HOW A GREAT
COMPANY CULTURE
TRANSLATES INTO GREAT WORK FOR OUR CLIENTS

VINCIT

The Transitive Law of Happiness

At Vincit, we believe that employees make the culture and executives make room for that to happen. While this doesn't always happen this way in every workplace, we believe that it should, as it has benefits that one wouldn't normally assume. With this in mind, we invite you to view company culture through a unique lens: not only as a necessary recruitment and retention tool for employees but for customers as well.

A Workplace Culture Mini-festo

A great company culture is priceless. Literally. Perks are expensive, but they primarily boost recruitment. A culture created by employees boosts everything from retention to customer satisfaction. A great culture makes everyone happy.

Transitive law shows us the correlation between two points that aren't seemingly connected. For example, if a equals b and b equals c then a also equals c. While it may be hard to see at first how a great company culture translates to happy customers, (i.e. they don't work at the company, so how do they benefit from its workplace culture?) injecting this into transitive law helps paint a clearer picture.

- The connections between employee happiness, employee productivity, and company performance are well-established.

- Consumers understand that brands are companies, and companies are made of people; they tend to seek transactions (and brands) that reinforce their humanity.

- Employees value their work as they feel they themselves are valued.

- A quality product or service tends to reflect the time, care, and effort put into it by the people who made it, unless a person or policy intervenes to prevent this.

- Customers see that nice things are the product of good companies made of happy people who value their work.

"Happy and productive employees lead to happy customers who recognize their product was delivered with time, care, and attention.
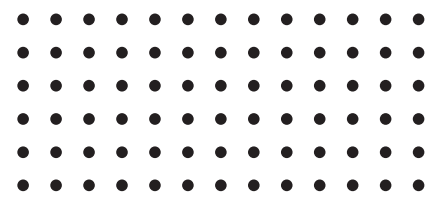
Now, let's pause a moment and reflect that nothing we've just said should be too controversial. Some of it may be laughably obvious. But it's worth noting that the old way of thinking simply doesn't acknowledge the whole picture.

OLD VIEW

Happy employees ▶ Productive Employees

NEW VIEW

Happy employees ▶ Happy Customers

In the new view, a boost in productivity is a given. A seminal study from the University of Warwick shows that employees are 12% more productive when happy, and 10% less productive when unhappy. In another groundbreaking study published in the Journal of Organizational Behavior, cultural factors consistently determine—and can be used to predict—customer satisfaction and sales.

What we've established is something like the transitive law of corporate culture: when employees feel valued, they transmit that value to customers, who in turn value the good company that employs the people who make the nice things.

Whatever Makes You Happy

Customers like buying from companies that have happy employees. So how do you make sure your employees are happy? Is it the bean bag chairs and ping pong tables you bought for the office?

We'll be the first to admit that it's a huge question without a single answer. But there are some things we can all agree upon:

▶ Attractive compensation and benefits
▶ Policies that enable a positive work-life balance
▶ A sense of purpose, meaning, and play
▶ A sense of belonging or being valued

Some of us may be on the fence about bean bag chairs, but that doesn't mean we won't buy them if they make our employees happy. These four broad categories comprise things that definitely make employees happy. They are the foundation of a great company culture. And as we've established, happy employees means better work, which means better products and services, which means happy customers, which means—roughly speaking—higher revenue.

But who determines these?

The Employee-Centered Company

Compensation and benefits are largely a function of market forces, with some wiggle room. Positive work-life balance? That's your call. You as the leader determine the rules of in-office versus remote work, PTO, and expectations regarding the work schedule, and so forth. But a sense of purpose and meaning? And play?

Here's where many executives make the mistake of trying to deliver purpose and meaning to their employees as if it were … well, a bean bag chair. Too many organizations simply point to the mission statement, its purpose, vision, and values, and expect culture to spontaneously pour forth.

That's not how culture works.

Employees are not blank slates when they onboard with your organization (or let's hope not, anyway). They have their own needs and values and cultures that they bring. And ideally, these align with your corporate values and mission, and feed one another.

But you can't hand down a sense of meaning, purpose, and play from on high. You have to let the employees furnish that themselves. And to do that, you need to trust them.

The good news is that there's a playbook for this—what we'll call the mechanics of trust.

In education, there's a teaching method that's gained wide acceptance in recent years. It's called student-centered learning. It aims to refocus the activity of learning from the teacher (as dispenser of education) to the student (as seeker of education).

The way we do it at VINCIT

Unless you are under the age of thirty, then you probably had a classroom experience that involved desks in rows facing the front, where the teacher (and later, professor) lectured. Nowadays—and those of you with kids in school will know this—many classrooms, particularly at the university level, are shaped as open environments with clusters of movable tables and chairs that can be quickly reconfigured to meet the needs and preferences of the students.

It's the students whose needs and values determine the best conditions for learning. After all, they're the ones doing the work.

In some cases, university professors will invite students at the beginning of a term to co-create the rubric by which they will be graded. Students get a voice in determining the value of their work, and the penalties (if any) of not living up to their promise. It creates extraordinary buy-in.

What if this were the same for your employees?

And would your customers take notice?

A great company culture should feel meaningful to customer and employee alike. And developing a great culture isn't easy for every company, especially if you are trying to reform an existing culture.

The good news is, creating a meaningful culture needn't require a huge capital investment. It certainly doesn't generally demand any major policy changes. All you have to do is make room for your employees to be themselves and be heard. They'll do the rest.

At Vincit, we've taken an employee-centered approach to corporate culture.

No, we're not a socialist collective, and no, we aren't throwing away money. We're actually quite frugal and are doing quite well for ourselves. In fact, we'd argue that it's our culture that in large part drives our success. Here's how we do it differently.

VS.

Employer-centered

▶ Roles are defined as on-site or remote
▶ Office equipment available only in office
▶ Professional development driven by company's goals
▶ Vertical hierarchy
▶ Perks and benefits we think they'll like
▶ Regular one-on-ones, team meetings as needed
▶ Success recognized if it contributes to company goal
▶ Health = company-sponsored care plan
▶ Diversity and inclusion in hiring (sort of)
▶ Fun is a theme day or happy hour

Employee-centered

▶ Roles are hybrid and/or flexible
▶ Office equipment is where the employee is
▶ Professional development driven by employee interests
▶ Flat hierarchy
▶ Perks and benefits they ask for
▶ Regular one-on-ones AND team meetings
▶ Success recognized if it's important to employee
▶ Health = company plan PLUS individual self-care check-ins
▶ Diversity and inclusion in hiring, operations, equipment, communication, etc, etc
▶ Fun is a fundamental way of approaching work

We'd like to emphasize here that at **Vincit**, the work gets done. Not only that, our employees are happy with their work. They tell us so. If they aren't happy, we try to work out solutions. As a growing company, we do have to be careful with our expenses, but overall, we understand that the financial decisions we make in the name of employee satisfaction and flexibility lead to a greater bottom line.

The evidence bears out this truth: an employee-centered culture is leaner, more agile, and more mission-driven than one that is not. **Also, more fun**.

CEO
of the Day

At Vincit USA, we have a unique program. It's called CEO of the Day. Once a month, a different employee is given the opportunity to be the CEO.

Our rest-of-the-month CEO, Ville Houttu, steps aside and allows this CEO of the day an unlimited budget to affect one major initiative designed to make the workplace better.

The CEO of the day has some advance notice, of course. On the day they are CEO, they present their chosen initiative at the company's monthly meeting. Ville Houttu reserves judgment: on this day, he's not the CEO. It's a mutual lesson in humility and trust. The company has to implement and live with the decision of the CEO of the day.

In one example, an employee—ahem: the CEO—decided to override Houttu's dislike of beanbag chairs, and had them ordered for the office. Staff members were thrilled. Which isn't to say everybody agrees on the beanbag chair thing; they simply love having a voice.

In another instance, an employee voiced concern that working from home was made difficult by the fact that the home doesn't always get cleaned on schedule—at least, not the way a corporate office does. Not to mention, amid the changes and turbulence brought about by the pandemic, work and life balance changes shook our everyday environment upside down. So this employee implemented a one-time voucher for house cleaning. Because home or not, a clean workspace is a happy workspace.

Employees are invested in the success of a company when they have a voice in it. And when they have a voice in it, they tend to make responsible decisions. Invariably, the CEO of the day makes thoughtful—even shrewd—decisions about allocation of resources, and are sensitive to their coworkers' feelings and preferences. They don't need to be told to do this. And they don't need to be told what their values are. They'll show you.

7 Ways You Can Promote a Great Company Culture

Beanbag chairs are easy, but they don't buy you a great company culture. We're about to get prescriptive here, and we won't kid you: the medicine isn't all bubble-gum flavored. Some of these tactics take time and careful consideration.

Nevertheless, here are the approaches that have made Vincit a best workplace for innovators (Fast Company), a best workplace overall (Inc.), and one of the best 20 places to work in Orange County, California … as well as a generally fun place.

Attract and recruit top talent
In addition to competitive compensation and benefits, offer a flexible schedule, a hybrid work environment, and professional development programs.

Retain top talent
Ensure diversity, equality, and inclusion. A diverse and inclusive workplace is one where ALL employees know they are valued and supported, and done so equally. Reward and recognize achievement. Promote self-care and development. And communicate, communicate, communicate!

> **" At Vincit, we use Lattice to encourage public employee-to-employee praise and reward our employees financially for investing in outside projects that grow their skill sets. This way, each employee feels valued and we retain talented individuals with in-demand skills.**

Provide high quality products and/or services
There are many reasons people might choose a cheap programmer. That's not what Vincit does. There's a huge difference between cheap programming and quality work. We know the difference, and we promote quality.

Develop unique staff augmentation
IT is an obvious area for outsourcing, but your needs may be different. Ask your team about their burdens and obstacles, then fill gaps accordingly to let them work at the fullest, happiest potential. We ensure that our employees' skills are matched with client needs, creating a perfect environment for project success.

Make hybrid permanent and flexible
Pandemics come and (hopefully) go, and leave in their wake cultural shifts. Workers want to work, and they want to have a life. Accommodate them, and you'll see results on the bottom line. Some of our employees work from home, while some work in the office, either way, employee workplace flexibility makes for productive employees and satisfied clients.

Have a flat company hierarchy
Sure, Vincit USA is small but mighty, but even mid-sized and larger organizations benefit from shared decision-making and open communication. Agile workflows and flexible company structure help here.

While company culture is prominent in a lot of workplaces, we believe that no one does it just like Vincit. With happy and skilled employees who have unique decision-making powers to enact cultural workplace change and satisfied customers who know this deeply, we believe these outcomes are the keys to our success. With just a small glimpse of the ways you can enact these philosophies at your company, we believe you too, can build a thriving workplace culture.

At Vincit, the proof of our unique, successful culture is in the results:

► From zero revenue to over $10M in only 5 years.
► Named on Inc. 5000 Fastest Growing Companies.
► Vincit received a 2022 Clutch award as a leading usability testing company for 2022.
► Vincit won the Silver Stevie award for the Fastest Growing Company of the Year in the Up To 100 Employees category.
► Ville Houttu, Vincit USA's CEO, won the Nordic Business Forum Semi Finals with a great speech on our CEO of the Day program.

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