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Building Culture From the Middle Out

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By Spencer Harrison and Kristie Rogers



WE HAVE ASKED THOUSANDS OF executives from around the world the same simple question: “Who is responsible for culture in your organization?” Hands go up and, almost to a person, the response is, “Everyone.”

We then ask a follow-up: “If everyone is responsible for culture in your organization, what do you *do* to manage it?”

Hands go down. Gazes divert. The most common answers are uninspiring: “Keep an open-door policy.” “Provide good performance reviews.” “Check in with employees.” While each of these actions may be helpful, not one is specific to culture. They are simply generic management habits — that is, none are practices specific to translating a company’s unique set of values into a lived experience for the people who work there.

Organizational culture is the set of shared values that guide how work gets done. There used to be a debate about whether culture predicts high performance or whether high performance affords leaders a strong and cohesive culture. Evidence now overwhelmingly supports the former.¹ But for a business to harness the power of culture, it needs midlevel leaders across the organization — the managers and team leaders — to go beyond believing that they are responsible for culture to actively *building* it.

Our research revealed that midlevel leaders often feel they need to endorse cultural norms rather than enrich them, by which we mean supporting expressions of cultural norms and values as they arise in smaller teams. We also identified key behaviors that managers at any

level of an organization can embrace to become culture builders. Specifically, we found that the most successful midlevel leaders find ways to link the “big-C” culture of their organization — its official set of values — with the “small-c” culture that plays out in the narrower and vibrant daily patterns of interaction.

The Problem: The Endorsing-Enriching Gap in Culture

Middle managers often assume that the best approach for ensuring a strong workplace culture is frequent messaging from top leaders promoting the mission, purpose, vision, ethos, and values of the organization. This assumption allows managers to see C-suite executives or specialists in human resources as primarily responsible for fostering culture. This deference can make sense, because employees typically want and expect top leaders to define and articulate overarching visions and values. But it leaves leaders lower in the hierarchy thinking that their job is to uphold and endorse the culture as is.

Compounding this intuition to endorse is the fact that culture is not always made explicit in organizations, and sometimes is revealed only when things go bad — whether a restructuring that didn’t achieve its goals, an acquisition that didn’t deliver an expected return on investment, or an unexpected exodus of employees. These are the moments when the power culture can be seen and felt.

These are also the moments when leaders who reach out to manage an issue can feel most acutely that their hands are empty. They may feel that their role is to be passive recipients experiencing culture’s effects. But this feeling can be unlearned.

A ‘Big-C’ and ‘Small-C’ Perspective on Culture

Middle managers can be empowered to effectively enrich company culture when they adopt the belief that companies have both big-C and small-c cultures. Big-C culture refers to the company’s official set of stated values, while small-c culture describes the qualitative experience of day-to-day patterns of interaction — this is where someone might find the culture to be supportive, rigid, confrontational, dog-eat-dog, and so forth.² Big-C culture is what most leaders at all levels in an organization think of when they talk about culture: the written, often public, statement of what the company stands for, presented as a set of canonized documents. (As an aside, surveys suggest few employees actually know their company’s values.³)

This overarching culture typically includes how the organization does formal training and manages events such as onboarding, leadership seminars, and executive

THE RESEARCH

This article draws from our extended research engagement with a Fortune 100 company that has been named to “Best Companies” lists for the past decade. The authors conducted 120 interviews with current employees, former employees, and leaders at various levels to better understand how it manages culture during times of growth. Examples in this article are drawn from interviews with midlevel leaders in the company who were in the top 10% for both team performance and employee retention. Additional examples come from executive education programs focused on culture building.

offsites. It is sometimes measured by occasional surveys evaluating the gap between the actual and ideal culture.

Although leaders and employees may frequently reference the big-C culture, most of their contact with culture occurs at the small-c level. Small-c culture is experienced not as slogans on a wall or annual surveys but in exchanges that reinforce how to most effectively accomplish work tasks within teams. The values actually practiced in the organization are revealed in daily behaviors. Similarly, although employees may comment on their engagement with the culture during a large annual survey, they share it regularly in the stories they and their colleagues tell one another about the organization.⁴

Because values are brought to life by actions, and because actions will vary according to how work managers and their teams perform, variants of small-c variations will inevitably grow. And when teams are successful, those variations of the values will spread.

It might seem like a recipe for chaos. Instead, our research shows that the role of midlevel leaders is to link the big-C and small-c cultures, aiming to find big-C seeds that will thrive in the small-c soil they are responsible for tending. Rather than creating subcultures that may be different from the broader companywide set of values, these leaders figure out how to create small-c cultures that bring big-C culture to life in vibrant, unique ways.

The difference between a *subculture* and a *small-c culture* is important. Subcultures are often defined by a division’s core activities (“we are a sales group”) or how the company is structured (“our team is part of a startup that was acquired”). Small-c cultures, in contrast, are less defined by organizational boundaries and more defined by the relational behaviors that individuals build and sustain. It is in these closer relationships

that managers connect the big-C to small-c and make culture come alive. In a company culture emphasizing innovation (big-C), a manager might encourage sharing what the team learned from failed experiments to make them all wiser (small-c). In a culture that prizes excellence (big-C), a leader could make a habit of celebrating small wins to provide momentum for achieving bigger successes (small-c). Thinking in terms of small-c cultures puts leaders in active roles, asking, “How can I make wider culture ideals come alive in the practices of the group I’m building?”

In our study of a large Fortune 100 company that was frequently recognized for being a good place to work, we looked closely at culture building among its top-rated midlevel leaders. We designed this research with the goal of understanding the commonalities among those who were widely known for their effectiveness and engagement with the company culture. We realized that the best midlevel leaders — who were among the top 10% in terms of retention and team performance — were attentive to both the culture of the entire organization and the narrower culture within their sphere of influence. Our research and data analysis further revealed that the most effective culture building includes both *endorsing* existing elements of the big-C culture and *enriching* new elements of small-c cultures.

The Roles of Endorsement and Enrichment

The managers in our study who were most effective at building culture selectively emphasized certain elements of the company’s mission and nurtured ways of bringing those elements to life within their teams. They shared their ideas with other managers and encouraged innovating within the culture and trying new actions along the way. (See “Endorse and Enrich Your Way to Corporate Culture.”)

Here are the four strategies that were most successful.

Endorse big-C culture through celebration and preservation of select features. The most effective managers in our study focused on those aspects of big-C culture that they viewed as most important for connecting their specific group to the company’s values. This was especially important in helping employees see clear connections between what the company espoused and their day-to-day work. One manager chose to bring the organizational value of equality to life by encouraging the idea of equality across the hierarchy. One way he did this was to invite subordinates to participate in high-level meetings with him, literally giving them a seat at the table.

Another manager encouraged a geographically dispersed team to act on the company’s value of giving back through volunteering. Employees often felt too

busy with work to find time to volunteer on their own. To preserve this prized aspect of the big-C culture, the leader decided to regularly weave volunteerism into the agenda of their in-person meeting days, such as service at a local school and providing expertise and mentorship to local nonprofits. Adding this activity to some of their face-to-face days also provided the team with an opportunity to interact outside of formal business meetings, strengthening their connections.

Curating aspects of the big-C culture that resonate most with employees is critical during periods of change. One manager we interviewed came into the company through an acquisition and noted that most of the employees accompanying him wanted to hold on to their former company’s culture. He asked them what they loved about the old culture with an eye to identifying what related aspects of the current company culture might resonate. As the old culture valued a willingness to have tough conversations, for example, he linked that to the current culture’s value of trust and chose to emphasize it moving forward.

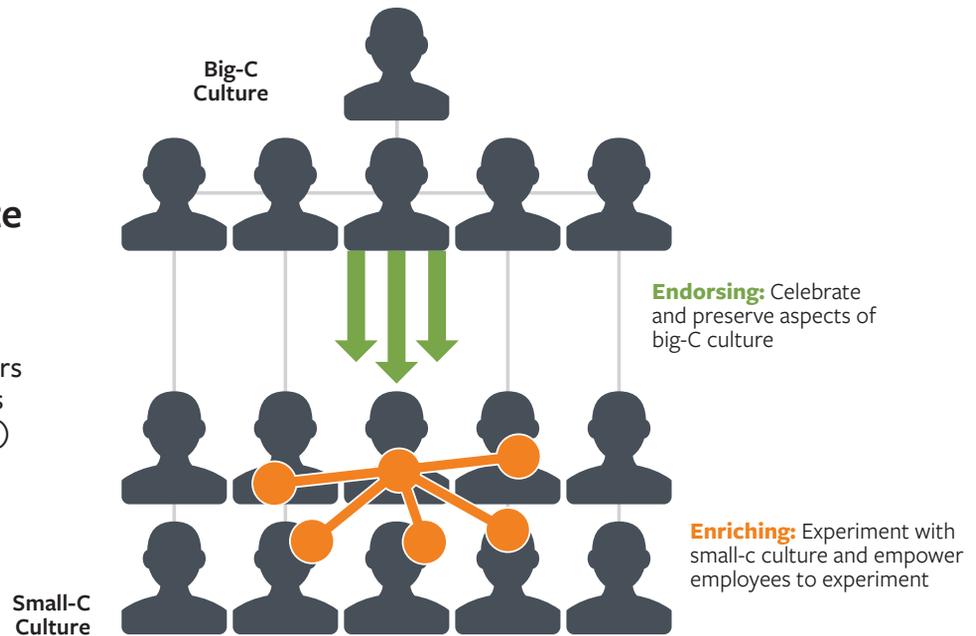
Endorse big-C culture by learning from other managers. We found that culture builders are attentive to their own development. They expand their network of mentors and engage in conversations about leadership to broaden their ideas and keep a pulse on the big-C culture. They ask questions like, “What are you doing to be a better leader in our organization?” and “What new practices have you tried that are bringing success?” As a result of this curiosity, they have a grasp on the linkages that other managers are making to the big-C culture. They understand what innovations the culture allows and where the boundaries are.

Through their frequent interactions with peers, they find new ideas to import into their own areas. This cross-pollination facilitates some consistency in cultural experiences for employees across the organization. The company in our study hosted panels at some larger company events where leaders described “stupid things that I have tried.” This invited them to learn from one another by sharing mistakes, not just touting what they’re doing well. Sharing blunders through structured practices like this gives managers a chance to see one another as vulnerable, which likely strengthens relationships and knowledge sharing.

We found that managers who engaged in sharing their practices and trials valued relationships with other leaders and even formed cohorts with peer leaders through conversations about culture. They took “cultural field trips” to visit other parts of the company as pseudo-anthropologists, observing what parts of big-C culture other managers were drawing from. Some also

Endorse and Enrich Your Way to Corporate Culture

Managers at every level in an organization should help build company culture. Midlevel leaders can both endorse the company's big-picture values (big-C culture) and enrich the daily lived experience (small-c culture) of their team members.



copied newcomer socialization tactics into their own parts of the organization, pushing themselves to meet 20 new people in the company just like a newcomer would be challenged to do. These practices maximized their exposure to strategies used effectively by other leaders.

Enrich small-c culture through cultural innovations. Culture builders realize that any interaction — meetings, feedback sessions, presentations — can be where culture happens. So they use these interactions as opportunities for cultivating the small-c culture. They try new leadership behaviors, new meeting practices, new hiring procedures or interview techniques, new incentives, and new patterns of communication. These are innovations in activity, not policy. Like trying out any set of innovations, not all of them work. When that's the case, they try something else.

A sales executive saw that team meetings were stressful, with an extreme focus on the numbers, and wondered if there was a way to build in talking points about wellness — a key part of the big-C culture — alongside the numbers. So she experimented with changing how weekly sales were reported. She said, “Each sales associate would now present all of their challenges in addition to all of the successes that they had. It was a more modest approach: “This is how great the quarter was, here's why, here are the things that worked, here are the things that didn't, and this is what I need.” She noted that this approach allowed teams to offer bidirectional feedback — ideas for improvement that could be moved up the chain of leadership as well as ideas they could implement among themselves.

Another manager began to see product launch events as opportunities to bring the big-C value of customer joy to fruition for potential customers and to life for employees. Many client-facing events had been outsourced to an event-planning organization, and the manager thought her team would enjoy designing some in-house. She asked for permission to run a few events with a small team as a trial run. It was a success: It put employees more front and center with customers and led employees to be more invested in making the external events exciting. It did not change the big-C value of customer joy but enriched it because employees now experienced the value firsthand. Other leaders ended up pointing to these events as key examples of the organization's culture.

Enrich small-c culture by empowering employees to innovate. The managers in our study also found ways to empower employees to come up with new practices that brought their small-c culture to life, making the culture feel more vibrant and relevant.

For example, during the pandemic, one team leader worried that bonds were fraying even with virtual meetings, at the cost of the big-C value of connection. She invited her team members to try some new ideas, and they landed on using the first five minutes of each gathering as a time to pair up and ask one another a rotating set of “getting to know you” questions. Even after the pandemic subsided, they continued the practice.

One leader has made this kind of empowerment a standard practice. He observed, “I delegate the invention of cultural tools — difficult conversations about performance, career conversations, and unique ways of

managing meetings. I want to hear what creative things are happening in the field, and if it's a good practice, then I want us to use it." He said he even aims for a little bit of a competitive environment in encouraging people to come up with new and better ways to create small-c culture.

Another executive described how members of her division had come up with a guerrilla marketing plan to counter the growth of a competitor. The plan included flying a plane with a banner over the competitor's upcoming event. "They put together the whole plan," this leader says. "It was very creative — I thought it was great. But the CEO didn't approve it." Even so, in the weeks that followed, the idea took on a small life of its own. "I got constant jokes about the plane, like, 'Should we put a plane on it?'" Even though their plan was not approved, the attempt at trying something new helped the team understand the boundaries of the big-C culture and served as a bonding experience. One of the points of innovating in small-c culture is to unleash creativity and camaraderie, even if new ideas fail to take hold.

Seeing culture as something that leaders at any level can and should build has payoffs for employees, leaders, and companies. Culture is meant to be a shared experience, and when responsibility for culture building is shared, employees in the leaders' small-c sphere of influence become collaborators. People are more likely to own a culture when they are involved in building it, and employees who feel more connected are more likely to stay. They are better able to understand how to navigate a culture so that it feels visible and real, rather than invisible and mythical.

Additionally, cultural experiments are a way of helping employees who seek leadership roles to advance along their desired career path. When these employees are promoted and moved to other parts of the organization, they carry cultural innovations and the capability to enrich small-c culture to other departments and units, thanks to their past small-c experiments.

ALTOGETHER, LEADERS FELT MOST EFFECTIVE in building culture and helping employees feel connected to it when they could link efforts to both endorse the big-C culture and enrich the small-c culture. One executive described how he grew to understand the big-C culture by constantly connecting with peers to understand their approaches to living the company's values, and that he was also always trying to expand his small-c culture by creating a habit of introducing himself to people on elevators to learn their names and departments. He said, "My default setting is to try to pull the organization together so that everybody I interact with has a feeling that they are connected to the organization

and that the work that they're doing is important and noticed."

For managers, the insight that organizational culture is not uniform but diverse becomes an advantage rather than a weakness. Operating with an innovation mindset allows them to customize culture to feel inclusive to those in their sphere of influence, in both their formal reporting relationships and their informal social network. Building culture also provides practical experiences and stories that ready them for promotion into more senior roles.

For the company, when people at all levels are involved in actively building culture, new practices arise throughout the organization that make its values come alive. This is not misalignment. Instead, it means the company's ethos and customs are growing with slight deviations, the same way a species evolves in a healthy ecosystem. The result is a living, adaptable culture. ■

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