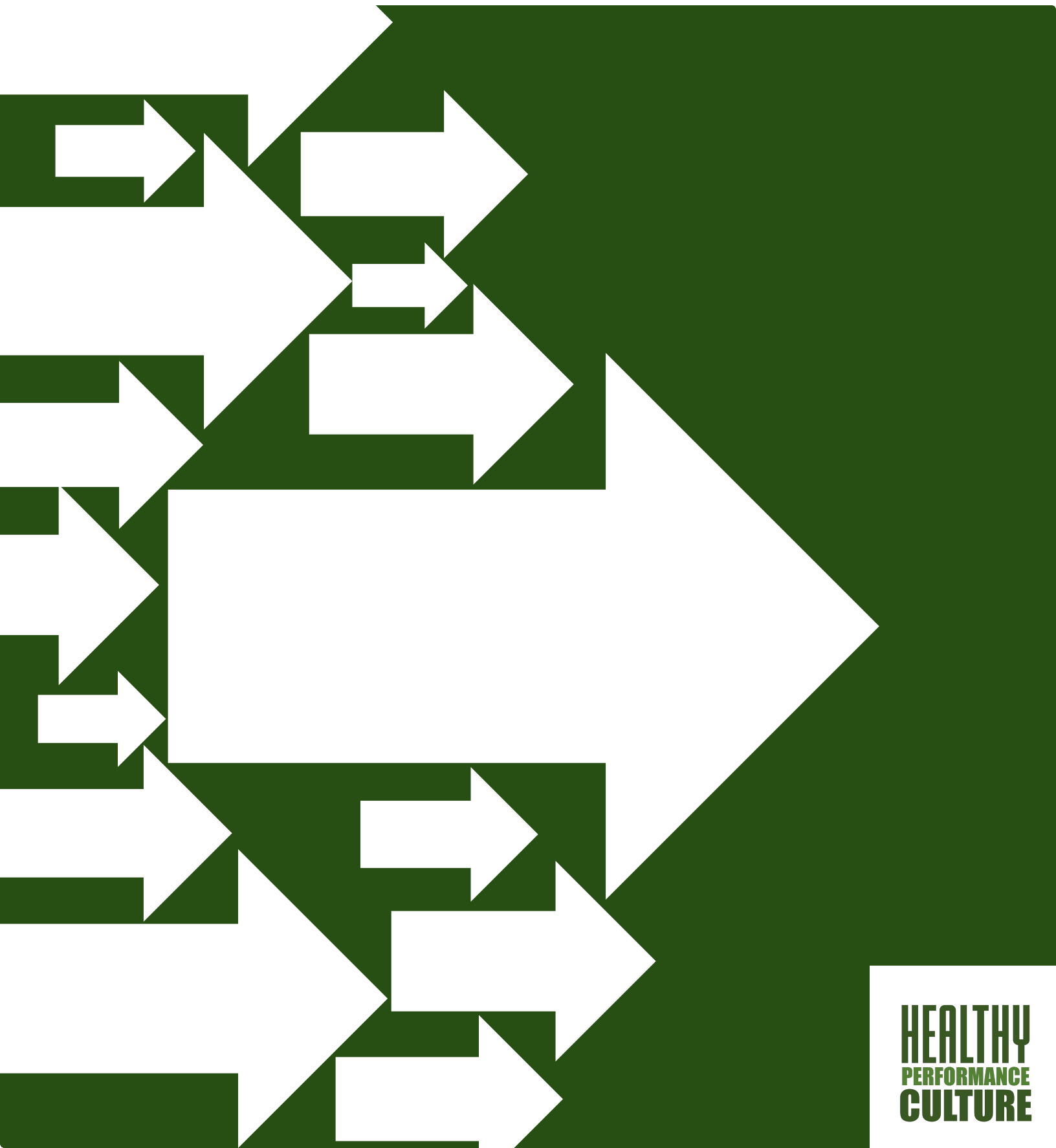


# SUSTAINABLE HIGH PERFORMANCE

HOW ANY COMPANY CAN BUILD A HEALTHY PERFORMANCE CULTURE



**HEALTHY  
PERFORMANCE  
CULTURE**

# EXECUTIVE SUMMARY



Talented People are at the heart of why some companies succeed while others fail, and in order to attract, retain, grow, and harness those Talented People you need to have a Healthy Performance Culture (HPC). Don't believe me? Research shows that Healthy Performance Cultures pay huge dividends:

- Companies with a Healthy Performance Culture have **33% higher revenue**<sup>1</sup> than their normal competitors.
- A Healthy Performance Culture leads to a **41% reduction in absenteeism**,<sup>2</sup> a **17% increase in productivity**, and **59% less employee turnover**.
- Finally, companies with a Healthy Performance Culture **3 times outperform their competitors**.<sup>3</sup>

Imagine what your company could accomplish with a Healthy Performance Culture? What could you accomplish if your employees were so productive they delivered six days of results in five days? What kind of strategic initiatives could you fund if you had 33% more revenue? How much faster would you scale up your company if you outperformed your competitors by 300%?

The good news is that building a Healthy Performance Culture is not that hard or complex. It is comprised of Talented People who deliver **critical priorities**, role model the **right way of working**, proactively build **strategic capabilities**, and receive support from **high performing leaders!**

That being said, not all companies require the same level of Healthy Performance tools and processes. For example, a company with 25 people does not need a formal performance management assessment tool, when a quarterly discussion on goals is sufficient. But a 200+ person company without any structured performance conversations is missing some key building blocks. The simple truth is that how you build and sustain a Healthy Performance Culture evolves as your company evolves.

For each phase of your company's life, there are actions that Leaders (& HR) can take to ensure success in the current moment, while also laying the foundation for success in the future. To keep things simple and focused, we have identified four actions that you can take to build a Healthy Performance Culture for every phase of your company's life. Additionally, we have identified one action you can take to prepare for the next phase of their company's life.



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1. Dvorak, N. & Pendell, R. (2018) Culture Wins by Getting Most out of People. Retrieved on Gallup.com  
2. Harter, J. (2022) Employee Engagement vs Employee Satisfaction and Organizational Culture. Retrieved from Gallup.com  
3. Zook, C. & Allen, J. (2016) Founders Mentality: How to Overcome the Predictable Crisis of Growth.. Harvard Business Review Press.



# MESSAGE FROM THE AUTHOR

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*Since childhood I've been fascinated with helping people perform at their best, so it shouldn't be surprising that I've spent the past 20 years helping companies unlock their talent and build strategic capabilities.*

*But over my career, I became more and more frustrated with how we all think about performance, leadership, and teams. For example, becoming a strong leader shouldn't require that you master 3 leadership dimensions with 12 capabilities and 48 sub skills. From my experience, great leaders can be built using simple, common sense tools.*

*It was this belief that strategic HR can be simple and straightforward that lead me to write this whitepaper and ultimately create Healthy Performance Culture consulting. In this whitepaper you will see that building a healthy performance culture is not complex, and it something that companies of all sizes can achieve. It is my hope that you take these ideas, discuss them amongst your colleagues, and start ramping up your own high performance culture.*

*If you want to reach out to me for help, that's great, but if you want to do it with your internal HR team, that's great too. What matters to me is that more and more companies help their people achieve new levels of performance without overcomplicating things.*

A handwritten signature in black ink that reads "Cary Bailey-Findley". The signature is fluid and cursive.

Cary Bailey-Findley

Founder - Healthy Performance Culture

## WE CAN HELP YOU...

**1**

### **Culture Building**

We can help you design, build, & implement a Healthy Performance Culture in your company.

**2**

### **Performance Coaching**

We provide executive coaching to help your leaders drive a Healthy Performance Culture.

**3**

### **Team Acceleration**

We facilitate and speed up the transformation of your board or leadership team into a Healthy Performance Team.

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# WHY ONLY A FEW COMPANIES SUCCEED

## Success Factors <sup>1</sup>

- ✓ Innovative ideas
- ✓ Strong business model
- ✓ Perfect timing
- ✓ Enough Funding
- ✓ And many more...

## Causes of Failure <sup>2</sup>

- ✗ Bad Market Fit
- ✗ Got Outcompeted
- ✗ Beaten to Market
- ✗ Lack of Investors
- ✗ And many more...

## 75% to 90% of all companies fail.

Growing a company from infancy to maturity is incredibly demanding and full of risks. In fact, somewhere between 75% to 90% of all companies fail. A lot of research has focused on identifying why some companies succeed while others fail.

There is no doubt that an amazing idea, a great business model, ideal timing in the market, or generous investors are all critical to be successful. But what the research doesn't acknowledge is that these things don't just happen on their own. Talented People make them happen.

- **Idea** - Industry disrupting ideas and technology does not design or build itself. Talented People do.

- **Business Model** - Loyal customers willing to pay for your products and services don't just pop into existence. Talented People find the customers, build relationships with them, and gain their loyalty.
- **Timing** - Having a perfectly timed product hit the market is not luck. Talented People make their own luck by finding opportunities that not only fill their customers needs, but are executable.
- **Funding** - Investment and funding will not rain down on you because you have a compelling vision. Investors are actually investing in the Talented People that not only create your vision but can execute it.

1. Dessi, Chris. (2020) 5 Top Indicators for Startup Success, According to this TED talk. Retrieved from [www.lnc.com](http://www.lnc.com).

2. CB Insights (2021) Top 12 Reasons Startups Fail. Retrieved from [www.cbinsights.com](http://www.cbinsights.com)

**How much faster would you scale up your company if you outperformed your competitors by 300%?**

**What could you accomplish if your employees were so productive they delivered six days of results in five days?**

**What kind of strategic initiatives could you fund if you had 33% more revenue?**



Talented People is at the heart of why some companies succeed while others fail, and in order to attract, retain, grow, and harness those Talented People you need to have a Healthy Performance Culture. Don't believe me? Research shows that Healthy Performance Cultures pay huge dividends:

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**Imagine what your company could accomplish with a Healthy Performance Culture?**

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# WHAT IS A HEALTHY PERFORMANCE CULTURE?

Unfortunately, too many leaders only talk a good game about performance and culture. Even though they say it is critical, there is always a huge list of other things (tech, funding, customers, etc...) that occupies their attention. So a company's culture initiatives are often low priority. And even when they do focus on People & Culture work, they spend the majority of their time on operational issues such as recruitment and ensuring legal compliance). If leaders truly want to grow their company into something amazing, hiring a recruiter or an HR generalist isn't enough. They need to make building a Healthy Performance Culture their top priority.

The good news is that building a Healthy Performance Culture is not that hard or complex. At its core, it is comprised of 4 things:



## Delivering Critical Priorities

Everyone within a Healthy Performance Culture needs to be crystal clear on the top three business priorities over the immediate future. That clarity allows for everyone to be aligned and working together to solve those priorities.



## Role Modeling the Right Way of Working

Once there are clear business priorities, leaders can ensure that everyone is working in a way that is aligned to those priorities. This includes how the organization is structured, how the processes are aligned, and how employees and teams are meant to work together.



## Proactively Building Strategic Capabilities

A clear way of working together helps a leader understand what type of talented people they need within their organization. Some of it they will need to hire, and some they will be able to grow.



## Culturally Driven Leaders

Finally, clarity on people capabilities will shape what kind of leadership and communication is required in the company. There is no recipe for the perfect leader, but some types will work better for some cultures than others.

**That's it... If you want your company to succeed and grow faster than you ever imagined, then you need to ensure these four things.**

# USING THE RIGHT TOOLS TO BUILD A HPC

A Healthy Performance Culture requires the right people and right leaders are working in the right way and on the right priorities. That being said, not all companies require the same level of tools and mindsets. For example, a company with 25 people does not need a formal performance management software system, when a quarterly discussion on goals is sufficient. But a 200+ person company without any structured performance conversations is missing some key building blocks.

***You don't need a supercomputer to solve basic math problems, and you don't need advanced Performance initiatives for a company of 25 people.***

The simple truth is that the tools you use to build and sustain a Healthy Performance Culture evolves as your company grows in size. Leaders & HR of smaller companies shouldn't spend time or effort on complex tools. It just isn't worth it.

For each size of a company, there are specific actions that Leaders & HR can take to build and sustain a Healthy Performance Culture, while also laying the foundation for success in the future. To keep things simple and focused, we have identified 1 for each of the 4 areas of the HPC model. Additionally, we have identified one action you can take to prepare your company as it starts to grow into the next level.

That's it... It only takes five initiatives to build up a Healthy Performance Culture that will help you sustainably grow your company and reach new levels of success. While an internal HR team can help build the tools for each level, we recommend pairing that team with an external expert that can partner with Leaders to translate their ideas into a HPC strategy.



**# of Employees**

**≈ 2-7**

**Focus = Forming**



**# of Employees**

**≈ 5-20**

**Focus = Inspiring**



**# of Employees**

**≈ 15-75**

**Focus = Leading**



**# of Employees**

**≈ 50-125**

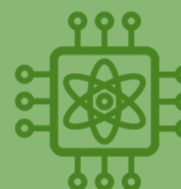
**Focus = Strengthening**



**# of Employees**

**≈ 100-250**

**Focus = Preparing**



**# of Employees**

**≈ 200+**

**Focus = Scaling**





# BUILDING A HPC (2-7 EMPLOYEES)

## Focus = Forming Teams



Companies with only a few employees can sometimes create the feeling of “us vs the world”, and that can create an intense comradery. A team quickly becomes brothers and sisters in arms, and this can lead to problems. Leaders need to recognize that their company is a team, and not a family. A Healthy Performance Culture for this sized company is really just a High Performing Team. Forming that team’s cohesiveness and collaboration should be the main priority.

## Actions to Take



### Be Ready to Pivot

At this size, companies shouldn’t act like they are set in stone. They should get into the habit of pivoting their goals and strategies as they learn new valuable information.



### Morning Check-Ins

Culturally Driven Leaders start every day with a morning check-in. Basically everyone shares what they did yesterday, and what they will be working on today.



### Embrace Bad News

If leaders shoot the messenger, people will stop giving them the unvarnished truth. Culturally Driven Leaders make sure everyone knows they can handle the truth.



### Don’t Hire Clones

Too many leaders hire like minded people, and then are surprised by unforeseen issues. Don’t do that. Instead, hire people whose strengths fill gaps in the team.

## If You are Growing, How to Prepare for the Next Size HPC

Gaining & inspiring followers will become more critical as a company begins hiring more and more people. Leaders should start practicing their ability to clearly communicate and paint an inspiring vision for others. We recommend leaders practice with people outside their company, as their friends and family probably already share their vision.



# BUILDING A HPC (5-20 EMPLOYEES)

## Focus = Inspiring & Motivating



This phase is all about gaining a first batch of followers. Many leaders fail at this stage because they only rely on their formal authority (my way or the highway type of leaders). Leaders create a vision that people are willing to put in the long days for. This is a critical requirement of success in the later phases. If a leader can't get 10 people to follow their vision, they won't be able to convince 100 to do it either.

## Actions to Take



### Goal Sharing

All employees should be aware of the goals of everyone else. Ideally, most of the goals should be co-owned.



### Constant Communication

Conduct all hands meetings & Q&As every week (minimally). Radical transparency is critical in these smaller sizes of a company.



### Design In Nimbleness

At this stage, processes should be highly adaptable to fit ever changing environment. Allow for deviations, but only if they are critical to achieving your top 3 priorities.



### Foster Collaboration

Figure out what kind of collaboration works well within the company, and what doesn't. Call them out and make what works an explicit part of the culture.

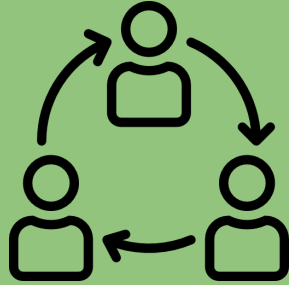
## If You are Growing, How to Prepare for the Next Size HPC

As a company grows beyond 20 people, it will be impossible for leaders to be involved in everything. As a way to prepare for the next phase, leaders should begin developing their ability to delegate and empower their people. Additionally, they should start formalizing a few critical processes, so different people can ensure the same quality deliverable.



# BUILDING A HPC (15-75 EMPLOYEES)

## Focus = Leading Through Others



This phase is the last time the company will feel like a family (albeit a large one with way too many cousins). Leaders need to focus on working through people. At a smaller size, everyone in the company could fit in a large meeting room, but once a company grows to 20-25 employees, a leader can't be hands-on with everyone. Many founders initially struggle to lead through others, and this is why only some become true C-Leader executives and others slowly become a figurehead.

## Actions to Take



### All Hands Goal

Every 6 months, identify 1 "All Hands Goal" that everyone must contribute towards. These are the company's make or break goals that will keep everyone focused.



### Develop Your Leaders

Leadership development is critical. Ignore a lot of the fancy leadership models, and instead focus on the foundations of great people management.



### Design In Nimbleness

At this stage, processes should be highly adaptable to fit ever changing environment. Allow for deviations, but only if they are critical to achieving your top 3 priorities.



### Build a Strong Onboarding

At smaller sizes, new hires could learn processes and the culture organically. Now they can't. A structured onboarding is needed to help new joiners be successful.

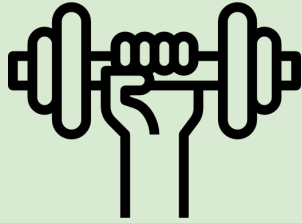
## If You are Growing, How to Prepare for the Next Size HPC

As the company grows past 50 employees, some aspects of a company's Healthy Performance Culture will be set in stone. As preparation for this, leaders & HR need to identify which aspects of the culture are nice to have, what needs to be stopped, and what are the few critical things that need to be protected at all costs. Without this focus on protecting cultural traits, then all of the new hires will begin to create a new culture within the company.



# BUILDING A HPC (50-125 EMPLOYEES)

## Focus = Strengthening Your Culture



A company of this size is one of the last opportunities a leader has at easily making culture changes. Once a company gets above 200 employees, trying to transform a company into a Healthy Performance Culture is like turning around an aircraft carrier... slow. Leaders must take this final opportunity to cement the few critical Healthy Performance Culture traits that they want to define their company going forward.

## Actions to Take



### Define Healthy Performance

Healthy Performance cannot be just delivering results. Healthy Performance is also about “how” results are accomplished, and ensuring employees grow and improve.



### Upgrade Middle Management

Middle managers and frontline managers are critical linchpins for accomplishing every strategic goal. Invest heavily in selecting the right leaders and growing their capabilities.



### Start Optimizing Processes

Later stages are all about predictability and accountability. Start this journey by ensuring critical processes are optimized and consistent.



### Conduct Skip Levels

Culturally Driven Leaders never lose touch with their frontline. They conduct regular skip level meetings to gather frontline insights and critical information.

## If You are Growing, How to Prepare for the Next Size HPC

As the company grows past 100 people, it is important to recognize that not everyone will be able to continue growing with the company. Sometimes people hit their own ceilings. In those situations, help them improve, move them to another role, or let them go. That is why it is critical that a company starts to focus on rewarding reliable performance and addressing underperformance. We recommend starting to formalize a performance management process.



# BUILDING A HPC (100-250 EMPLOYEES)

## Focus = Refining Your Engine



The old saying is that “it’s the journey, not the destination, that’s important. In a Healthy Performance Culture, the end destination is important, but what is more important is that you build a robust “engine” that can get you to the destination and beyond. Even as you approach your goals, new strategic goals will be set further down the road. So instead of obsessing about the final destination, leaders should focus on building the high performance engine that will help them reach their goals and beyond.

## Actions to Take



### Formalize Performance Process

Aligning and driving the performance towards the company’s critical goals cannot be done organically at this size. Formalize the performance management process.



### Lean In to Tough Conversations

High Performing Leaders are not afraid to have tough conversations. They are honest and direct, and believe people need the truth more than a comforting lie.



### Stop Politics

Politics will begin popping up more in more in 100+ sized organizations. Leaders need to cut through the bullshit, and focus everyone on working together.



### Proactively Develop Capabilities

Assess all employees on if they are growing along with their role (or not), how they can improve, and how they can prepare for the future. Then invest in their growth.

## If You are Growing, How to Prepare for the Next Size HPC

Eventually as a company grows, the ability to scale processes and tools becomes even more critical. The amazing leadership program that was designed for 30 leaders might not be able to handle training 100 leaders. Leaders & HR should start investing their time in making their processes future proof as their company continues to grow and grow.



# BUILDING A HPC (200+ EMPLOYEES)

## Focus = Preparing for More Growth



Once a company gets over 200 people the level of oversight and transparency multiplies. Investors want to see if the company can deliver on its promises. For some companies that means going public. This can cause a huge disruption within the company, especially if the organization or culture is not ready to provide predictable results. At this sized company (especially if they want to grow) Leaders & HR need to start preparing their Healthy Performance Culture to drive more predictability and accountability.

## Actions to Take



### Demonstrate Predictability

Investors want to see high performance that is predictable (especially if you want to go public). Leaders need to start prioritizing that predictability.



### Upgrade Executives

Leaders from the earlier phases might not be the best fit now or for the future. Assess Executives and make upgrades when needed.



### Future Proof Processes

Processes and tools (especially the critical ones) need to be future proofed in terms of scalability and strategic changes. Pick a few critical ones, and start optimizing.



### Invest in Scalable Development

People growing and learning new capabilities is the fuel that helps a company reach its strategic objectives. At this size, a company should start invest in scalable learning tools.

## If You are Growing, How to Prepare for the Next Size HPC

The biggest changes when growing come at the earlier sizes. A company evolving from 2 to 20 is harder than the same company moving from 200 to 2,000. A Healthy Performance Culture at larger sized companies still needs the same 4 building blocks, the only difference is that the systems and processes supporting those criteria need to be scalable and repeatable. That scalability will be critical as a company gets larger and larger.

# BUILDING A HPC STARTS TODAY

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A Healthy Performance Culture is not a magic bullet. It is not going to solve all of your company's problems (funding, competition, product fit, etc...). Even companies filled with incredibly talented people working in a Healthy Performance Culture can still fall apart. But the quality of the people within your company will be what determines whether or not you will overcome those problems. Talented People working in a High Performance Culture gives you the best chance at overcoming every problem you face.

It will be tough, but what worthwhile thing isn't tough. The good thing is that leaders don't have to build their Healthy Performance Culture alone. We recommend that all leaders bring in people to help them shape and implement their culture. For most companies that support comes in the shape of a super experienced Chief People Officer but we believe that is overkill. A strong HR manager will be sufficient to help a company's leaders implement their HPC initiatives.

Unfortunately, that HR manager probably does not have the expertise needed to help design and build a Healthy Performance Culture from scratch. That is why we recommend combining a small operational HR team with an external expert that can partner with the leaders to translate their ideas into a HPC strategy. A consultant specialized in building HPC strategies can provide leaders the expertise they require to grow, but without having to pay for a full time Chief People Officer just yet.

***Visit our site [www.HealthyPerformanceCulture.com](http://www.HealthyPerformanceCulture.com) for more information on how you can build a Healthy Performance Culture.***

We are constantly writing articles and creating free tools which you can use in your company starting today. All you have to do is visit.

# HOW WE CAN HELP YOU BUILD A HPC

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Healthy Performance Culture is a consulting firm specialized in sustainably accelerating your company's growth through:

## Culture Building

We can help you design, build, & implement a Healthy Performance Culture in your company.

## Leadership Coaching

We provide executive coaching to help your leaders drive a Healthy Performance Culture.

## Team Acceleration

We facilitate and speed up the transformation of your board or leadership team into a Healthy Performance Team.

## OUR APPROACH



### Specific

We are not here to force fit you into a cookie cutter shape because that's the only model we use. Your company is unique, we will do what works best for you.



### Simple

Too many consultants focus on flash and not enough on substance. A Healthy Performance Culture is not built off of fancy campaigns or posters on the wall. We build simple solutions that work with no fuss.



### Straight Forward

Sometimes consultants spend more time trying to sell extra services, and less on solving the original problem. We don't. Our focus is on solving your problems, not upselling you.





# HEALTHY PERFORMANCE CULTURE



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