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Should you obsess over culture?

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Should You Obsess Over Culture?

My answer is: kinda (but please read on).

A high-performance culture signals that you're doing something right (or many things). So in a way, it's something any leader would love to have. It helps with hiring, retention, and so much more.

If a culture deteriorates, 71% of employees would look for new opportunities elsewhere.

But I've also seen leaders obsess over culture to no avail. They create something that feels "forced" and contrived. Think free lunches, ping pong tables, and endless employee surveys. So what are they doing wrong? Well, they're focused on the wrong things.

What is Culture?

Culture is a hard thing to define. If you google it, you'll get 1,000 different definitions. Here's mine:

Culture = the collective experience of the team.

A great culture means that people are having a positive experience working at your company. A poor culture means that people are having a negative experience.

So, culture is a reflection of how the team feels about the workplace. It's an output, not an input. Focusing on culture (the output) without an understanding of the inputs is like trying to push a rope. You'll drive yourself crazy this way. And no amount of free beer will fix it.

So the question really is, how do you ensure people have a great experience?

What ingredients do you need to create a high-performance culture?

1.

Well-Defined Values

Values are your cultural DNA. They act as your compass, guiding decisions and behaviors even when you're not in the room.

Many companies have values, but they are too vague or generic to truly inspire action. The best values are summarized in just 3-5 highly memorable words.

For example, Amazon's values are simple: Customer Obsession, Passion for Invention, Commitment to Operational Excellence, and Long-Term Thinking. Having well-defined values such as these empowers people to act autonomously and in alignment.

Strong values also attract the right talent. The best hires are not just skilled but have personal values aligned with the company's. Screen for cultural fit during hiring. Then, recognize those living the values through rewards and recognition.

How to define your values:

- Make them easy to remember but powerful in impact
- 3-5 only. The more actionable, the better

Get your values right and communicate them clearly, and culture will flourish.

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2.

Exciting Vision

A bold vision aligns people to a shared future goal and gives a greater sense of meaning and direction to day-to-day work.

When people feel part of something bigger, they become inspired to contribute. Many companies lack a compelling vision. Or they have a vague vision that doesn't spark energy. The most motivating visions describe an ambitious future world in vivid detail.

How to craft your vision:

- Paint a bold company vision
- Summarize it in 4 powerful sentences
- Timeline: 3, 5, 10, 20 years

Communicating the vision repeatedly over time is key. It should be visible throughout the company and reinforced constantly. This breeds buy-in at all levels.

An exciting vision rallies people around a future worth fighting for. Craft a vivid vision, and culture will align behind it.

3.

Crystal Clear Goals

Well-defined goals act as milestones for achieving the vision. They provide clear direction and focus for teams.

With unclear goals, people waste time, and fragmentation occurs. The most effective goals are limited to only the 3 most important – any more leads to diffusion of effort. The best goals are also highly memorable and measurable.

How to set goals that work:

- Set only 3 top goals per year (and make them
- memorable) Add 1-3 measurable outcomes for each

Breaking down top goals into quarterly milestones further maintains urgency. It enables regular celebration of wins as smaller goals are achieved.

Crystal clear goals align people to priorities and provide the roadmap for your culture.

4.

Individual Autonomy

Giving people autonomy and freedom fosters ownership and innovation.

It shows you trust your team to figure out the best way to accomplish the goals you set out. Micromanagers kill morale and creativity.

The fix is not more oversight but providing a crystal clear vision and empowering your team to achieve your collective goals.

With autonomy, people feel purpose-driven, not process-driven.

How to empower autonomy

- Don't micromanage.
- Empower through clarity Let your teams figure out the "how"

Provide clarity of goals and vision, then let your team surprise you.
Autonomy is the fuel for cultural excellence.

5. Well-Trained Managers

It's all well and good implementing the first 4 ingredients.

But if you don't provide the tools and training to those who need it, your recipe won't succeed.

Most founders don't invest enough time in developing their managers into true leaders. Yet your managers have an outsized impact on culture through their team and management style. Great managers translate top-level vision and goals into day-to-day operations.

In essence, they empower their units to excel, uphold standards, and create self-managing teams.

How to develop your managers

- Develop your managers into leaders
- Prioritize their development
- Set your team up for success

Well-trained managers are force multipliers for your culture. Prioritize developing your managers into strong leaders – then the team can succeed without you there.

6.

Praise, Recognition, Celebration

Publicly praising progress maintains high standards and motivates teams. People need to be recognized for good work.

But don't publicly air discontent. Handle issues constructively during 1-on-1s to avoid demotivating others.

Many leaders fail to celebrate wins enough. Taking the time to celebrate milestone achievements together is an incredible bonding opportunity. It creates shared memories and injects energy.

Recognition and celebration need to be habitual, not just one-offs. Make it frequent and baked into operations.

How to build a recognition culture

- Recognize to set and maintain a high bar
- Acknowledge excellence publicly
- Tackle underperformance in private

**Praise publicly, tackle issues privately, and celebrate wins regularly.
Recognition is rocket fuel for culture.**

7.

Work-Life Boundaries

Work-life balance starts with leadership setting the tone. Leaders who encourage taking time off signal that sustainability matters.

Burnout is deadly and contagious. When leaders burn the midnight oil, teams feel pressured to follow suit.

Remote work has also blurred work-life lines. Maintaining healthy boundaries is now even more important, so set core collaboration hours and be mindful of after-hours communication.

How to protect your boundaries

- The example starts with you
- No weekend Slack-bombs
- Encourage time off

Work-life boundaries enable a healthy, sustainable culture for all.

8.

Diverse Perspectives

Seeking diversity of thought and background adds richness to an organization's culture.

Different perspectives challenge outdated assumptions and foster innovation. Many founders aim to hire people just like themselves. But this leads to groupthink. Intentionally building a diverse team introduces different spices into the cultural "soup."

However, diversity alone is not enough. To tap into its full potential, you must proactively include diverse voices in discussions. Encourage the sharing of perspectives without judgment.

How to foster diverse thinking

- Encourage the active sharing of ideas
- Value differences of thought and background

Diverse perspectives prevent insular groupthink. With inclusion, diversity strengthens culture immensely.

9.

Strong Connection to Impact

Linking daily work back to the company's mission provides meaning and purpose. Many leaders underestimate this.

They think a sweet pay packet will solve all their problems. But it's a critical motivator, especially for younger generations.

Reinforce purpose through real customer stories. Put faces to the impact being made. And celebrate wins that tangibly improve people's lives.

How to connect work with impact

- Link day-to-day work to company mission
- Reinforce how every role contributes
- Purpose drives resilience

A strong connection to impact breeds dedication by linking work to a shared mission. Tap into purpose and watch resilience skyrocket.

10.

Aligned Upside

Properly aligning incentives motivates performance and discretionary effort. People work hardest when there's an upside to achieving stretch goals.

Many founders underutilize bonuses or equity to motivate teams. But variable compensation tied to results builds hunger and loyalty.

Reward stand-out contributions as they happen. Profit sharing aligns company success with individual upside. Equity turns employees into owners invested in the vision.

How to align incentives

- People work hardest when properly motivated
- Implement performance bonuses

Design your incentives smartly to bring out the best in people. Having an aligned upside enables a winning culture.

Get these 10 right first,
then your culture will
blossom on its own.

If you enjoyed this resource, I wrote another an
article about the **7 company culture killers** and
what to do about them.

[Tap here to read](#)