

# SUMMARY

THE

# CULTURE CODE

**Daniel Coyle**



# **Summary of «The Culture Code» by Daniel Coyle**

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A guide to implementing three key skills into any group environment, whether it be in the workplace or even in the world of crime, group dynamics are critical for success.

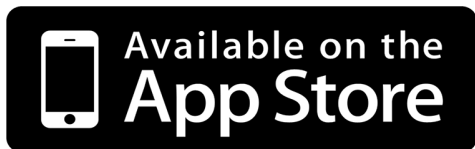


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# Introduction

Let's take a look at two groups: one is composed of business school students and the other is composed of five-year-old kindergarteners. The challenge? Build a tower using uncooked spaghetti, tape, string, and one marshmallow. The only rule? The marshmallow must end on top of the tower. The group with the taller tower would win the challenge. Who would you bet on to win, the business school students or the kindergarteners? If you chose the business students, you're wrong. Each time, the kindergarteners won and the difference lay in their group dynamic. While the business students were rational and intelligent, they focused too much on who should take charge and lead the group. Their time was wasted on dividing the tasks. The kindergarteners, on the other hand, focused on the problem and went straight into building their tower.

Over four years, Daniel Coyle has studied group dynamics in all types of fields including education, entertainment, military, sports, and even crime. Throughout his research, Coyle discovered three basic ingredients that make up their success. Through *The Culture Code*, you can learn these three ingredients and find actionable advice on how to implement them to create highly successful groups in any environment.

# **The Importance of Company Safety**

You've heard the term "bad apple" but did you know how influential the behavior of a bad apple really is? When you hear of a bad apple, you think of someone that might be a jerk, a slacker, or just a downright downer. And while many believe they aren't influential in the workplace, research proves just how negative these bad apples can be.

Researchers used the "bad apple experiment" to study group behavior in which they hired someone to display certain behaviors in a meeting. While many groups proved to be affected by such bad behavior, there was one group that was able to overcome such negative tendencies. That was due to one member who met his group members with encouragement and changed the mood of the team. This person is considered the "good apple." But how is such an individual able to affect his group's performance? The good apple may not be a strong leader, but he instead, contributes to their success by making his group members feel safe.

All successful groups have the same traits. They make eye contact, shake hands, use active listening, laugh with one another, and overall make spending time with one another a rewarding experience. Collectively, the members are productive because they all feel safe. These groups have a chemistry that provides comfort and allows each person to contribute meaningfully and feel appreciated.

Let's take a look at the success of Google over Overture in the early 2000s. Why did Google, a relatively young company, beat a successful established multi-billion dollar one? Well, it was largely due to Google's emphasis on belonging. On May 24, 2002, Larry Page, the founder of Google, posted notes in their company kitchen. He printed the advertising failures of their search engine and wrote three simple words: "These ads suck."

Upon seeing these notes, Jeff Dean, an engineer from a different department, read the notes and immediately worked on programming the

codes to achieve better results. He worked day and night until he perfected the code. A year later, Google's worth increased from a mere \$6 million to \$99 million. Once approached for a book interview on Google's success, Dean hardly remembered fixing the search engine and felt that his work was largely insignificant, when in fact, it was the lifeblood of Google. In other words, that day is considered "the billion-dollar day when nothing happened."

So what's the difference between Google and Overture? Google made their employees feel safe and close with their leaders. You see, Overture was a bureaucratic company that used top-down decision-making where each innovation had to be discussed in a meeting. Google, however, was highly informal where employees and higher-ups worked closely together. Google simply beat Overture because employees felt safer.

# Build a Sense of Belonging

What makes you want to stay at a company? Is it the money? Job satisfaction? Well, according to the one-hour experiment, people largely stay at companies when they feel a sense of belonging. When employees feel like they are part of the company culture, they are far more likely to stay long-term.

The one-hour experiment refers to an experiment conducted at WIPRO, a well-known call center in Bangalore, India. The company pays well and provides excellent benefits for its employees; however, in the late 2000s, the company saw employees leaving rapidly at a resignation rate of 70 percent. What do you do? Well, with the help of some researchers, WIPRO experimented with new hires. In the extra hour of the training process, one group of new hires attended a lecture about the success story of the company, they were asked their first impressions of WIPRO, and they even received sweatshirts with the call center logo. Meanwhile, another group of new hires was being interviewed about their best qualities and skills. They too received sweatshirts but theirs were embroidered with their name beside the company logo.

The researchers didn't expect much; however, just a few months later, they found that the new hires in the second group were still working at WIPRO and expressed interest in continuing to do so. This is largely due to their feeling of safety and belonging within the company. The sweatshirts became signs of a common identity and connection, and the questions about themselves elicited a sense of safety. All of these became critical factors in their decision to stay with the company.

So how can you build this critical sense of belonging? Some key tips in being a good leader include being a good listener. Listen actively by sitting still and facing the speaker, affirm what the speaker is saying now and then and give your full attention. It's important not to interrupt and let the speaker express his or her thoughts. Next, be a transparent leader. Let

people get to know you, that you are just like them. You too are a person that makes mistakes and seek input and help. This will help garner confidence and make people feel like they are valuable to the group.

Be approachable. When someone approaches you with bad news, refrain from reacting negatively. Attempt to provide the best solution rather than reprimanding. Creating an environment where it is safe to discuss the truth is vital. Say “thank you.” Thank members of the group for their efforts. Thank them for the opportunity to work with them. Even thank those lowest in the group hierarchy, this includes utility personnel and custodians, for example. Feeling appreciated will motivate them and make them feel that they play an important role. Some final tips include: have recreational spaces in the office, give everyone a voice, welcome new hires warmly, reward positive feedback publicly, provide negative feedback confidentially, and finally, make working fun. All of these tips can help foster a sense of belonging and safety which will ensure company satisfaction and lead to success.



# The Vulnerability Loop

The next skill in building a common sense of purpose is through vulnerability. When people share a sense of vulnerability, they build a connection and trust with one another. For example, imagine two strangers are asking each other sets of questions. The first set of questions might be surface-level, “What is your favorite song?” You can get to know somebody through asking such questions, but how do you build that sense of connection? By asking deeper questions and sharing stories that reveal personal information.

How do you feel when people ask you such personal questions? You might feel awkward and uncomfortable disclosing such information. However, the second set of questions bring the strangers closer together by taking them outside their comfort zone and breaking down barriers. Dr. Jeff Polzner, an expert in organizational behavior, describes this as a vulnerability loop. This loop includes two individuals receiving and sending signals of vulnerability to one another. Once they overcome their insecurities, they can set them aside, and get on with the task.

On July 10, 1989, United Airlines Flight 232 took off from Denver bound for Chicago with 285 passengers. About an hour after takeoff, the plane suddenly experienced drastic problems when one of the engines exploded. As the plane traveled sideways, they remained calm, but they were not prepared for this kind of situation. Nothing they did seemed to work and their efforts to regain control of the plane were in vain. A passenger on the plane, Denny Fitch, was a pilot trainer who worked for United and asked permission to help the crew, he said: “Tell me what you want, and I’ll help you.”

The captain knew their vulnerable position and was willing to accept any help he could get. He let Fitch take control of the throttles, and while they couldn’t regain full control of the plane, they worked together to land the plane as best they could. Upon descending in Sioux City, the plane

approached the runway at six times its normal speed. Unfortunately, one of the wingtips dug into the ground and resulted in a violent crash.

Miraculously, out of the 285 passengers, 185 survived. When they later recreated the incident in a simulation, it was impossible to achieve the same outcome. Each simulated flight resulted in the death of all passengers and crew.

Because of the Captain's vulnerability and willingness to receive help, he and a majority of the flight crew and passengers were spared their lives that fateful day. In the end, vulnerability and cooperation worked simultaneously to build a sense of trust and safety. Of course, this theory can be proven in many situations and not just life-threatening scenarios.

# Creating Cooperation in Groups

What's the dynamic like at your place of work? Are higher-ups easily approachable? Do you just blindly follow directions out of fear of speaking up? If you fear to disagree with a boss, the results could not only be damaging to the morale of the company but in some scenarios, could even be deadly. Dave Cooper, for instance, learned this important lesson on a mission in 2001.

Having been on the Navy SEALs Team Six since 1993, Cooper has plenty of experience in group situations and often relies on his teammates to make decisions and complete missions flawlessly. However, on a mission in 2001 in Afghanistan, Cooper realized the danger of blindly following the directions of his superior. It was New Year's Eve and Cooper was on reconnaissance with his commander and two others. Their mission was to survey the area between Bagram and Jalalabad. The plan was to get in, get out, and hopefully not encounter any trouble along the way.

That evening, the group reached Jalalabad safely, but it was nightfall and Cooper thought that returning to Bagram so late was a bad idea. He suggested his concerns to his commander, but the commander wouldn't hear it. The commander was superior and overruled Cooper's decisions, so they headed back to where they came from. Just an hour later, the group was ambushed and fired at from all directions. Forced to surrender, Cooper feared the worst. Miraculously, their enemies only took their weapons and let them go. They were rescued hours later, and during that time, Cooper realized the dynamics of Team Six needed an overhaul.

His decision to blindly follow his commander, and the commander's inability to admit fault could have turned into a deadly mistake. The idea that "authority knows best" needs to be abolished. Cooper recognized the importance of creating an environment in which it was okay for subordinates to ask questions and for leaders to ask for suggestions. In addition to encouraging his men to speak up and accepting suggestions,

Cooper also asked his men to call him by his name. They also had to go through extremely difficult training to make the soldiers feel more connected and trusting with one another.

At the end of the day, vulnerability is necessary for building good relationships. So here are some of Coyle's tips on how to develop vulnerable but successful teams. To start, leaders must also be vulnerable, they should share their fears and worries with the group. They should ask for group feedback to strengthen their relationships with the members of the group. Go all out in helping others, collaborate and offer to help others fulfill their goals. Listen effectively and know when to speak in conversations. Additionally, you should recognize that pain is part of the process. Difficult times will happen, but hardships bring people together, and you will come out better and stronger on the other side.

Lastly, the leader must be unavailable occasionally. Remember when Harry Potter needed Dumbledore most? In the throws of facing his enemy, Voldemort, Dumbledore mysteriously disappeared. Similarly, leaders will need to let the members of the group figure things out by themselves every once in a while. This will make them stronger as individuals and as a team.

# A Sense of Purpose

What's the final skill in making a great team? Well, if you watch any successful sports team, there are a few similarities that each team shares. Take a look at the NFL team that consistently goes to the Super Bowl and has five or six titles. Or the NBA team that consistently makes it to the NBA Finals, what qualities do these teams share? Simply put, a sense of purpose.

So what does that even mean? If a team shares a sense of purpose, then they share a set of beliefs and values that shape their identity. They tell others what they stand for, and these values are critical when it comes to establishing a company culture. For instance, the Credo (or the statement of values and beliefs) of Johnson and Johnson is composed of three hundred and eleven words that represent the company's values. Founded in 1943, the Credo is not only a part of their company culture, but it is even plastered on the walls and engraved in a block of granite outside the company's headquarters.

Why plaster it everywhere? Well, by repeatedly reading and seeing this credo, it consistently reminds the company to instill the values and beliefs in every decision they make. These values were put to the test for Johnson and Johnson on September 30, 1982, when six people died in Chicago after consuming Extra-Strength Tylenol. Panic ensued as the company raced to figure out the issue and find a solution. Turns out that the product had been contaminated with cyanide and even though all the deaths were in a single area of Chicago, Johnson and Johnson decided to pull their product from shelves nationwide. A decision that would cost them a hundred million dollars. But, their values were to put consumer safety first, and the cost of money was far less than the cost of losing another life.

Meanwhile, J&J reinvented tamper-proof packaging and spent even more money to release a massive campaign on public safety. Over the next few months, the company's stock slowly began to rise again and eventually, the company made a full recovery. The success of Johnson and Johnson can be

credited to the company credo which guided the company's decisions throughout their time of crisis. By putting consumer safety over their profits, they regained trust from their customers and made them feel safe to consume their products once again.

# Share a Common Goal

Danny Meyer, the CEO of Union Square Hospitality Group, learned the significance of having a shared goal after opening his second restaurant in New York City. Back in 1984, Meyer had little experience in managing a restaurant, but when he opened up Union Square Café, he put his time and skills into training the staff personally and making himself present as often as possible. He even helped out by opening the doors and cleaning the tables. His main focus? Making customers feel at home.

By 1995, Union Square Café was a success, so Meyer took the opportunity to open a second restaurant, Gramercy Tavern. By splitting his time at two separate restaurants, Meyer soon saw a decline in both places. What went wrong? The two restaurants had great food, nice facilities, and accommodating staff, but something was missing. Meyer quickly took action and ordered his staff to attend a retreat and build up the company's value and belief system. He ranked the company's priorities with colleagues and customers topping the list, then putting their suppliers and investors last. He believed that the relationship of the staff must be at the core, once they had good relationships, then everything else would follow suit.

Meyer implemented new catchphrases and set the identity and purpose of the group. He put the language of kindness and caring at the forefront, which led staff to their common goal of making people feel at home. Today, Danny Meyer owns twenty-five restaurants in New York City and doesn't show signs of stopping anytime soon. The story of Danny Meyer confirms that times of crisis bring people together. And while problems will continue to rise, businesses must learn how to adapt and keep up with today's changes. So how can they do this? Well, here are a few tips for building a sense of purpose and sharing a common goal.

First, prioritize harmony within the group. By putting the relationships of the members first, the group has a solid foundation to build upon. Therefore, when a problem arises, cooperation and teamwork will come

naturally. Next, ensure that all members are aware of the purpose of the group. This could mean plastering it all over the walls like at Johnson and Johnson as well as inserting it in daily emails. Use catchphrases, while they seem cliché or even corny, they are clear reminders of the purpose and direction of the group. Lastly, turn the group values and mission into reality. To build purpose, groups should focus on a single task and invest in this task by making it the core of the group's identity and expectations.



# Final Summary

*The Culture Code* focuses on the three things necessary for developing highly successful groups. Those three things are safety, vulnerability, and purpose. When you focus on the wrong things, the culture of a company can quickly become toxic; however, building a healthy culture is possible. To build safety, the members must feel connected and secure with one another to share ideas, concerns, and implement changes. Sharing vulnerability might be a bit more complicated, but when members share hard times and overcome them together, they build trust and a tight connection. Lastly, establishing a purpose requires groups to know their values and beliefs and to use those standards when making decisions. Each day, you should work on building on the safety, vulnerability, and purpose of your group for success is a never-ending cycle that requires continuous growth and learning.



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