



**SEROKA**  
BRAND DEVELOPMENT



# A 6 Step Process for Curing a Toxic Culture

IN MANUFACTURING —————

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The president of a manufacturing company contacted us because he was interested in creating a compelling employer brand. His company was experiencing rapid growth, and the few applicants he had were barely qualified for the positions he needed to fill. Making matters worse, two of his best plant employees resigned a month prior, and in total, he needed to fill at least eight positions as soon as possible. Typically, he would roll the dice on inexperienced and eager applicants and train them, but as the heat was on, he needed experienced people who would be able to walk in and get right to work. Time was not on his side as customer orders were backing up.

Knowing that finding quality people is a significant challenge in the manufacturing industry, I needed to find out why he was struggling to attract good, qualified applicants. And I also wanted to find out why two of his plant employees recently jumped ship together.

Despite resistance from the owners to execute a culture audit, I managed to convince them that it would be necessary to measure the health of the company's culture and to get a sense of what the company's reputation was in the market – two critical factors that determine a company's ability to attract and retain high-quality people.

The audit uncovered a toxic culture on the production floor. In particular, a veteran machinist was accused of being too impatient when training new hires and had a particular disdain for Millennials. Because of his irritability, newer hires were afraid to approach him with questions or requests for help, and nearly half resigned within months after hire. Another issue was uncovered concerning a shift supervisor who was accused of playing favorites by not holding people he liked accountable for infractions such as tardiness, sloppy work, careless mistakes, etc. This second issue alone fueled the company's rebellious environment.

Based on additional research, I discovered the company had a reputation for being a "worst" place to work due in large part to poor management.

When the results of my research were presented to the owners, at first they didn't seem particularly surprised, but then in an awkward way they were in a bit of denial. Fortunately, over time they absorbed the reality of what they needed to do and placed a concerted focus on taking necessary actions to improve their culture.



## CULTURE WILL --- MAKE OR BREAK A COMPANY

People are complex, mysterious beings who bring a lot of baggage to work every day, and each one of them gets up in the morning with one overarching goal in mind – to get his or her needs met. Conflict occurs only when someone gets in the way. And the more conflict or resistance there is, the more combustible a working environment becomes.

While it is not possible to always maintain an ongoing, perfect culture of harmony and optimal teamwork, there are strategies and tactics you can implement to keep things in check and mitigate risks of a culture crisis.

**This whitepaper outlines the strategy.**

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# IDENTIFY THE ROOT CAUSES OF DYSFUNCTION AND CULTURE TOXICITY

## THROUGH A CULTURE AUDIT

A culture audit is a research method for identifying how employees view and perceive their working environment in multiple categories. The most common way to execute it is through an online survey tool, such as [surveymonkey.com](https://www.surveymonkey.com). (For shop or plant employees who do not use a company email address, you'll need to print out paper copies for distribution and collection.)

The success of your audit will be predicated on the tone of the invitation you send to your employees asking for their participation, the questionnaire's anonymity, how the questions are framed and its timeline.

### THE TONE OF YOUR INVITATION

This is the time and place for you to be humble and show your vulnerable side because it is not possible for you to remedy an unhealthy culture on your own. So, it's critical that in your invitation you let your people know you have a genuine desire to become a better company by providing the best possible working environment for all and that you need their help to ensure success.

Asking for help versus telling to help and participate is critical. Keep in mind that if some of your employees are disengaged, many may have little motivation to pay attention to your request. (If you would like a sample invitation letter, [click here](#) and enter "sample culture audit invitation" in the subject line.)

### ANONYMITY

In your invitation, you'll be asking employees to be brutally honest with you and tell you what you need to know to work toward a better working environment. Your people will need a high level of assurance that sharing their brutally honest thoughts will not come back to bite them where the sun doesn't shine. This is a real fear, and if anyone has any concern that they may be found out, they will ignore the invitation altogether or will hold back their real thoughts and perspectives.

Hence, questionnaire anonymity is critical. (communicating anonymity will be a clear component of the invitation letter) In my experience, most employees will "tell it like it is," and do so respectfully.



## FRAMING OF QUESTIONS

To get the most out of this audit, you'll need to ask employees to rate your (company's) performance in all those areas that impact and contribute to the state of your culture, including:

- a. Leadership effectiveness
- b. Training
- c. Communication
- d. Conflict resolution
- e. Onboarding
- f. Mentorship programs
- g. Professional development
- h. Opportunities for advancement
- i. Employee relations
- j. Morale
- k. Ethics/codes of conduct
- l. Safety
- m. Promoting and living values
- n. The ability to attract and retain high-quality people
- o. Accountability
- p. Setting expectations
- q. Trust
- r. Compensation
- s. Other areas specific to your business

Your questionnaire shouldn't exceed 18 questions and should contain a mix of multiple choice, matrix, true/false and open-ended questions. Open-ended questions are crucial as they provide opportunities for employees to express their authentic thoughts and feelings, which you'll need in order to get to the core of issues you must address.

It wouldn't take much thought to understand why the absence or erosion of anything listed above could lead to a toxic culture. In environments with poor leadership, petty internal politics or perpetual conflict, employees can become downright resentful, and in some cases, nefarious – engaging in activities to intentionally harm coworkers and the company.

## TIMELINE

The ideal time to send and distribute your questionnaire will be on a Tuesday morning, requesting completion by the upcoming Friday. On the following Monday, you'll send a reminder invitation with an extended deadline of Wednesday. On the following Thursday, send one final request to complete and submit by the next day, Friday.

People are busy. Some will put it off or blow it off, but your persistence will pay off. In many cases, you'll receive more responses with your reminders than you will with your initial request.

If less than 30% of your employees complete the questionnaire, consider it symptomatic of an unhealthy culture (e.g., disengaged employees) or a lack of respect for your leadership. For some perspective, at Seroka, the highest participation in an audit questionnaire exceeded 80%, and the lowest was 11% which is perilously low.

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# FOLLOW UP WITH A “THANK YOU”

After sending your third request to participate, wait a day or two (but no more) to fire off a note of sincere thanks to all those who participated. In addition, reaffirm your commitment to build a better culture and provide a date of when you will share the results of the audit. (If you would like a sample thank you message, [click here](#) and enter “sample culture audit thank you message” in the subject line.)

Don't underestimate the significance and importance of this step! Your gesture of initiating the questionnaire sent a loud and clear message that you intend to effect change and become a better company by improving the lives of your employees. This second message of thanks will communicate that your intentions are indeed genuine. You're on a roll. Keep going...

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# REVIEW FEEDBACK AND PRIORITIZE YOUR TO-DO LIST

Before you read through the feedback, remind yourself that you did specifically ask for brutal honesty. You'll get it. Your leadership style may be criticized. Some may lash out at you personally for the tough and unpopular decisions you've had to make, especially during the initial COVID-19 outbreak. (There was no such thing as a win-win decision back then.) However, it's likely there will also be those who give you accolades for your decisions and leadership.

It will be tough, at times, to read what your employees have to say. Deep down you'll know what to take as a grain of salt and what to take seriously. You know what kind of leader you really are. And hopefully you are self-aware of your strengths and shortcomings. Do you lead with honesty, respect and integrity, or with dishonesty and deceit or, perhaps a little of each based on your moods and temperament?

Whatever the answer is, the feedback you have been given provides a golden opportunity to right wrongs and make necessary improvements within your company, and potentially within you, as a leader. After all, your company's success is 100% contingent on the health and performance of your culture. It's the reason many CEOs believe culture trumps strategy.

Perhaps you have high attrition due to an autocratic manager no one wants to work for, or excessive errors and mistakes are made due to breakdowns in communication. Maybe you have a quality issue due to a lack of training or innovation is suffering because employees have accused managers of taking full credit for other people's ideas. Whatever you discover, start to prioritize issues that need to be resolved.

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## TAKE IMMEDIATE ACTION ON THE TOP THREE ITEMS ON YOUR TO-DO LIST



Your people are relieved that you asked for their thoughts and insights. You will be judged as a leader on how quickly and vigorously you take action. For example, if you've been made aware of a harassment issue, involve HR immediately to investigate and interview everyone (potentially) involved to get to the bottom of it. If you have a manager who has lost the respect of his team because he's afraid to confront and hold people accountable, you may need to invest in leadership training. Or if poor communication is the culprit for excessive errors, mistakes or late shipments, organize a team to brainstorm ways to improve it.

When you pull the trigger on change, people will see what's happening, and you'll immediately see an uptick in morale across the entire organization. Attitudes, cooperation and teamwork will improve and people's respect for you as a leader will become even stronger. Keep going...

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## SHARE THE FEEDBACK OF THE AUDIT WITH YOUR PEOPLE AND SHARE YOUR PLAN



You cannot wait too long to take this step. In a toxic culture, many people – especially your better people – may likely be approaching their wits end and looking for other places to work. Every hour counts, so you'll need to get in front of your people soon.

This will be a humbling experience, as you are going to share all the details of your audit, both good and not so good, with all your employees. The acknowledgement will make you human, and despite what you may think, it will be appreciated as long as you don't divert blame for problems elsewhere while taking credit for everything good happening at your company (which many leaders do). Only the best leaders have the courage to take this step, and the level of respect employees have for you will soar.

This is a presentation you'll need to do in person, or at least through a video conference (given our COVID -19 situation). Merely sending a detailed email to your staff and a long letter to shop employees will not have the same impact or desired influence, mostly because not everyone will take the time to read your message thoroughly. Your people need to see your face and hear your voice as you deliver your message.

After your presentation, allow time for Q&A and immediately after, switch gears to reveal your prioritized to-do list. Tell everyone what you are currently working on and what changes you are already making. Reaffirm your commitment to clean things up.

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## MEASURE RESULTS

If you move aggressively on your plan (which your people hope you will do), repeat steps 1-5, six months later to measure the difference in your culture. If all goes to plan, you will see measurable increases in those areas where you placed your focus.

Your end goal with everything you are doing is to build a continuous improvement culture for your company. Eventually, you'll get to the point where even if something isn't broke, you'll take it apart and rebuild it to be better, just as you would do with the products you manufacture.

**Best of luck to you!**

**Of course, if you would like assistance,  
please contact me today.**

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