given for these high-profile exits is a poor fit with the team and the culture they encounter more broadly within the organisation. Recent research by CB Insights based on 101 Start-up post mortems found that not having the right team in place was the third most common reason why Start-ups fail (after poor market fit and failing to raise sufficient capital).

Workplace culture

Workplace culture is rarely top of a founder's list of priorities. A large reason for this is that, despite widespread research and acceptance, it's a subject that is still misunderstood. And not without good reason - the word 'culture' is loaded with different meanings. It is unquestionably complex and hard to measure. And yet, as this report shows, it is indelibly linked to a Start-up's ability to scale.

Job applicants care deeply about company culture, and their fit (or lack thereof) can determine their levels of motivation and performance at work. Studies have shown that when workers don't fit within a culture, they are more likely to become disengaged and leave. Individually and collectively, this can impact delivery and productivity.

Shaped consciously and strategically, cultures are a primary source of competitive advantage. A company's workplace culture is at the heart of the way it functions and delivers on its vision. It is one of a few existential factors impacting a business that govern its very sustainability.

True investing requires a 360° view of early stage tech businesses. This report clearly demonstrates what our investments have already taught us – that a company's ability to scale is driven as much by internal factors as external.

Workplace culture is a key determining factor in our investment decision making: founders neglect it at their peril.

Ed Lascelles AlbionVC

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Executive summary

Workplace culture is a critical factor influencing a company's ability to scale. That's the main finding from an in-depth analysis of nine fast growing UK technology companies in AlbionVC's investment portfolio.

Most early stage companies focus on external factors. Less well understood among entrepreneurs is the importance of internal factors and, specifically, how they can create and sustain a powerful workplace culture.

Culture, a subject that attracts both cynicism and fascination, is the unique combination of beliefs, norms, behaviours and styles that make an organisation what it is. Pervasive and enduring, it is at the heart of the way an organisation functions and it can have either a positive or negative impact on long-term success. Encouragingly, it is something that can be consciously shaped with a focus on leadership, values, behaviour and people processes.

The design and delivery of an "internal strategy" or "people plan" covering processes such as hiring and onboarding, learning and development, performance attainment and recognition can make working culture a source of competitive advantage.

From a leadership perspective, a better understanding of workplace culture and mastery of its key drivers will directly impact a business' "fitness to scale" - its ability to grow from fledgling Start-up to corporate juggernaut.

This should be of particular interest to founders who have a rare opportunity to form a unique culture as they build out their teams. In the early stages of growth, taking the time to identify and build an attractive and successful culture will avoid the inevitable loss of momentum and damage caused by having to change it further down the road.

Unfortunately, early stage businesses are, by definition, precarious things. Buffeted from all directions by external forces, it can be hard for founders to focus attention on internal matters.

For these reasons, investors are increasingly asking questions with a distinctly internal or organisational flavour to assess a company's fitness to scale.

We spoke to and surveyed employees at all levels from a group of nine fast growth technology companies within Albion's investment portfolio. The quantitative and qualitative data gathered allowed us to analyse both workplace culture and the factors shaping workplace culture in these companies. To characterise each company's workplace culture we used an 'Integrated Culture Framework' model[1] with eight distinct styles that are applicable to any organisation.

We then matched that data against financial performance to make a number of clear observations around the extent to which workplace culture impacts a company's fitness to scale.

[1] The Integrated Culture Framework model was created by Jeremiah Lee, Jesse Price and J. Yo-Jud Cheng from Spencer Stuart. It was first published in the January-February 2018 Issue of Harvard Business Review: "*The Leader's Guide to Corporate Culture*" and is used with the author's permission. The eight culture styles referred to are 'caring', 'learning', 'results', 'authority', 'safety', 'purpose', 'enjoyment' and 'order'.

Executive summary

1. Leadership behaviour is the primary influencer of workplace culture

It is clear from our work that the founders' primary intention for setting up the company – be it financial success, status or social legacy – directly impacts their leadership style and plays a key role in the company's workplace culture.

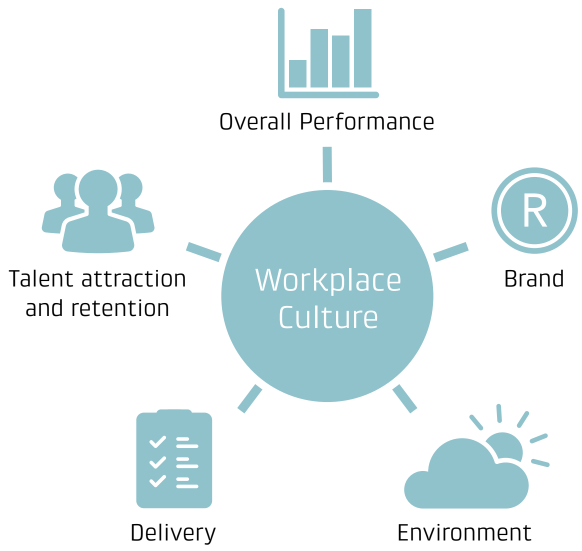
In addition to setting the direction of the company, leaders create the conditions for working environments through their values, the way they behave and their biases.

The study also helps to puncture the entrepreneurial myth of the lone genius. Successful companies are nearly always the sum of two or more founders with complementary skillsets and styles who hire based on an honest assessment of the gaps that exist in their leadership acumen.

The leadership that a business needs is constantly shifting. For example, as companies scale, founders need to learn to let go and empower those around them to make decisions. This shift from direct to indirect influence, with a greater reliance on other leaders to communicate with staff and articulate direction, can prove challenging.

The way new leaders are hired, assessed and developed over time plays a significant role in the organisation's workplace culture and fitness to scale. Employees working under effective leaders tend to be more engaged and productive because common intrinsic motivators such as feedback, recognition, development, purpose and achievement are met and supported.

Companies therefore need to find a way to focus in a systemic way on leadership quality, and ensure they both deepen and strengthen their desired workplace culture. In time, this acts as a magnet for even better leaders and talent to join the company.



Executive summary

2. Fitness to Scale is an accurate predictor of commercial out-performance

A company's fitness to scale can be measured in the answer to the following five questions:

- **How well does the business attract, manage and retain talent?**
- **To what extent is the top team and the entire business aligned around a clear and compelling purpose and direction?**
- **Does the organisation enable people to work well together?**
- **Is there potential and capability in the business to execute flawlessly?**
- **Does the business respond and pivot quickly and effectively?**

Based on the research, there is a very strong correlation between excelling in all five fitness to scale categories and commercial performance. Put simply, companies scoring highly in all categories perform significantly better in terms of financial growth, customer acquisition / retention and fundraising when compared to those scoring lower in one or more of the categories.

It was clear to see that out-performing companies also enjoyed higher levels of employee engagement and retention compared to the low-performing companies. When thinking about preparing the business to scale, founders and their teams should therefore devote sufficient time and attention to the questions listed above.

The strategies, activities and decisions that flow from these questions will play a pivotal role in how well the business scales and performs.

The founders of out-performing companies are highly conscious of the importance of workplace culture and are generally proud of the cultures that exist in their organisations. They recognise the need to improve leadership (both theirs and others elsewhere in the organisation) and the way in which they communicate company direction. They also prioritise the design of talent management processes such as development and career progression.

Conversely, leaders of under-performing businesses are less satisfied with their workplace cultures. Many recognise their companies show lower levels of employee engagement, motivation, care and pride but either don't make the connection with workplace culture or don't know how to shift it in a more positive direction. There is less understanding, belief and / or investment in talent processes and maintaining leadership quality in these businesses.

Founders believe workplace culture matters, and not just for company success.

Many focus group participants and founders felt workplace culture was key to their company's success.

It helps attract and retain talent, and increases staff morale and engagement. It increases collaboration and quality of work and facilitates innovation. It enhances the brand and promotes the smooth delivery of strategy. It allows for meaningful reflection and the ability to course-correct when necessary.

Some founders went further, admitting they felt a duty to create enriching environments in which their staff can learn and grow on top of pursuing a commercially successful business.

Executive summary

3. A successful workplace culture emphasises caring, learning… and results

Out-performing early stage companies skewed slightly more toward interdependence (group / team-work) over independence (individual work) and tended heavily towards flexibility over stability.

Companies described as 'collaborative', 'warm' and 'social' by their employees were more likely to enjoy improved teamwork, engagement and communication. Out-performing companies also had workplace cultures characterised by trust, a sense of belonging and agility.

Ethics, trust, customer focus and learning are important culture characteristics for many employees. Reassuringly, most founders are aware that the way they respond to issues like bullying and sexual harassment will be closely observed and send powerful messages through the organisation.

Finally, the most successful businesses are, unsurprisingly, results-driven. These companies place a particular emphasis on setting and attaining clearly defined goals, orienting themselves externally and constantly improving the way they execute. They also take care to build the capability to monitor these dimensions.

Most growth companies share the same strengths and weaknesses.

More than half the surveyed companies identified teaming and collaboration as strengths. The same number (five out of nine) agreed that agility, experimentation and innovation were also characteristics they could be proud of.

When asked where their company could continue to improve its workplace culture, a majority named learning and development and reward and recognition. These, along with other talent management processes, should therefore be on the watch-list of all founders and leaders looking to maximise their business' fitness to scale.

"Culture is… the character and personality of an organisation and what makes it unique. It's the sum of its values, traditions, beliefs, interactions, behaviours and attitudes. It attracts and retains talent, drives wellbeing and engagement and ultimately impacts performance."

greatplacetowork.com

Success factors

1 Key findings and recommendations

2 Leadership

3 Hiring and retention

4 Process

Success factors / Key findings and recommendations

A positive workplace culture is a vitally important feature of early stage businesses, conferring competitive advantage on those that prioritise its development and nourish it over time.

Workplace culture starts to form when the founder(s) make their first hires and the dynamics within the executive team start to form. It is made up of a number of attributes: some tangible, others less-so. Certain characteristics are obviously positive (e.g. teamwork) just as some are clearly undesirable (e.g. bullying). Many (e.g. learning, purpose, authority, stability, results, risk, safety) fall somewhere in-between.

As we have seen, founders must be conscious and strategic in identifying and developing the right conditions for business to thrive.

On a regular basis they will measure the extent to which they are reaching and / or maintaining it. Early on they discuss the values and guiding principles that underpin the desired culture with staff, then codify them.

The sooner they do this as they bring new people into the business the better. By the time they are scaling, it is often too late to shape the desired culture. Often, in the interests of filling key roles as quickly as possible, new hires are made with little or no regard to the impact their behaviours will have on company values. In these instances, the culture can take on a life of its own.

The employees and founders we surveyed and spoke to named the cultural elements in their business they saw as strengths, and those with room for improvement.

What follows are a number of important characteristics that help identify a business that is fit to scale. Where relevant we have included practical activities against each that employees and / or founders believe have contributed to a positive workplace culture. All scaling businesses should consider incorporating and monitoring these types of activities in their own workplaces.

For simplicity, we look at the success factors in terms of leadership; hiring and retention; and process.

Success factors / Leadership

A business' workplace culture is the founder(s)' personality writ large.

Perhaps the greatest of all the challenges that rapid growth brings to founders is the need to develop and adapt their leadership style. People who start businesses are often exceptional engineers, innovators, inventors or marketers. Rarely are they proven leaders of men and women or builders of organisations.

Yet as their company scales, managing other people becomes one of the largest demands on their time.

Perversely, this can manifest through the need to create distance between them and the people and teams they worked with most closely at the early stage. They will need to create management layers so they can be more strategic and keep a view across the business as a whole. Put another way, they must work *on* the business, not *in* it.

Communication with staff is often no longer the intimate exercise of talking across a table or with a handful of people via video conference. Founders need to learn to communicate to greater numbers of people across several offices and geographies.

The greatest leaders identify, define and distil those elements of workplace culture that have made their company unique and successful in its first stage. They recognise the values and behaviours that underpin it then safeguard them, refusing to compromise certain ideals and qualities while at the same time absorbing positive new ones.

The result is a company whose culture strengthens or concentrates rather than weakens or dilutes. This is the concept of "culture add" and hiring for "values fit". Importantly, it is entirely consistent with the principles of diversity and inclusion.

In order to create those types of working environments, leaders must be able to identify their own leadership style and be humble enough to evaluate areas for improvement alongside their strengths. They should solicit and encourage feedback from those around them, including coaches and mentors, on a regular basis. This has the added advantage of creating safe spaces for people to open up, improving trust and transparency.

> "In the new economy, as in the old one, it turns out that organization building is not a secondary diversion from the "real" work of launching a high-tech Start-up. Rather… it might well prove to be the main event."
>
> *Organizational Blueprints for Success in High-Tech Start-Ups* by James N. Baron and Michael T. Hannan.

Success factors / Hiring and retention

As a company grows, hiring and retention become two of the founder's top priorities. The small team of generalists that saw the organization through its early stage must give way to specialists to fill an ever-expanding number of roles. This requires adjustments in the way the business hires and retains talent.

Candidates will – should! - come from different backgrounds and demographics to the original founding team and may be motivated by different things. Many will likely come with higher salary expectations.

At the same time, the founders will often need to part ways with members of the original team. They may have lost motivation or lack the skills and capabilities to take the company to the next level.

Newcomers may challenge the status quo and established ways of working. This often results in conflicts between existing and incoming staff and further evolves workplace culture, for better or worse. Founders take a passive role in these developments at their peril.

Strategic talent management ought to be incorporated into the business at an early stage. Successful founders typically hire a Chief People Officer or use a C-suite executive with considerable talent management experience early on in the company's evolution (around employee 30), and certainly before the business begins to scale. If this isn't possible, businesses should invest in external specialists for independent assessment and advice.

Talent acquisition is vital. Strong founders tend to hire right first time, looking for motivation and achiever patterns in candidates as well as values that are consistent with and reinforce the desired workplace culture. They also onboard effectively so new hires quickly understand the company's desired culture and reach performance levels quickly.

> "The second biggest challenge (after securing funding) is finding the right people, with the war for talent the critical factor for 45% of respondents."
>
> EY Fast Growth Tracker 2018

Success factors / Hiring and retention

Out-performing businesses adopt rigorous methods for scoring talent and avoiding bias, and then invest in training for hiring managers so they can ensure future hires go through the same process. This is not so that everybody hired into the organisation sounds, looks and behaves the same. Indeed, diversity is entirely compatible with searching for an applicant's ability to reinforce the workplace culture.

Fit-to-scale businesses consider the whole talent cycle to include performance, reward, recognition, promotion, development and mobility alongside hiring and onboarding. Interestingly, there was a high variance between out-performing and under-performing companies in specific areas such as recognition, feedback and career path.

Specific activities

- Design a robust hiring process with the leadership team for consistency of application. Use talent scorecards and other methods to minimise bias, involve people from across the company in the hiring process
- Use performance profiles capturing what candidates need to “do” to be successful at Year 1 rather than what they need to “have” on Day 1
- Place a strong emphasis on hiring for values-fit and motivation for role and company, in addition to technical / functional capability. Consider leader / manager potential
- Create ideal candidate profiles for better targeted (and cost effective) sourcing strategies
- Design compelling employer value propositions and messaging. Use social media, video and other tools to attract the right talent. Focus on values, diversity, workplace culture and development
- Measure and monitor key hiring metrics e.g. cost of hire, quality of hire

Success factors / Hiring and retention

Learning and development

All the employees in our study companies crave learning, both informal and formal, but many bemoan a lack of time dedicated to development. They point to a lack of external support and managers who are not expected to mentor or coach their reports.

Low-performing companies are characterised by founders who are concerned more about the costs associated with training than the benefits. Out-performing companies, on the other hand, reward talent with development and promotion to allow them to continue to grow in expanded roles.

If you have hired and promoted junior people into managerial positions, invest in their development as managers and leaders. Under-investment here risks future investments made in hiring team members who lose motivation when reporting in to inexperienced leaders.

Specific activities

- Identify and provide opportunities for development and progression (e.g. new assignments, learning a new coding language, role mobility)
- Set and use a learning and development budget
- Establish and communicate infrastructure for training (on the job and external) and promotion – e.g. conduct annual talent reviews
- Allow people time to “ease into” stretch roles – provide the right scaffolding and support vs taking a “sink or swim” approach
- Assign mentors
- Support managers to coach effectively
- Build skills (leadership / management and technical) in others so as to backfill when people move on

Success factors / Hiring and retention

Reward and recognition

Common complaints here included minimal benefits and / or an uncompetitive salary. Many employees cited the absence of a formal annual compensation review or clear reward plan.

As far as is possible, founders should explain the context around how pay is determined (ideally compared to external market and internally consistent with job grades and pay scales after these have been introduced).

Founders and leaders should take the time to recognise the individuals, teams and departments that – through both results and behaviours - promote the workplace culture they aspire to. Recognition need not be costly (or even monetary) but it's essential that the right kinds of action are seen to be valued and successes are celebrated.

Specific activities

- Hold annual compensation reviews
- Ensure reward strategy lines up with vision, strategic goals and results
- Have the debate about pay for performance and understand the arguments for and against
- Take the time to recognise individuals, teams and departments in a timely, proportionate and personalised manner
- Reward success with progression

Career Path

The flat structures and evolving roles in early stage companies can make for limited promotion prospects. However, as the business scales, founders need to demonstrate that talented colleagues can take on more responsibility. Designing organisations with this in mind will attract and retain more and better talent.

Specific activities

- Provide clarity on roles and progression; explain how the business supports development

Success factors / Process

For a company to be able to scale it must first change the way it operates. It must behave more efficiently and with more professionalism. This requires new processes, systems and structures that will facilitate and support sustained growth.

These inevitably impact the established culture and may appear to diminish one of the main attractions of working for a Start-up – the perceived freedom to move without constraint. In reality, a compromise between productivity and efficiency, and agility and flexibility, will inevitably play out.

Processes and practices that have people and organisation implications such as meetings, communication, decision-making, collaboration and innovation should be at the forefront of leaders' thinking.

Decision-making, resource management and cost control are some of the most important processes in any organisation. At the centre of each is the strategic narrative.

Out-performing businesses ensure the executive team is clear on and aligned around a strategic narrative. This is made up of a compelling vision, an ambitious purpose and a set of unique, authentic values that help guide behaviour.

A strategic narrative also describes the strategic 'anchors' that explain how the company will be successful and the differentiators that will enable it to stand out from the competition. Finally, it sets out a clear roadmap outlining the activities and milestones needed to deliver the company's products and services to customers.

The strategic narrative should, as much as possible, involve other colleagues who have been engaged in its development and are happy to communicate the narrative themselves.

Leaders must communicate the company's progress in the context of the narrative as clearly, consistently and regularly as possible. This will increase confidence and reduce anxiety among colleagues.

Success factors / Process

Communication

Staff want assurances that the business is on track. They also need to understand market context to assess risks, make better decisions and innovate faster. As companies get bigger, more people need to be kept informed and communication becomes more challenging. The founder can no longer yell out a piece of news from their desk or put it out on IM to a small team.

New processes and structures need to be devised to broadcast important information then collate feedback and answer questions. Different channels, technologies and formats work well in different circumstances.

Specific activities

- Communicate about the business as much as possible. For example, purpose, strategy, performance, wins, failures, learnings, customer / employee feedback and projects
- Circulate pulse audits to make sure people have understood important communication messages, gauge opinions and suggest improvements
- Use both informal and formal communication channels
- Ensure communication is regular, two-way and transparent

Budgets and resourcing

A lack of resource was a common complaint among focus group participants. A major bone of contention arises when allocation decisions are seen to be inconsistent or unfair.

Specific activities

- Provide transparency around resourcing and explain why certain areas are prioritised over others

Success factors / Process

Goals and metrics

Designing the measurement system and processes that are right for the business is hard and time-consuming. Applying them, doubly-so. This is exacerbated by the distaste among many founders for inefficient and disruptive performance management processes. But like throwing the baby out with the bathwater, completely ignoring performance management is not the answer.

Some companies we spoke to set goals but don't properly evaluate them. Others monitor or implement OKRs (Objectives and Key Results). Out-performing companies experiment with different approaches and generally have positive results (result-based cultures).

Specific activities

- Design a performance attainment process that is right for the business with clear, ambitious but achievable objectives
- Use a flexible goal-setting approach that aligns the corporate objectives of the business with individual, team and department goals. Use a balanced approach and avoid using only financial goals and targets
- Develop a regular operating rhythm around reviewing and setting goals and objectives

Meetings

Finally, meetings. There are too many of them according to most respondents. Often, too many people are invited; many start without an agenda, are too long and generally unproductive.

Specific activities

- Develop and communicate meeting guidelines and provide training on meeting etiquette and efficiency

About the study

About the study

The nine companies that participated in this research form part of Albion's technology portfolio. They vary in size, profitability and maturity but all have business models validated by paying customers and therefore share the common challenges of scaling a business*. They are also currently assembling the people, processes and funding needed to take their company to the next level.

The research comprised quantitative and qualitative data from three sources in each company:

- **A 92-question survey sent to all employees (with an average response rate of 80%)**
- **A focus group comprising approximately eight employees of mixed level and function**
- **An interview with the CEO / founder(s)**

To get a picture of each company's workplace culture signature we are indebted to the developers of the Integrated Culture Framework model referenced on page 4. We also looked at other important culture attributes including:

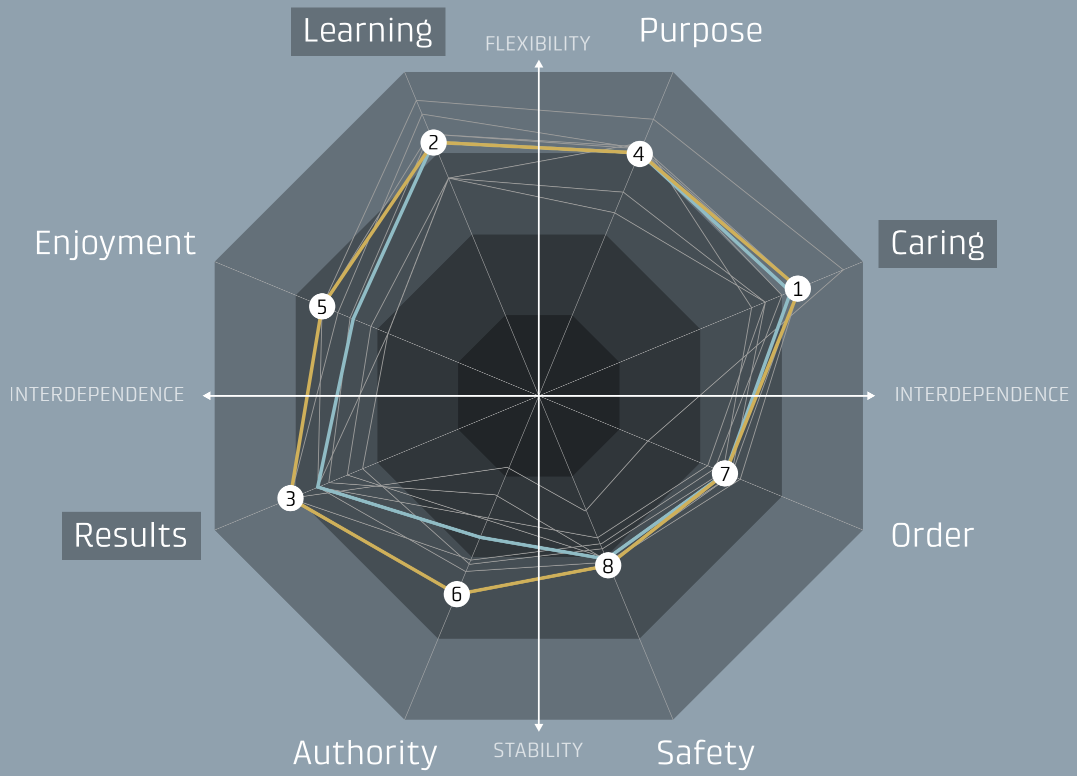
- Customer focus
- Ethics
- Power
- Trust
- Accountability
- Learning and attitude to failure
- Conflict and challenge
- Energy and wellbeing
- Long-term outlook
- Simplicity
- Diversity and inclusion
- Risk
- Values and behaviours
- Ceremonies and rituals

The rest of the survey covered the following topics:

- **The maturity of talent processes**
- **Levels of employee motivation, care and loyalty to company**
- **Clarity and alignment around company's purpose, vision, goals, differentiators, business model and roadmap**
- **Factors such as physical working environment, information sharing, leadership capability and capacity, decision making and employee empowerment, meetings, teaming and collaboration, organisation structure and communication**
- **Critical business processes including workforce planning, monitoring of company performance, financial focus and process maturity**
- **Measures of organisation nimbleness including agile processes and experimentation, innovation and bias for action**

* Participating companies range in size between 14 – 158 employees. Response rates varied from 65% - 100%. Turnover ranged from £1m to £18m. Historic annual growth ranged from 17% to 310%.

Out-performing early stage companies in the study display a common culture profile



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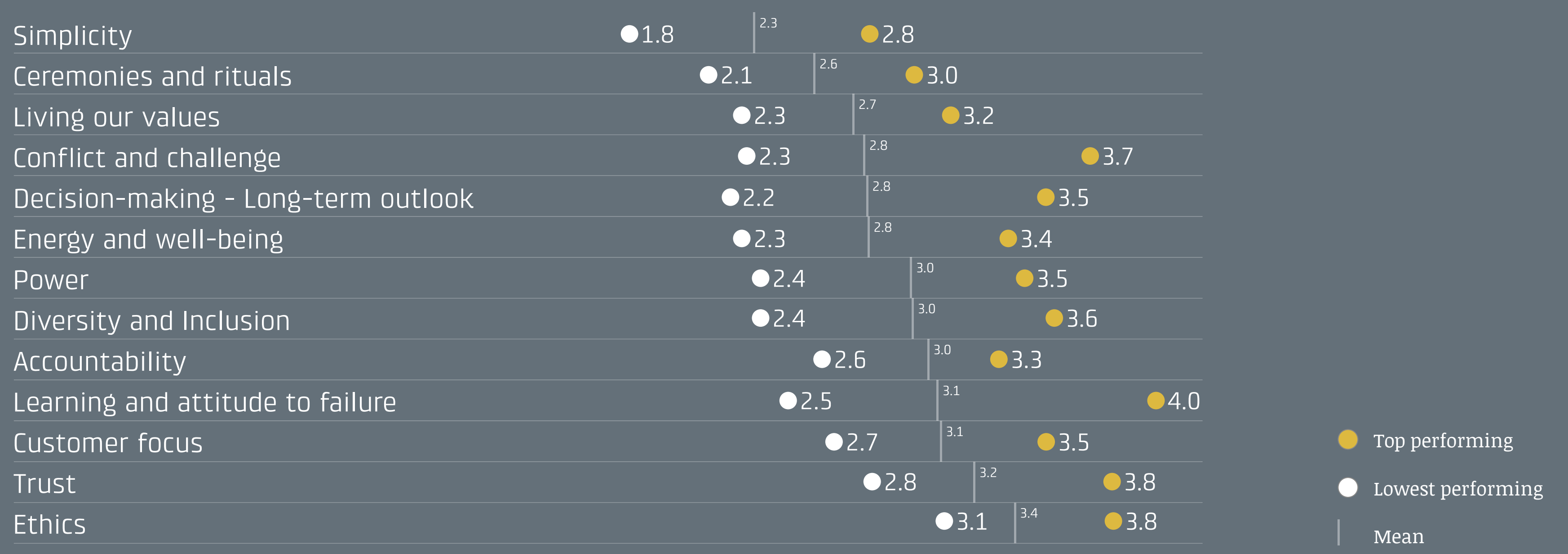
The Integrated Culture Framework was published in the January-February 2018 Issue of Harvard Business Review: 'The Leader's Guide to Corporate Culture' and used with the author's permission.

Top performing   Mean   Other

7 Number represents the order respondents use to rank descriptions of culture in their organisation

Culture Attributes

Extent to which respondents see attributes as present in study company.



AlbionVC

AlbionVC typically invests £2m-5m into B2B software companies and marketplaces at Series A. AlbionVC also manages the UCL Technology Fund, which makes seed stage investments in IP created by UCL.

The team has been investing in tech for 20 years and has over 40 companies in its portfolio. Exits include Grapeshot (Oracle), Opta (Perform), Active Hotels / Booking.com (Priceline), Bloomsbury (Facebook) and Orchard Therapeutics (NASDAQ).

AlbionVC is the technology investment arm of Albion Capital. Albion Capital has £1bn under investment management or administration, and is authorised and regulated by the Financial Conduct Authority.

www.albion.vc

Fenji & Co

At Fenji & Co, our mission is to help growth-driven technology companies successfully scale with people-centred cultures and highly commercial practices. We provide advisory, coaching and mentoring services in three main areas:

1. Strategic Narrative (e.g Vision, Purpose, Values, Goals, Differentiators, Roadmap)

2. Commercialisation (e.g Go-to-market, Sales Strategy, Pricing, Business and Partnership Development)

3. Leadership and Organisation Development (e.g Board and ExCo Team Development, Organisation Design, Culture Shaping, People Process Design and Performance)

We have an entrepreneur-focused approach - all our staff are entrepreneurs and we work closely with founders to provide rapid and quantifiable impact. Our in-depth access to large corporates helps with commercialisation and our proven operational methods come from years of advising small to large businesses.

How workplace culture impacts fitness to scale - at a glance

Shaping and maintaining the right workplace culture

Workplace culture is at the heart of the way a company functions and delivers on its vision. It is one of a few existential factors impacting a business and its sustainability.

Shaped consciously and strategically, a positive workplace culture is a primary source of competitive advantage. It facilitates efficiency, innovation, customer-centricity, quality and risk management. And the opposite holds true: a negative workplace culture can hold back these same qualities from embedding across the company.

Guiding principles and practices will differ based on several factors including customer type and market sector. However, the following five statements paint a picture of how an effective workplace culture can improve a fast growth technology company's fitness to scale.

Positive workplace cultures are characterised by...

... the entire business being aligned around a clear purpose and direction

Purpose
Founders communicate a unique and clear reason for the company to exist that excites and attracts talent.

Vision
Founders have a compelling, communicable, focused and flexible picture of where the company wishes to get to.

Values
There are authentic, well-understood values that are embedded and demonstrable in staff behaviour, both internally and externally.

Goals
All colleagues understand what it takes for the company to succeed. Goals are measurable, realistic and integrated through all teams.

Differentiators
The elements that make the company unique are well understood and fully leveraged.

Business model
There is a clear understanding of how the company will extend market leadership. The model is validated, with good product-market fit.

Strategy and execution
The roadmap guides development, operations and strategic delivery.

... the company being able to attract, retain and manage staff

Talent attraction and acquisition
The company competes for talent effectively, creating ideal candidate profiles and marketing roles well.

Recruitment and onboarding
There are rigorous processes to ensure hires are made for values fit (rather than for skills alone), with minimal bias.

Job design
Profiles encourage staff to show initiative and realise their full potential.

Development
Investment is made in coaching, mentoring and job rotation.

Feedback
Timely, consistent and clear feedback is offered on performance.

Career path
There are attractive development opportunities, including at leadership level.

Management
There is an appropriate level of supervision: for example, check-ins, instructions and requests.

Performance attainment
Measurable objectives are introduced for all employees and teams, and assessed every quarter.

Recognition
Progress is recognised and celebrated on a regular basis – at individual, team and organisation level.

Compensation
Rewards are seen by all staff as fair, competitive and transparent.

Positive workplace cultures are characterised by...

... colleagues being able to work together well

Physical work environment
The office reflects the company's values and culture, such that staff enjoy spending time there.

Information sharing
Collaboration tools such as Slack, Egnyte, Zoom and Google Apps are encouraged and their benefits fully realised.

Leadership
Decision making is distributed. There are a high number and quality of leaders throughout the business.

Employee empowerment
Decisions are made at the right operational level and employees are encouraged to make decisions based on what is best for the customer.

Meetings
There is clear direction and enforcement around meeting type, membership, frequency and duration.

Organisation structure
Roles and responsibilities are clear and teams can organise themselves to enable delivery.

Communication
Direction, progress and expectations are communicated simply, frequently and with clarity. Communication is two way and via multiple channels.

Teaming and collaboration
There is effective teamwork, with seamless integration and coordination between departments.

... the company being able to execute flawlessly

Workforce planning
The right employees are hired and onboarded at the right time.

Monitoring of company performance
Goals and operational, customer, people and financial metrics are under frequent review.

Strong financial focus
Expenses and investments are approached by staff as if they were their own money.

Decision-making
All stakeholders are involved in important decisions with a process in place to balance speed of movement with risk management.

Focus
Work that delivers the most value fastest is prioritised as standard.

Process maturity
There are robust and well-designed processes for effective and efficient operations.

... the company being able to pivot quickly and effectively

Agile processes and experimentation
Efficient feedback loops and agile processes foster continuous innovation.

Bias for action
High levels of personal responsibility encourage fast and effective decision-making.

Organisation nimbleness
Staff are encouraged and enabled to adapt quickly to a changing external environment.

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