



**DON'T HAVE
A
"NICE"
CULTURE**



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The CEO finishes her remarks at your annual shareholder's meeting and mentally braces herself for the question and answer section. It's been a particularly tough year at your company and she knows that investors will demand clear, compelling answers. The questions start in rapid fire:

"Why was the product launch of Caribbean Corn Crunchers delayed?"

The CEO answers, "Well, we're a nice company and didn't want the incompetent project manager to feel bad about the delay."

"Why is there no innovation pipeline in the company?"

The CEO responds, "The head of R&D has been here 40 years and it wouldn't be nice to remove him from that role after everything he's done for the company."

"There have been financial irregularities in your accounting processes for 3 years and the Securities and Exchange Commission called your most recent financial report 'science fiction'."

The CEO replies, "Well, we have a nice culture and our CFO didn't want to embarrass anyone in our accounting function by calling them out."

You're Not "Nice"

Your CEO wouldn't just be a laughingstock after that shareholders' meeting; they would likely be in handcuffs. Yet, as strange as those answers would sound coming from a CEO's mouth, similar answers flow freely from HR leaders every day behind closed doors.

Why don't you remove low performers? Nice culture. Why don't you differentiate rewards? Nice culture. Why aren't you honest with employees about their potential? Nice culture.

These words are often said with the belief that they represent a unique element of the individual's company, region or culture. In the U.S., we hear it as "Minnesota nice." In Latin America, it may be explained as encouraging a productive, family-like atmosphere. Across Asia and the Middle East, it's often described as respecting hierarchy and age.

What those who've experienced "nice" cultures don't realize is that nice isn't unique to your specific environment – nice is common to humans. We are hard-wired to be empathetic and social with others, especially those who we consider to be part of our clan or in-group.¹ For that reason, any organization requires some level of niceness in order to succeed.

What's Nice?

Let's start by stating the obvious. It is nice to be civil, polite and treat other people with basic human courtesy. It is nice to support

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those you work with and to be a good teammate. As a manager, it's nice to help your team be engaged and productive.

Where nice goes wrong is when the label is used by leaders to explain why they don't have, or don't force others to have, the difficult conversations and make the challenging decisions needed to improve their organization.

I addressed part of the problem in my article [*Calculating the Optimal Length of Time to Lie to Your Employees*](#). That article describes how we consciously lie to others at work because we're afraid the truth would hurt their feelings or upset them. As a consequence, feelings are spared and mediocrity (or worse) flourishes in the organization.

At other times we apply our personal talent philosophy to make decisions that an [organization's talent philosophy](#) should govern. We may believe that loyalty to the company matters more than anything else, so we don't

lay off loyal Bob even though he's clearly an under-performer.

Alternatively, we may simply not have the courage to do our job as a manager and give an employee direct, helpful direction for how to improve her performance.

Whenever we shirk our responsibility to manage in the guise of being "nice" we harm our companies. We harm our employees. We harm our customers and our suppliers. When managing to "nice" becomes part of your company's culture:

- **You create "shared irresponsibility":** No one else has given Bob tough performance messages in 20 years, so his next manager isn't going to either. Why should a manager risk the ire of her co-workers for violating the unwritten rules about being nice?
- **It drags down company results:** When employees don't get clear messages about improving their performance, or there are no consequences when they don't, their under-performance creates a measurable drag on the company's productivity. It sends a clear message that individual performance doesn't really matter.

- **High quality talent doesn't hear praise:** Nice cultures can mean that top performers and high potential leaders are never told how valuable they are to the company. The fear in a nice culture is that someone might feel bad if they find out they aren't in the top 20%. An easy solution to this is to have [*A Prize in Every Box*](#).
- **It hurts diversity and inclusion:** A falsely nice culture is anti-diversity and anti-inclusion. Bob says he's working on making his team more diverse and it's been a 10-year effort so far with no results. But, he's trying, so let's be nice and not force him to take more decisive action.

The New Nice

Let's redefine a "nice culture" so that it benefits everyone in your organization as well as your external stakeholders. The new definition of nice rests on transparency and allowing adults to make smart decisions about their own careers.

In addition to the behaviors described earlier, the new nice means that your company will:

- **Create and reinforce clear standards of performance:** You'll set clear goals for all

WHAT'S NICE? WHAT WOULD YOU DO?

Your culture is a nice culture and there are strong cultural penalties for managers who don't fall in line. Your company announces a downsizing and you are confronted with the following scenario.

Mary is a mid-level worker on your down-line team and has worked in the same role for your company for 20 years. She is a measurably worse performer than her peers and has been for some time. She's received consistent feedback and remedial training. She's also a low-income single parent whose young daughter is being treated for leukemia.

You are instructed to cut the lowest performer in Mary's group. Do you terminate Mary? Not terminate her? Who does "nice" apply to in this situation? Mary? Her daughter? Mary's co-workers? You as her manager? Shareholders?

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employees and frequently communicate to them about their performance against those standards. The science is clear that big goals and clear feedback drive superior results, so it wouldn't be nice to not do this.

- **Be transparent with employees about their potential in the organization:** It's very nice to tell someone that they have the opportunity to be a valued employee for many years to come. That doesn't have to mean that they'll be promoted or receive an over-sized bonus during their career. It is nice to tell solid performers that they are

solid performers.

- **Hold managers accountable to manage:** You will publicly celebrate managers who build the quality and depth of their teams and remove managers who aren't able or willing to manage teams effectively.
- **Encourage everyone to achieve their maximum potential:** You will encourage everyone to grow and develop in a way that benefits them and the organization. You won't sub-optimize anyone's career by allowing them to focus on their strengths.
- **Not use "nice" as an excuse:** You will not allow anyone to excuse bad management or bad choices by saying that it's just part of your culture. Peers will hold managers accountable for the new nice behaviors. Executives will hold everyone accountable.

It's not nice in any culture or company to lie, hide the truth or allow bad behaviors to flourish. Human Resource leaders hold a special responsibility to remove "nice culture" from their company's lexicon and be more explicit about which behaviors will be rewarded or punished.

A productive culture is a powerful but difficult thing to build. Don't allow a sloppy definition of "nice" to undercut your efforts.

¹ Rameson, Lian T., and Matthew D. Lieberman. "Empathy: A social cognitive neuroscience approach." *Social and Personality Psychology Compass* 3, no. 1 (2009): 94-110.