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## **Building a Company Culture: A Case Study on ReputationDefender**

### **Introduction**

“Can someone please answer that! We’ve got a customer on the line! Somebody, please!” shouted Dotty Colantuono, ReputationDefender’s VP of Operations. Glancing over to see Dotty balancing two telephones herself, Terrence Sweeney, ReputationDefender’s new Chief Marketing Officer, dove for the crying phone line. Feeling a rush of adrenaline from the panic and incessant ringing filling the dark, hot sales room, Terrence quickly snatched the phone out of its cradle and brought it to his ear.

He hesitated. What was he supposed to say? He worked in marketing, not sales. Only a few months into the job, he had never answered the company sales lines before, let alone actually tried to sell the product.

But the entire sales team had gone home for the afternoon. It was a hot Friday in August and just a few hours ago, the power had gone out at the company’s Redwood City headquarters, silencing all incoming calls to the sales and customer support VoIP telephone lines. Upon reports from the electricity company that power couldn’t be restored for several hours, the sales team – along with most other employees – had been told to go home instead of sitting around idle in the dark.

While Terrence and the dozen other remaining employees were finally packing up a few minutes ago, the phones starting blaring. A generator had fired back up the phone service and all hands on deck were called into the sales room to answer customers’ calls.

Terrence took a deep breath. He could do this. After all, he had written the radio commercials bringing in a good portion of this call volume. “ReputationDefender, Terrence speaking. How can I help you today?”

“Hi, yes, I just heard one of your radio ads and was wondering if you could tell me more about your products. How do you get my name removed from websites?”

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### **Sitting in the Sales Room**

Terrence clicked down the receiver and breathed a sigh of relief. He had successfully pitched a customer. As he paused, he looked around at the still-dark sales room: golf clubs littered the cubicles with a mini turf hole in the corner; headsets and sweatbands embroidered with the word “Dominate” hung over each telephone; bottles of the world’s finest liquor were proudly displayed as trophies on top salesmen’s desks; and all around, there were photos of the entire team beaming at the end of each month when they met their sales goal. In each photo, they wore

khakis and button-down dress shirts, the dress code for the team as instituted by the VP of Sales. Terrence had to laugh to himself. This separate annex of the headquarters hosting Sales and Customer Support was like an entirely different company from the one of engineers, product managers, marketers, and writers next door, only a few steps away.

Come to think of it, each team at ReputationDefender really had its own distinct culture. Though he had only been working at RD for a few months and was just beginning to understand the company culture, Terrence could already see that this startup was quite different from all the other companies he had worked at. It felt very different to work here than it did to work at the corporate titan Comcast back in Philadelphia, which itself was different from the creative advertising agency he worked at in New York City after college. From dress codes and company traditions to office layout and meeting protocol, all three of these companies varied wildly.

He wondered how such different cultures had formed at each company. Why were there “Dominate” sweatbands in the sales room here? Why did Comcast require employees to wear suits when clearly Terrence was getting just as much work done everyday in jeans nowadays? Why was it OK to each lunch in meetings at RD, when the advertising agency would have taken everyone out to a fancy two-hour lunch with clients *before* a meeting? Despite a thirty-year career, this was the first time Terrence was working at a startup: were things just different?

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### **What It Looked Like As an Outsider**

Waiting for the next call to come in, Terrence reflected on his first impressions of RD and how his understanding of the culture had changed as he became more integrated into the company. He remembered how when he walked through the office for his first on-site interview, the dynamism of the CEO leading him around filled the air. The CEO addressed everyone by name, checked in on their projects, and seemed to offer helpful, constructive feedback.

This was still true today whenever the CEO was actually in the office, but he was often traveling for business. Terrence was beginning to see more and more that that energy he had experienced the first day depended heavily on the CEO. The atmosphere of the company was just different when he was there. Terrence couldn't quite put his finger on it just yet, but he felt like his colleagues had a different demeanor when in front of the boss.

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### **Manifestations of Organizational Culture**

As he listened to the product manager sitting at the sales desk next to him struggle to explain the product to the customer on the line, Terrence realized this company was very different to different people within the organization. The very people who designed the product itself seemed unsure what it did for customers. But the people who knew what it did for customers (the record-breaking sales team), didn't understand the product. What was going on here?

He knew the sales and product teams didn't meet very frequently. Both met with marketing, but always seemed confused about what the other was working on. Product was puzzled at the sales

team's ability to sell their less-than-perfect product. Sales was confused why product prioritized certain features. Maybe they just needed to start talking to each other, Terrence suddenly realized. Why hadn't anyone thought of that before? They could have a weekly Product & Sales meeting like the weekly Product & Marketing meeting his team gathered for each Wednesday.

As he thought more and more, Terrence realized there were countless quirks to the company both positive and negative. Looking up at the screenshots of the RD website over this salesman's desk, he remembered how he had failed to hire the best graphic web designer he had interviewed because the woman thought RD wasn't collaborative enough. She wanted to work in team settings and said she found another company that was a better match.

But just last week, he had also signed a top-notch writer to re-do the website's marketing copy. The writer had been thrilled about RD's pay structure: a lucrative pay-per-word salary. He seemed incredibly motivated by this system and was coming on-board on Monday.

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### **End of the Daydream**

Terrence looked over and saw the business development interns balancing on the sales team's skateboards in the corner as they waited to answer incoming calls too. They seemed fascinated by this new space, the sales room they had walked through maybe only a handful of times during their 3-month internships. In some senses, this really was a foreign culture.

But why, Terrence wondered? Why had all these subcultures formed around the company? Had someone made an explicit decision about the golf clubs for sales, but not for engineers? Why did everyone eat lunch at their desks here? Why did the sales room seem foreign to the business development team? Why did the engineers sit on dungy couches, while the product team typed away atop ergonomic bouncy balls? And why did the VP of Product email from three desks away when the Customer Service Manager always walked over to ask questions in person?

As the phone rang again, Terrence tried to figure out what role this unique culture would play in the company's ultimate success. After all, he had hefty stock options riding on it.

*Ring ring.*

"Hello, ReputationDefender, Terrence speaking. How may I help you?"

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### **Key Questions**

- 1) What role does organizational culture play in startups?
- 2) How does culture form? How do norms, behaviors, and traditions arise? Who is responsible for setting them? The CEO? Bottom-up employees? Investors?
- 3) When building a culture, what levers can you use to affect "company personality"?
- 4) Once it has manifested, can you change the culture at a company? If so, how?
- 5) How do you introduce a cultural vision to employees? How do you reinforce it?