

Meet the people behind the new title in the C-suite.

By Kathy Gurchiek

It's no wonder "culture officer" is making its way into the business lexicon. Last year, Merriam-Webster announced that "culture" was a 2014 word of the year, and a 2014 global survey of nearly 1,200 C-suite executives by McKinsey & Co. found that spending time on culture was a key priority for those who successfully moved to the C-suite.

Innovative companies such as Google and Zappos have had their own versions of a chief culture officer for years, and now smaller organizations are getting in on the act.

"The building, managing and merging of cultures has become a full-time job in the new economy," according to culture expert Debbie Robins. "These demands now exceed the capacities of most HR divisions and call for a new kind of specialist." That may be someone external (a culture expert) or internal (a chief culture officer) who works with companies of all sizes to manage culture and ensure positive growth, she explains.

Businesses that appoint someone to focus on culture often do so following periods of rapid growth, after a merger or acquisition to ensure consistency throughout the new organization, or to support a change in business strategy.

Some culture officers work within the HR function, while others report directly to the CEO. A core duty of the role involves developing strategies to ensure that HR initiatives and

programs—such as recruitment, onboarding, team-building and recognition—reinforce the company's culture and values.

Charles A. O'Reilly III, a professor of management at the Stanford Graduate School of Business, points to a Stanford study from 2014 that he says demonstrates a clear relationship between organizational culture and a broad set of business outcomes, including company reputation, analysts' stock recommendations, employee attitudes and financial performance.

In addition to the impact on the bottom line, culture also helps foster adaptability, which includes an organization's willingness to experiment as well as its nimbleness, flexibility and ability to tolerate some failure.

"When managers think about culture in organizations, they should be sensitive to the fact that what they're really trying to do is create norms and expectations among employees around this notion of adaptability, and to make sure those norms are widely shared," O'Reilly says.

"The key to long-term success is to have a culture that's aligned with your strategy, but also have embedded in it norms that promote adaptability," he adds.

Here, four chief culture officers discuss their career paths and explain how their work contributes to business success.

Kathy Gurchiek is associate editor for *HR News*.



PAUL SPIEGELMAN
CHIEF CULTURE OFFICER
STERICYCLE INC.

Chief culture officer since March 2013, after BerylHealth, the health care communications company I founded, was sold to Stericycle, a medical waste management company with 19,000 employees in 13 countries, including 10,000 in the United States.

What prepared him for the role

BerylHealth was known for its people-centric culture and won nine awards as a best place to work. I've also written three books on employee engagement, including the *New York Times* best-seller *Patients Come Second: Leading Change by Changing the Way You Lead* (Inc., 2013), and hundreds of articles.

Impetus for creating the position

Stericycle has always had excellent financial performance. A new CEO arrived around the time I sold my company to Stericycle. He admitted that, while the company was successful financially and very customer-focused, it did not always look at employees as key stakeholders. He wanted culture to be his legacy and asked for my help.

How culture relates to the company's external brand

Most companies offer products or services that could be looked at as commodities, or services that compete based on price. By focusing on employees first, we create a competitive differentiator. It's less about what we do and more about who we are. In other words, we "sell" our culture. We also recognize that we can be a thought leader around the connection between employee engagement, customer loyalty and profitability, helping to build our employer brand as not just a profitable company, but as one that makes the world a better place through the work that we do in the communities where we do business. >

**JANELLE PEELE, SHRM-CP
CULTURE, ENGAGEMENT AND
COMMUNICATION MANAGER
MÉRIEUX NUTRISCIENCES**

Chief culture officer since February 2014 at ABC Research Laboratories, which was acquired by Mérioux NutriSciences.

What prepared her for the role

After the company was acquired, the workforce grew from 75 employees to 1,300. I accepted a new role as culture, engagement and communication manager in April 2015. What most prepared me is my intrinsic passion for people. Of course, that's not to say that my experience and skills in the food safety industry didn't help. But developing my core competencies, such as understanding team dynamics and respecting others, has made the biggest difference.

Impetus for creating the position

To stay profitable and grow, you have to think about the people who work in your organization. They are your No. 1 asset. Focusing on the ins and outs of employees' everyday lives shows people you care. We care about communicating with our employees; we care about keeping them engaged. We understand that their livelihood is our livelihood.

How culture advances the organization's mission

To be successful, we have to unleash the power of our people. We need to show the world that we value excellence, integrity, accountability and initiative. By focusing on communication and fostering an environment that engages our people, we will achieve our mission.



TONY SILVA
CHIEF CULTURE OFFICER
NAMU TRAVEL GROUP

Chief culture officer since October 2013.

What prepared him for the role

Drawing on experience as a recruiter and teacher of English as a second language, I co-founded Costa Rican Vacations, which is now one of several product lines the Namu Travel Group offers. I spent the first 13 years in our business as chief operating officer, developing employees' hard and soft skills as well as creating career paths, compensation structures and succession plans.

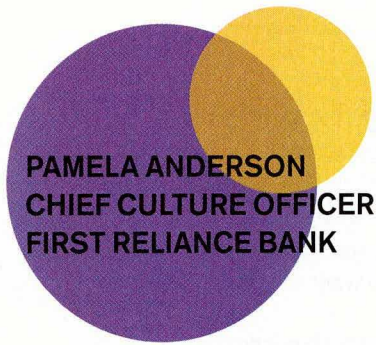
Impetus for creating the position

After growing from a two-person homespun startup in 2000 to the 75-employee multinational workforce we are today, we needed a position like mine. We know that if you do not direct the culture of your company, a culture will be created by default, and it may not be the one you want.

How culture relates to the company's external brand

Focusing on employees' happiness and engagement is what my team does each day. Whether it's through seminars that reinforce our core values or our annual "Namu Oscars" that honor outstanding employee achievements, we are always sending the message that work can and should be an evolving and exciting adventure, just like the vacation experiences we offer. >





PAMELA ANDERSON
CHIEF CULTURE OFFICER
FIRST RELIANCE BANK

Chief culture officer since 2011.

What prepared her for the role

When I joined the bank as head of HR in 2006, the company was focused on differentiating itself by providing customers with an incredible experience. This was the major reason I joined a small community bank after 25 years with a global one. I had always believed that professional areas such as marketing, sales effectiveness, HR, operations and IT operated best when managed as an integrated team versus in vertical silos.

Impetus for creating the position

Our CEO believes that a strong culture is the basis for a sustainable company. Sometimes it is difficult to explain my role to people who are used to seeing a traditional chief operating officer title. Recently, I came across a book called *Managing the Customer Experience* (Pearson FT Press, 2002). It describes “Triad Power,” which refers to the alignment of marketing, operations and HR. That defines my role at our bank perfectly.

How she works with HR

We have developed strong HR practices to create a great experience for our associates. It is critical that every associate understand our strategic direction and goals. HR plays an active role in onboarding associates and also conducts culture interviews, which help us determine an individual’s fit with the company. **HR**

