Pixar, Patagonia, Netflix have it. Does your company?

By Bernhard Schroeder

It never ceases to amaze me the critical impact leaders have on their companies.

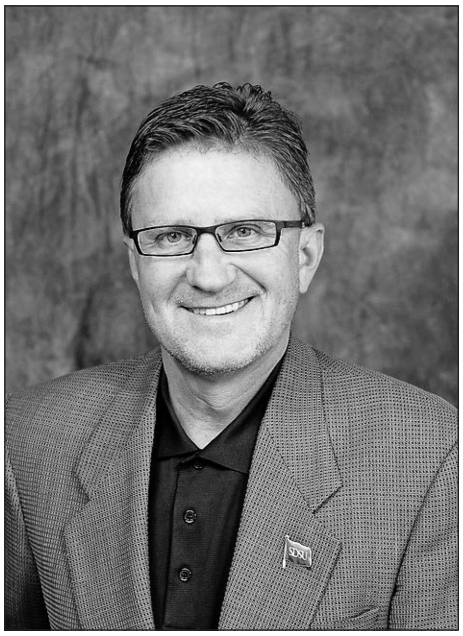
Why, for example, do some companies amazingly succeed and others lose their way or fail in spite of having very talented employees?

In my 20 years of branding and marketing, I met quite a few company leaders. A few great, some good and some really weak leaders. So, what separated them other than experience and leadership skills? In my opinion, it was their ability to craft, on purpose, an amazing company culture around a powerful mission.

We had John Wilson, co-founder of Stance, a rising performance fashion brand, on the SDSU campus to talk about how he and the other four co-founders carefully, meticulously and fanatically designed their company culture even before they hired their first employee!

Crafting and then guarding a company's culture is not easy. But if done well, the results are explosive.

Results can include: industry leader, high revenue per employee, high employee satisfaction, etc. At Stance, they treat all people like equal adults on a spirited mission who have the freedom and accountability to do great work.



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Companies with amazing cultures have a higher rate of success. Just look at Pixar. Hit after hit. But their culture is what's amazing.

Core culture elements at Pixar are: 1.) care about people first, 2.) focus on a purpose that makes people proud, 3.) encourage self-expression and diversity of thought. One of Pixar's core culture beliefs is that good people trump good ideas.

Netflix does not have a time off policy instead deferring to its employees to do the right thing. Patagonia continues to be a market leader while avoiding the micro-management of their employees.

These companies' cultures were not created by accident. The cultures were crafted by design by strong leadership and then continuously nurtured.

I was fortunate, earlier in my career, to work with four partners and together we built a $1 billion marketing agency in less than seven years with 10,000 employees that was also a market leader. How did we do that? Here are the guidelines we used that fueled our mission and built our culture; perhaps they can help you:

Have a mission: It's critical to have a powerful mission that people believe in and want to be part of; no loafing or gliding, just moving quickly and being part of a powerful tribe that is on a mission.

Craft your values: Know what you are going to stand for before you create the company; your integrity, honesty and "speak" will need to assimilate quickly through many people so get these right.

Celebrate your teams: Think of your future company as a set of "smaller tribes" that all band together for a larger purpose (whether that's product teams, marketing teams, sales teams or even different offices). And then celebrate ANY team's success across the entire organization. It fuels the overall mission.

No politics: This one is critical. No politics. No one talking behind anyone's back. If people have an issue with each other or someone in the company, tell them to resolve it as if they were teammates not competitors. Disagreement and constructive creative conversation is fine; disruption and back-biting is not.

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Companies with amazing cultures, like Pixar, Patagonia and NetFlix, have a higher rate of success.

Hire wisely: One of the most important things we did well was find people who would fit into our "tribe" via our culture and mission. Once managers recommended hiring a person, a partner did a final culture interview and no matter the skill set or experience, if they would not fit into the culture, we did not hire them.

Reward graciously: How many times have you been in a situation where you felt you deserved more compensation but your manager seemed not to notice? We set up a system that let partners/managers provide raises in such a way that we tied them to responsibilities and accomplishments and not time worked at the company. 90% of our raises went to people who never had to ask for one.

Freedom = Accountability: Everyone wants freedom but some people really do not like the accountability part. Hire people that thrive with the freedom to do their job well and will own the accountability. You can't have one without the other. The good news? Most people thrive when you give them freedom with accountability.

Hopefully, you are a leader or work at a company that has a powerful mission and a great culture. If not, try and make a difference. If that does not work, leave and create an amazing company on purpose.

Bernhard Schroeder *is currently a Director at the Lavin Entrepreneurship Center at San Diego State University. He was a former marketing/brand expert who helped build a $1 billion marketing agency and launched brands like Yahoo! and Amazon. His book, Simply Brilliant: Powerful Techniques to Unlock Your Creativity and Spark New Ideas, can be found at Amazon and everywhere else. He is also the author of Fail "Fast or Win Big."*

Equity

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An additional 7,726 properties, or 1.3 percent, were in near-negative equity in the fourth quarter of 2016, compared with 10,693, or 1.8 percent, in the fourth quarter of 2015.

In California, 4.6 percent of residential homes with a mortgage were negative equity in the fourth quarter.

Nationally, the total number of mortgaged residential properties with negative equity in the fourth quarter stood at 3.17 million, or 6.2 percent of all homes with a mortgage. It represented a year-over-year decrease from the 4.23 million homes, or 8.4 percent, in negative equity in the fourth quarter of 2015.

The national aggregate value of negative equity was approximately $283 billion at the close of 2016, a quarter-over-quarter decrease of approximately $700 million, and a year-over-year drop of approximately $26 billion.

"Average home equity rose by $13,700 for U.S. homeowners during 2016," CoreLogic chief economist Frank Nothaft said in a statement.

"Home equity gains were strongest in faster-appreciating and higher-priced home markets," added CoreLogic president and CEO Frank Martell.

Martell said while statewide home appreciation was slower in California at 5.8 percent than in other West Coast states, like Oregon and Washington, "the high price of housing led to California homeowners gaining an average of $26,000 in home equity wealth last year."