

BUILDING THE MANAGEMENT TEAM AND A SUCCESSFUL ORGANIZATION CULTURE

In conjunction with the design of the organization the entrepreneur will need to assemble the right mix of people to assume the responsibilities outlined in the organization structure. Some of the issues identified in the organization design will be revisited here since they are not only critical to be building of the team but are just as important in establishing a positive and successful organization culture. This strategy must be maintained through the stages of start-up and growth of the enterprise. There are some important issues to address before assembling and building the management team. In essence the team must be able to accomplish three functions:

- Execute the business plan.
- Identify fundamental changes in the business as they occur.
- Make adjustments to the plan based on changes in the environment and market that will maintain profitability.

Although these functions may seem simple and easy to achieve, the people and culture manifested by the entrepreneur to accomplish these functions are critical. As we discussed in the organization design section previously, the entrepreneur will first need to assume the responsibility of determining what skills and abilities are needed to meet the goals in the business plan. Not only are skills and abilities important but also the entrepreneur will need to consider the personality and character of each individual in order to create a viable organization culture. The organization culture will be a blend of attitudes, behaviors, dress, and communication styles that make one business different from another. There is no specific technique for accomplishing this since every organization will be different. However, below we explore some of the important considerations and strategies in recruiting and assembling an effective team and hence in creating an effective and positive organization culture.

First, the entrepreneur's desired culture must match the business strategy outlined in the business plan. For example, Fran Bigelow, founder of Fran's Chocolates in Seattle, has been able to get her team to consider themselves artisans, focus on detail, and strive for perfection. Fran feels that this strategy is effective for her venture because of her premium product line but might result in disaster for someone marketing a high-volume, low-cost manufactured product.

Second, the leader(s) of the organization must lead and be role models for their employees. This can be accomplished in many ways but no better way than that used by Gary Kusin when he assumed the reins of Kinko's in August 2001. The former founder of the successful consumer software company Babbage's Inc. traveled to each of the 24 markets in the United States, visited 200 stores, and met more than 2,500 employees. His intent was to give employees a chance to understand where he was going with the company and to see that they were all in the effort together. His travels also established for employees a connection between a real person and the name that represented the leadership of the company.

Third, the entrepreneurs should be flexible enough to try different things. This is not always possible in a very small organization but has been the successful strategy in the growth of Google. The leadership of this company has an abundance of talent, and the attitude of

management is that this talent needs to be given enough flexibility to make decision, as long as they do so within the model established by the company. The reason for this approach is that they believe that flexibility in the long run provides the customer with a better product and better service. Steven Jobs also believed in this approach. He moved key personnel to a separate building and allowed them to spend all their working hours developing the new-generation computer of that time, the Macintosh.

Fourth, it is necessary to spend extra time in the hiring process. There is sometimes a tendency to want to hurry the process of finding the appropriate skills to fill the organization's needs. As stated earlier, there is more to a person than his or her skills. Character is also an important factor in building an effective organization culture. One thing that can be implemented is a hiring plan that establishes the procedure for screening, interviewing, and assessing all candidates. Job descriptions along with specifications of the type of person who will match the desired culture should be documented for this process.

Next, the entrepreneur needs to remember that it is easier to change a person's behavior than to change the person's attitude. Leadership needs to establish core values and provide the appropriate tools so that employees can effectively complete their jobs. An approach such as "We're all in this together, no one is bigger than anyone else, and here are the rules we live by" can lead to greater challenges and job satisfaction. A reward system is part of the tools needed to provide consistent and positive behavior patterns.

Finding the most effective team and creating a positive organization culture is a challenge for the entrepreneur but is just as critical as having an innovative, marketable product. It is an important ingredient in an organization's success.

Hisrich, PhD, Robert D., Michael P. Peters, PhD and Dean A. Shepherd, PhD. Entrepreneurship. 6 ed. New York: McGraw-Hill Irwin, 2005.