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Life Is Great How to Develop a Successful Company Culture

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Unless you are a solo practitioner or an independent adjuster, you are surrounded by coworkers. All of us naturally form groups within our offices that eventually develop and or succumb to the overall culture of the office or firm. Profit, loss, business relationships, success and failure are all linked to that culture, yet few places of business have any desire to account for it in their business plans.

This failed accounting of company culture is a mistake, as company culture has been found to effect productivity of the workforce in some cases up to 30% per year¹.

1. Identifying the 5 Company Cultures and Subsequent Ethics

Research described in the book, *Tribal Leadership*, by Logan, King, and Fischer-Wright has revealed that there are 5 levels of company culture that people will automatically group into based on their surroundings. Each group has its own identifying markers and each has its own leverage points for moving forward. Below are the 5 groups and their identifying factors:

a. Level 1 – “Life Sucks”

¹ Logan, King, and Fischer-Wright. *Tribal Leadership, leveraging Natural Groups to Build a Thriving Organization*. Harper Business, 2008.



Only 2% of American Companies are at Level 1, and they don't last very long. Level 1 companies and firms are filled with people who emanate the belief that their life sucks, and typically gang together to create hostile groups that lie, cheat and steal. *Id.* Companies and firms employing such groups run significant risks of ethical and legal violations. One very troubling example of a Level 1 law firm is the case of Marchuk v. Faruqi & Faruqi LLP et al., case number 1:13-cv-01669, in the U.S. District Court for the Southern District of New York, . The facts of this particular case generally involve a Partner who had an affair with one of the young lawyers at the firm, court papers allege, and when his wife discovered it, she stalked and harassed the woman — and may have even taken her cat. ²

b. Level 2 – “I Suck”



Somewhat surprisingly, approximately 25% of the American workforce is stuck in Level 2, which is a great deal different than Level 1. Level 2 companies and firms exhibit workforces that don't want to be there, have no desire or drive, and seem to think that others management are out to get them. These cultures believe that others around them have better lives, and consequently believe that “my life sucks.” Consequently, only the bare minimum is achieved by these companies. Examples of these types of environments include those with oppressive management styles, little or no benefits to working hard, and a distinct line between management and staff. This culture is illustrated in the movie “Office Space” by 20th Century Fox. In that

² <http://nypost.com/2014/11/09/affair-and-vengeful-wife-rips-apart-911-law-firm/>

film, a member of the workforce ends up burning down the building in revolt against the management. A real life example is the Division of Motor Vehicles.

c. Level 3 – “I’m great”



The vast majority, approximately 49%, of America’s workplaces exhibit a Level 3 Culture. Law firms, Banks, and Doctor Offices, typically full of egos, dominate this level. The phrase associated with this level can best be described as “I’m great, and you’re not.” In these companies and firms, success is measured on an individual basis, and there are no company values or objectives (at least not any that people are a part of or buy into). A great deal of importance is given to the individual winning. In this culture, inner office competition is rampant, and often under the guise of humor attempts are made to outperform one another. In this Level, relationships are formed in two person relationships only. There is no group mentality, and individuals take responsibility for results, win or lose.

d. Level 4 – “We’re great”



Level 4 represents cultures in approximately 22 percent of the workplace, where the theme is “We’re great, and they’re not.” There is a vast difference between Level 3 and Level 4 company cultures. This culture is evident in companies or firms that share common values and enemies. People involved in these cultures tend to form several relationships with two or more people in equally beneficial interactions. Examples of Level 4 companies include Zappos, DaVita, and several professional sports teams.

e. Level 5 – “Life is Great”



2% of workplaces exhibit a Level 5 culture, where the expression would be “Life is great.” Level 5 occurs when a Level 4 culture embarks on a highly significant, company changing task. Consequently, Level 5 is not sustainable. Those at this Level lose sight of enemies, and focus only on the task at hand with anyone who shares their values and goals. Examples of Level 5 cultures include NASA during the original moon landings, Apple during the invention of the iPhone, or perhaps a carrier and law firm working together to defend a case despite great risk.

2. Leverage Points for changing Culture at Each Stage

a. Level 1 to Level 2

For those at Level 1, there must first be a willingness to move forward and change. Encourage those exhibiting that desire to create positive relationships with those whose life is working (going to lunch, meetings, social functions, etc.) Those unwilling to change should be let go from the organization prior to them causing trouble.

b. Level 2 to Level 3

Mentor someone at Level 2 by using Stage Three language, such as “I think you have real potential.” Keep it up until you get the success indicator: the person uses Stage Three language. Once that occurs, immediately make the person a mentor for someone else at Stage Two. This encourages the relationships that are evident at Level 3.

c. Level 3 to Level 4

This is by far the largest and toughest leap for a company culture to change. It will require that several steps be integrated and followed:

- Find every person’s values, using open ended questions in order to create a company/firm shared value list. In other words, find and discover the reasons everyone comes to work, besides a paycheck.
- Speak in terms of shared values and make decisions based upon them. For a law firm, does this new attorney or staff member match our values, does this new case assignment match our values?

- Build multiple relationships with two or more people. These are relationships where each one is responsible for the quality of the relationship between the others.
- Ask: “what do our values say we should do about _____?”
- Construct micro strategies to make quick progress.

d. Level 4 to Level 5

- First, make sure the group is stable at Level Four.
- Ask: “how can we make history?”
- Focus on a short-term plan that will produce industry-shaking innovation.

3. Goals of Advanced Company/Firm Culture

Why are we talking about this? Increased business, better business relationships, and increased productivity/profit. Level 4 and 5 companies naturally seek out relationships with other companies or firms at similar levels.