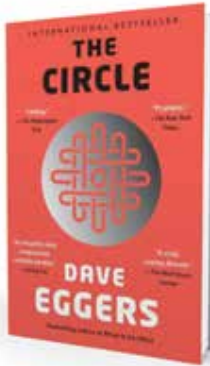


The book proves that culture is not about perks, but about how people think and act.

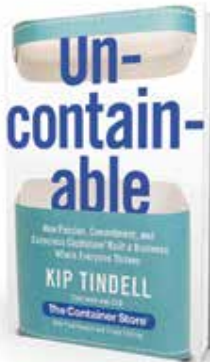


**The Circle** by Dave Eggers. Knopf, 2013.

The fictional company in Dave Eggers' novel would make a perfect profile in a business magazine about building an outstanding corporate culture. If you work for the Circle—a tech company that has subsumed Facebook, Twitter and all the other big tech companies around today, according to Mr. Eggers—you get fantastic benefits and perks far beyond a fully funded 401(k) and a parking spot. There is free education, creativity on steroids and the chance to be one of the

coolest of cool kids. Best of all, as far as the company is concerned, the employees work all the time. Literally, all the time.

The Circle's goal is to know everything, and its corporate culture allows it to creep insidiously into every aspect of its employees' and customers' lives. The book proves that culture is not about perks, but about how people think and act. This company is creating the future and we are helping them do it. You OK with that?



**Uncontainable: How Passion, Commitment, and Conscious Capitalism Built a Business Where Everyone Thrives** by Kip Tindell. Grand Central Publishing, 2014.

If you have ever shopped at U.S.-based retailer The Container Store, you may have asked yourself: Why is everyone who works here so darned happy to be selling organization materials and empty boxes? Kip Tindell, the retailer's CEO, explains that the store's contagiously positive culture starts with hiring.

He believes that when it comes to employee acquisition, 1=3: One great person equals the productivity of three good ones at a minimum. So, if the company can find those great people, it can afford to pay them 50 to 100 times the industry average.

The approach seems to be working: The Container Store has made *Fortune's* list of top 100 companies to work for during the past 16 years, including 2015.

Mr. Tindell helps ensure the positive culture feeds into customer service by training employees on three principles—and you do not have to be in sales to use them:

1. I believe this customer needs and wants my help.
2. I know I am capable of helping them.
3. I want to do everything I can to help them today.

## HOW TO RUN A COMPANY WITH (ALMOST) NO RULES

In this TED talk, Ricardo Semler, CEO of Brazil-based Semco Partners, describes how his organization's culture is based on complete transparency, autonomy and a democratic structure. The goal is to organize for what he calls "an age of wisdom." It is a structure that encourages employees to cut their workweek short if they meet their goals early in the week, does not track where or when they are working and allows the cleaning crew to vote on the board.

Mr. Semler's approach to culture does not end with where he works, however. He also discusses how he extends these ideas to his personal life and even to some of the schools in Brazil.



Ricardo Semler, CEO, Semco Partners

# BROWSER HISTORY

"Too many Asian CEOs lock themselves in their offices. I would rather have 17,000 brains working for me than 10 guys telling me what is going on."

—**Tony Fernandes**, CEO of AirAsia

"A company that retains the loyalty of its employees solely because of compensation is a company that gambles with its institutional culture."

—**Jes Staley**, CEO of Barclays

"I would say that if [your staff turnover is] under about 8 percent, you have a very good company culture. If you're in the 8 to 12 percent range, you've got a good culture. If you're in the 15 to 20 percent turnover range, you've got something wrong... [G]enerally something is not right if the turnover is that high."

—**David Ossip**, CEO of Ceridian

"The way I think about culture is that modern humans have radically changed the way that they work and the way that they live. Companies need to change the way they manage and lead to match the way that modern humans actually work and live."

—**Brian Halligan**, CEO of HubSpot

"One of my fears is being this big, slow, constipated, bureaucratic company that's happy with its success."

—**Mark Parker**, CEO of Nike Inc.





## FOOD SAFETY CULTURE CHECK

PHOTO BY PROSHOB VIA WIKIPEDIA

The last quarter of 2015 was the most challenging in Mexican restaurant chain Chipotle's history, according to the company's founder, chair and co-CEO, Steve Ells. And who would argue with him? The company suffered several hits after two E. coli breakouts were discovered in its restaurants, including a federal criminal probe into its food safety practices launched earlier this year.

To reverse course, Chipotle has announced a cultural transformation around food safety. Among its proposed new practices: high-resolution DNA-

based testing of ingredients before they are shipped to Chipotle locations, changes to how some items are washed and new internal training.

"[B]y staying true to our food culture and unique people culture, and layering on our rigorous food safety program, we are confident that we are now in a position to aggressively welcome customers into our restaurants and restore customer confidence in the things that make Chipotle great," co-CEO Monty Moran said in a February press release.

Chipotle predicts it will open between 220 and 235 new restaurants in 2016.