THE WAY

地水火風空

HOW TO ALIGN YOUR COMPANY CULTURE TOWARDS THE SAME MISSION

CLICK WHERE YOU
WANT TO GO!

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TAP TO RETURN HERE

PURPOSE

"The Way means inducing the people to have the same aim as the leadership, so that they will share death and share life, without fear of danger."

-- Sun Tzu

PREFACE

Each of these topics has lots of information.
This document won't cover every detail, but it will give you a starting point.

We're using our own example not because we think we do it best (well, maybe a little), but because it makes sense to share what we've worked hard on to develop our culture.

Like anything in life, you get out what you put in.
There are examples, frameworks, and exercises along the way.

This isn't meant to be read passively.

It's an *interactive* workbook for you to write down your thoughts (on paper, tablet, smartphone, computer, etc.).

You have all the information, but we suggest finishing each part before moving to the next.

That's how you'll get the most out of it.

Enjoy!

Culture: The Glue that Holds the Foundation Together

It's more than rules for how people work together.
It's a shared way of executing.

It simplifies your company to its core so *anyone* can understand and share your message.

It's the key to growth.
With enough tweaks, you can make it perfect.

Perfection isn't adding more.
It's when nothing else can be **removed**, and every part is essential.

If you've been in a company without a culture, it's tough.

Leadership micromanages everything.
You can't do anything without approval.
Expectations are unclear.
Miscommunication hurts morale and creates chaos.

But go on, keep telling that new hire *"we're a family."*

On the other hand, if you've been in a company with a clear rhythm and trust in your team, you look *forward* to Monday.

You go the extra mile, not because you have to, but because you *want* to. You're excited to solve the next problem.

You feel like you're **just getting started**.

But the warning signs of bad culture are clear.
When language becomes passive-aggressive, people take sides, cliques form, and it's too late.

The damage is done.

That's why starting right is like building a strong foundation. People can tell if you're just stacking bricks to build a wall or **sculpting a cathedral**.

This document is your guide to building the company culture you've always wanted.

Take the time.
Put in the effort.
It's worth it.

BLUF: A purposeful brand, when communicated well, creates loyal customers and employees.

70% of employees say their work **defines** their sense of purpose. (McKinsey & Co.)

73% of customers **prefer** consistent brands, and consider customer experience important. (Source: Oberlo)

74% of customers **value transparent communication** more after the pandemic. (Salesforce)

77% of consumers buy from brands that **share their values**. (Havas Group)

88% of consumers say **authenticity is key** in choosing brands they like and support. (Stackla)

And if that wasn't enough, when consumers believe a brand has a strong purpose, they are:

- **4x** more likely to **purchase** from the company
- **4.1x** more likely to **trust** the company
- **4.5x** more likely to **recommend** the company to friends and family
- **6x** more likely to **defend** the company in case of a mistake or public criticism (Zeno Group)

Seems like "warm" and "fuzzy" can actually make you money.

Your culture's elements will fit on one page.
If it doesn't, you haven't refined it enough.

Vision – What do you want your audience to achieve?

Purpose – Why does your company need to exist?

Mission – How does your company commit to doing that?

Word-Of-Mouth – In other words … What do you do?

Strategy – What choices make you different from competitors?

OKRs – What do you use to track progress?

Priorities – What is the most valuable problem you're solving?

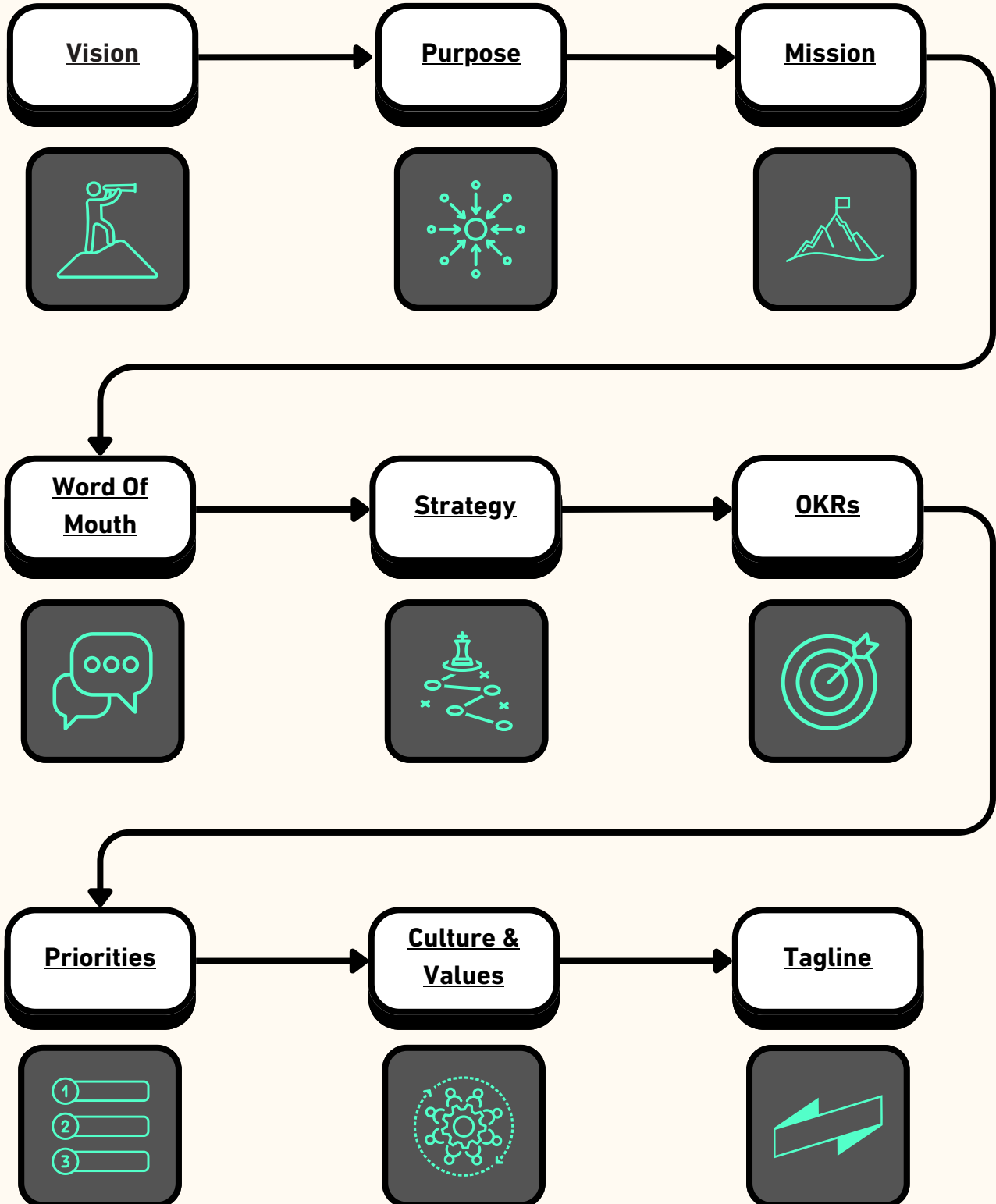Culture – Who do you aspire to be?

Values – What won't you compromise along the way?
- Causes - What will leadership adhere to?
- Effects – How do we gauge this?
- Morale – What do we hope work looks like?

Tagline – What is your rally cry?

CULTURE ELEMENTS

Vision → **Purpose** → **Mission**

Word Of Mouth → **Strategy** → **OKRs**

Priorities → **Culture & Values** → **Tagline**

Vision

What It Is

Vision is your company's big goal for the **future**.
It shows what you aim to achieve.

What It Does For You

It's your multiplier.

A strong vision inspires *everyone* to contribute.
No matter their role, everyone matters because their actions affect the vision.

People will be willing, engaged, and driven because they're serving a greater purpose, not just a person.

Examples:

- Apple: "To make a contribution to the world by making tools for the mind that advance humankind."
- Readar: "To stimulate the economy by curating information for entrepreneurs that improve our quality of life."
- Tesla: "To accelerate the world's transition to sustainable energy."

Frameworks:

- To [ongoing impact] to [think big] by [what you do] for [what/who you solve for] that [positive effect].
- To [action verb] [noble, achievable future].
- To [ongoing event] so that [distilled ripple effect experience]

Write Down Answers To:

- What is the effect from your company succeeding?
- What good comes from your company succeeding?
- What's the big-hairy-problem you're solving for?
- Why does that matter?
  - (For extra special effect, ask "Why does that matter to me?" roughly 7 times or until you get to an emotional point -- it works.)
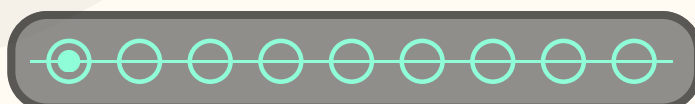
Purpose
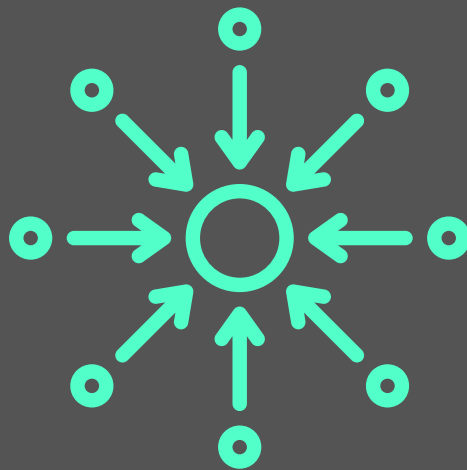
What It Is

Purpose is the **reason why** your company exists. It explains why what you do matters.

What It Does For You

It's a statement that reflects your company's philosophy, worldview, and outlook on life.

Many companies and competitors might operate in a similar space.

This shows why the world should *care* about what your company does.

Example:

- "Because beautiful technology enriches lives."
- "Because educated entrepreneurs create greater solutions."

- "Because if we don't transition to sustainable energy, we lose earth."
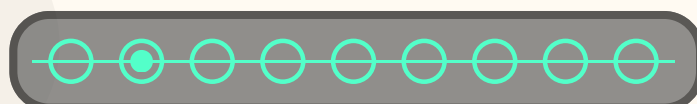- "Because if we don't learn how to innovate, who will?"

Framework:

- Because [achieved dream outcome] [creates ongoing impact]
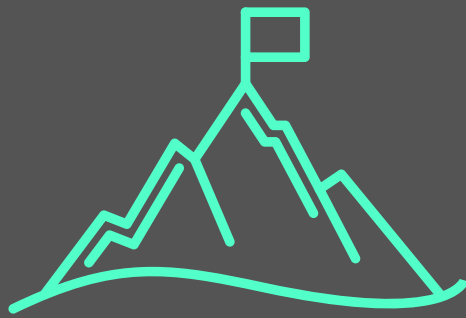- Because if we don't [take action], [big, bad outcome]

Write Down Answers To:

- What happens if action isn't taken?
- Do other companies have it wrong?
- Why does this problem need a better solution?

Mission

What It Is

Mission is what your company **commits** to doing every day to achieve its vision and fulfill its purpose.

What It Does For You

A clear mission helps your company *stay* focused and grow strong.

A company usually has one mission statement throughout its life.

However, there are rare cases where a company evolves its mission statement as it grows.

It helps your team know their goals and keeps everyone working together.

It shows customers why they should choose your company over others

It moves from the ideal to the practical, focusing on the *core* problem your company aims to solve.
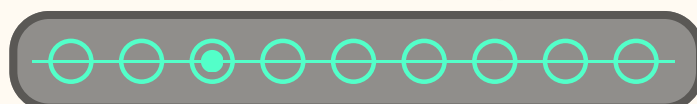
Example:

- Readar: "To connect entrepreneurs with the right information needed for growth"
- Basecamp: "To make it easier for teams to work together."
- Figma: "To make design accessible to everyone."

Framework:

- To [empowerment verb] [audience] with [new opportunity] so [customer transformation].

Write Down Answers To:

- Down to first principles, what is the "cornerstone" problem that must be solved?
- What needs to happen to support and fulfill the purpose of our company?
- If everybody had your product/service, would this problem be completely solved?
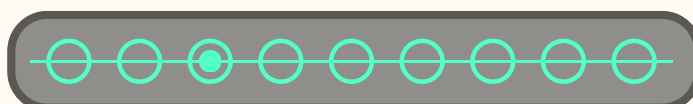
Word of Mouth

What It Is

People **sharing** their experiences and opinions about your company with others.

Your Vision, Purpose, and Mission statements are big ideas. This isn't.

This is as simple as you can make it.
No jargon. *No fluff.*

What It Does For You

This makes it <u>easy</u> for people to talk about your company.

Design it so *anyone* can quickly explain what you do, especially when they first hear about you.

Focus on what gives instant gratification and solves problems for your audience.

Examples:
- Readar: "Find what you need to learn now."
- Airbnb: "Book rooms with locals rather than hotels."
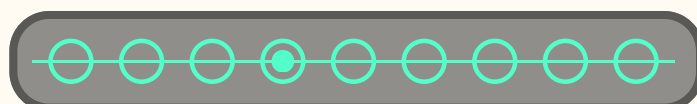- Zapier: "The easiest way to automate your work."
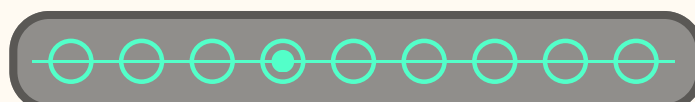
Framework:

- [achieve dream outcome] without [loss/pain]
- We help [people/companies] [achieve dream outcome] by [simplification of new opportunity].

Write Down Answers To:

- What are the basic components of this problem?
- What are the basic components of this solution?
- Can it be simplified?
- Is this under a 5th-grade reading level?

Strategy
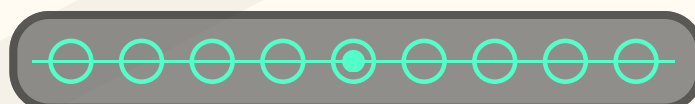
What It Is

Your **plan** for how to win.

It's about making choices on what to focus on and *how* to serve your audience best.

## What It Does For you

Your strategy sets your company apart.

It guides what you focus on when developing your solutions.

These are mostly fixed points that help decide which tactics to use and which to avoid.

It's not about saying "we have the best..." or "we're innovative."

It's about *how* you choose to serve and who you serve.

It's about creating the best solutions to help your audience succeed.
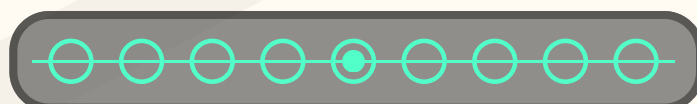
Examples:

- Netflix: "Invest in high-value projects, create content that appeals to both local and global audiences, and expand globally."
- Readar: "Be the default information recommendation source for developing entrepreneurs, make learning effortlessly engaging, and provide an educational roadmap."
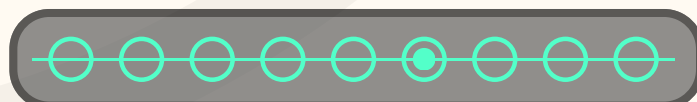- Amazon: "Lower prices. Greater selection. Faster delivery."

Frameworks:

- [audience ideal #1], [audience ideal #2], and [audience ideal #3]

Write Down Answers To:

- What separates you from others that are also jockeying for mindshare?
- What are the 2-3 most significant ways you can help your audience succeed?
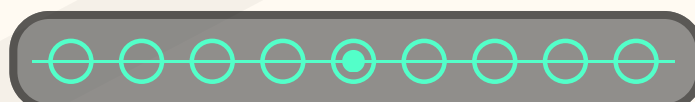
OKRs

What It Is

Objectives and Key Results (OKRs), are your company's goals supported by **metrics**.
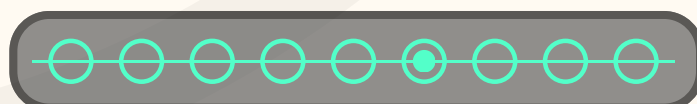
What It Does For You

OKRs connect your strategy to the tactical work that needs to be done.

You can't improve what you don't measure.

While you might overcompensate with many measurements, focus on the vital few that truly drive progress.

Pareto's Principle (80/20 rule) helps.
But consider the 80/20 within the 80/20.

What are the 4% of efforts that generate 64% of the results?

Examples:

Product Development

- Objective: Launch XYZ product
    - Key Result 1: Complete prototype by end of Q1
    - Key Result 2: Conduct beta testing with 100 users by Q2
    - Key Result 3: Achieve user satisfaction score of 90%

Marketing

- Objective: Boost brand awareness
    - Key Result 1: Increase website traffic by 50% in the next six months
    - Key Result 2: Gain 5,000 new social media followers by end of Q2
    - Key Result 3: Publish 10 guest blog posts on high-traffic industry websites

Framework:

Team/Function
- Objective: [Achievement]
  - Key Result #: [Produce] [X results] by [Y timeframe]
  - Key Result #: [Produce] [X results] by [Y timeframe]
  - Key Result #: [Produce] [X results] by [Y timeframe]

Write Down Answers To:
- What is the leading indicator for growth?
- What is the biggest domino that needs to fall to affect the rest?
- Why does that move everything else?
- Is this a primary metric or a secondary metric?
- What measurable improvement needs to happen for us to accomplish our objective?

Priorities

1.
2.
3.

What It Is

Priorities define your **core value proposition**.
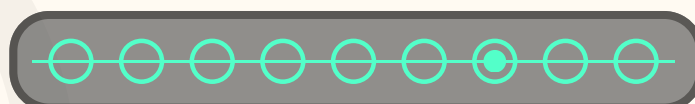They are what you focus on relentlessly.

What It Does For You

While many tasks come up in running a business, knowing which issues to prioritize creates significant progress.

Identify the *core problem* you're solving.

All other tasks should support this priority.

Remember, each type of person in your company's ecosystem may have a different priority.

Examples:

- Readar: "Connect entrepreneurs with the right information using as few data points as possible, enhance user engagement when closing the learning gap, and reduce friction at the point of sale."

- Amazon: "Faster delivery, drone services, grocery expansion, and attracting Chinese sellers amid rising competition."

- Apple: "Focus on design and functionality of products, enhancing customer experience, strengthening Apple ecosystem, decreasing dependence on the business on the sales of iPhones."
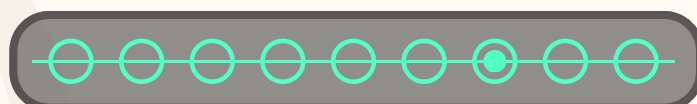
Framework:

- [achieve dream outcome] [without] [biggest pain]
- [achieve dream outcome] [with] [convenience]
- [reduce] [operational threat/risk]

Write Down Answers To:

- What is the most important and most urgent problem to solve?
- What are the three solutions our audience cares about?
- Which tasks directly support our main goal?
- What poses the greatest internal threat?
- What poses the greatest external threat?
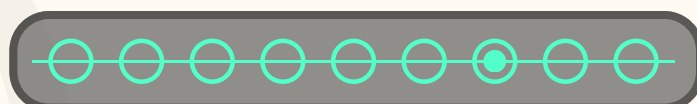
Culture & Values

What It Is

The shared way your company **executes**.

What It Does For You

Your company's culture and values shape how it operates. Often called the "DNA" of the company, values are deeply connected to culture.

No one aims for an unhappy, unmotivated team, and simply telling people to feel a certain way doesn't work.

That's why curating culture is an art. Saying our core value is "integrity" means nothing without action.
It needs substance.

Creating culture is a mix of organic growth and intentional design.

It's an ecosystem starting with leadership (the cause), which creates the systems people use (effects), influencing morale (byproducts).
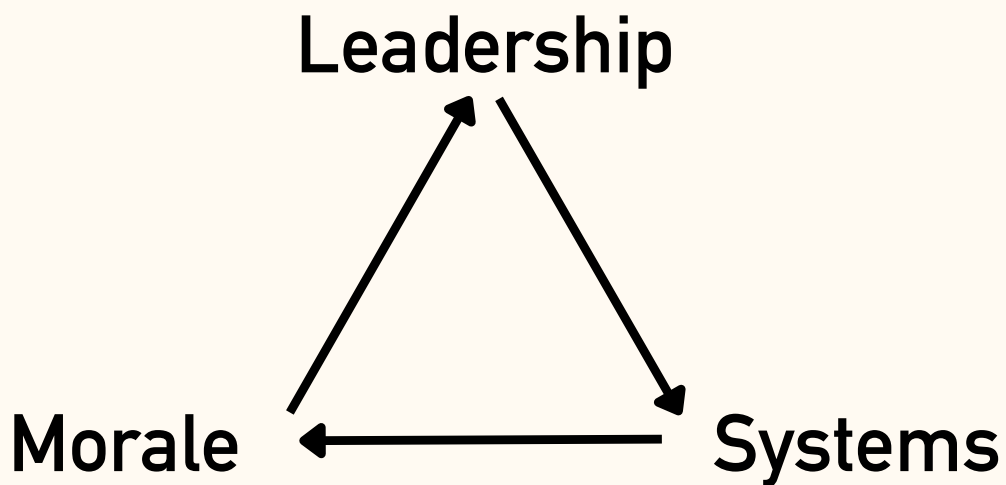
This chain reaction can be positive or negative, so it needs careful thought.

Once you set the tone, it's hard to change it.
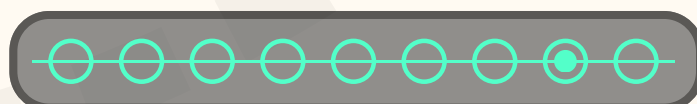
Key Points:
- Leadership: The cause that initiates culture.
- Systems: The effects that guide how people work.
- Morale: The byproducts reflecting overall happiness and motivation.

Leadership

Morale

Systems

Example:

- Readar: "3 to 30k – With the right perspective, we can make great decisions. Without it, we can't. Are we seeing from 3 to 30k ft.?"
- 37signals: "Easy? – Easy is a word people use to describe other people's jobs. Be careful not to assume the things you don't know, or don't routinely do, are easy. Would it be fair to call what you do "easy"?"
- Airbnb: "Be a Host – We're caring, open, and encouraging to everyone we work with."

Framework:

- [mnemonic device] – [reason why]
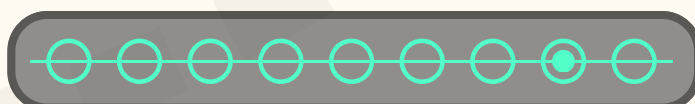
Exercise:

1. List the negatives experienced at former companies.

2. Categorize negatives into:
   - Causes: Leadership actions or decisions that initiated problems
   - Effects: Systems or processes that resulted from these actions
   - Byproducts: Outcomes affecting morale and overall atmosphere

3. Review categorizations of negatives.
Double-check if each item is in the correct category.
Adjust if necessary.

4. List the opposite in place of those negatives.
For each negative, identify the "positive opposite" (e.g., instead of "micromanagement," the positive opposite would be "empowerment").

5. Combine similar ideas to have roughly 3-7 key positives.

Exercise (continued):

6. Causes: What questions create the behavior that leadership can adhere to?

7. Effects: What questions create the systems for people to recall easily?

8. Byproducts: List the statements that create desired morale.

9. Causes: What mnemonic device will make each behavior easy to recall?

10. Concisely explain why you chose this mnemonic device to represent that value.

Exercise Example:

1. List the negatives experienced at former companies:
   - Ex: Lack of willingness to understand / Micromanaging / Toxic environment

2. Categorize negatives into:
   - Ex: Cause – lack of willingness to understand / Effect – micromanaging / Byproduct – toxic environment
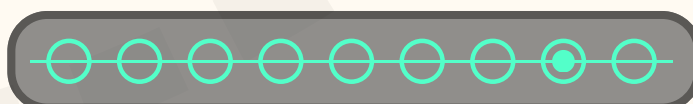
3. Review categorizations of negatives:
   - Ex: Correct / Correct / Correct

4. List the opposite in place of those negatives:
   - Ex: Having context / Enabling and equipping / Positive environment

5. Combine similar ideas to have roughly 3-7 key positives:
   - Ex: Having context / Enabling / Positive environment

Exercise Example:

6. Causes: What questions create the behavior that leadership can adhere to?:
   - Ex: Do we have context to make decisions?

7. Effects: What questions create the systems for people to recall easily?
   - Ex: Are we empowering others or creating dependency?

8. Byproducts: List the statements that create desired morale.
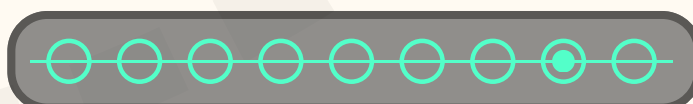   - Ex: No gossip

9. Causes: What mnemonic device will make each behavior easy to recall?:
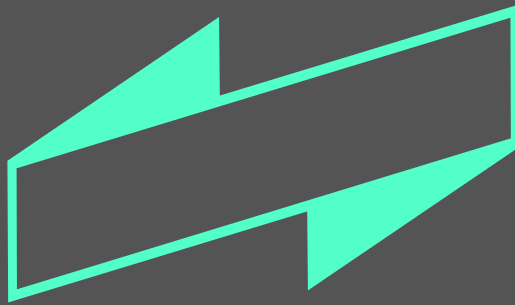   - Ex: 3 to 30k

10. Concisely explain why you chose this mnemonic device to represent that value:
   - Ex: With perspective we can make great decisions. Without it, we can't. Are we seeing from 3 to 30k ft.?

Tagline

What It Is

This is your **constant** call-to-action.

What It Does For you

It gives your audience a memorable feeling about your company.

This affirms their purchase.
Moving the decision from their head to their heart.

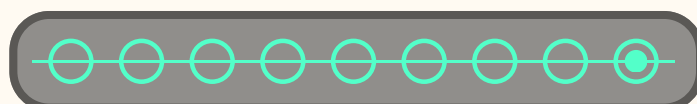It must be memorable.
Easy to recall.
Catchy.
Have it stick in your head.

Short can be important, but your message should be simple.

Communicate your value in one phrase, because when your audience is consuming your content, they're typically alone.

This becomes their private rally cry.

Examples:

- Readar: "Keep seeking."
- Airbnb: "Belong anywhere."
- Monday.com: "Work without limits."

Framework:

- Review and write out the previous culture statements together.
- Condense and simplify into fewer and fewer statements.
- [heart-of-the-matter benefit]

Write Down Answers To:

- If I only had three seconds to pass along encouragement to my audience, what would I say?
- Does this include our benefit?
- Is this memorable?
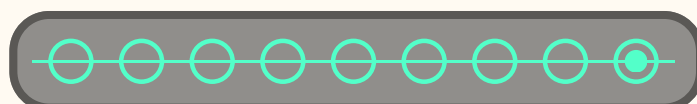
Vision – What do you want your audience to achieve?
- To [ongoing impact] to [think big] by [what you do] for [what/who you solve for] that [positive effect].

Purpose – Why does your company exist beyond profit?
- Because [achieved dream outcome] [creates ongoing impact] Because if we don't [take action], [big, bad outcome]

Mission – How does your company commit to doing that?
- To [empowerment verb] [audience] with [new opportunity vehicle] so [customer transformation].

Word-of-Mouth – In other words … What do you do?
- We help [people/companies] [achieve dream outcome] by [simplified new opportunity].

Strategy – What choices make you different from competitors?
- [audience ideal #1], [audience ideal #2], and [audience ideal #3]

Objectives – What do you use to track progress?
- [primary indicator]
- [secondary indicators]

Priorities – What is the most valuable problem you're solving?
- [achieve dream outcome] [without] [biggest pain]
- [achieve dream outcome] [with] [convenience]

Culture & Values – Who do you aspire to be? What won't you compromise along the way?
- [mnemonic device] – [reason why]

Tagline – What is your rally cry?
- [heart-of-the-matter benefit]

Use *simple* and *conversational* language so anyone can explain the value of your company.

Save the jargon and techno-babble for someone else.

Make this unique to your company and your worldview.

That's what separates bland, vanilla language from words that truly resonate with your audience.

Your:
- Vision is never finished.
- Purpose proves why your company needs to exist.
- Mission is your commitment to making it happen.
- Word-of-Mouth is so anybody can be a megaphone.
- Strategy is what distinguishes you.
- Objectives are how you measure progress.
- Priorities define your focus.
- Culture & Values are guidelines that channel collective effort.
- Tagline is what they'll never forget.

Write down your responses to the prompts, and continue to craft and refine your verbiage.

Keep seeking.

If you'd like to continue to develop in your entrepreneurial journey, visit readar.ai for more information.