5 Ways to Improve (or Build) Team Culture in Your Small Business

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Many small businesses overlook the importance of team culture. They might do so because they feel they have a transient workforce and people won’t stick around. It’s possible they believe they’re simply too small and team culture is for larger companies like Nike. But that’s not the case. A team or company culture is as important as your brand. You’re not too small for one of those, are you?

## Why Team Culture Is Important to Small Business

Team culture is important in small business because it shapes the attitudes, behaviors, and interactions of employees within the group. A strong team culture can create a sense of unity and shared purpose among employees, which can lead to increased productivity, satisfaction, and revenue.

In a small business, the actions of every team member can have a significant impact on the success of the business. When employees share a common set of values and goals, they are more likely to work together effectively in achieving those goals. A strong team culture creates a supportive work environment that encourages collaboration, creativity, and innovation.

A strong culture can also help you attract and retain top talent. When employees feel they are part of a team that values their contributions and supports their growth and development, they are more likely to feel engaged and committed to their work. This, in turn, can lead to higher job satisfaction and employee retention rates. Even if you operate a seasonal business, employees who like your culture will return on their breaks and/or refer you to others looking for work. Plus, satisfied employees always provide better service.

## How Do You Build (or Improve) Team Culture?

So how do you build a strong team culture in a small business? It’s easier than you think. You just need to focus on five areas of importance:

1. Defining business values and goals
2. Hiring the right people
3. Encouraging good communication and valuing input
4. Recognizing and rewarding success
5. Leading by example

### Defining Business Values and Goals

Knowing who you want to be is the first step to building your company culture. Without this critical piece, you are putting your car together while you’re driving down the road. Not ideal, and likely to cause more confusion and inefficiency than if you took the time initially to put it all together beforehand. That’s not to say you can’t create or rework values and goals as an established business, but you’ll save yourself headache if you do it upfront.

After you have established your core values and goals, communicate those to your employees and your customers. This will help people know what’s important to you and what you stand for. Making your values and goals public will attract the type of people who like these things about you and identify with them.

### Hiring the Right People

Hiring and training are some of the most expensive parts of your business. When you make a bad hire, you not only struggle to have them do the work, but you run the risk of their attitude or bad practices infecting the rest of your employees. Before you hire anyone, be clear on the kind of attributes you want in an employee. Sometimes an empty seat is better than one filled by the wrong person.

After you hire, remember the words of Perry Belcher, co-founder of DigitalMarketer.com, “Nothing will kill a good employee faster than watching you tolerate a bad one.”

### Encouraging Open Communication

For your team to work together effectively, you want them to feel secure and welcome to bring up issues, congratulations, feedback, and any other kind of communication. You can do this by being easy to get in touch with and setting up regular communication channels. Find out how your employees like to communicate. If texting is their preference, so be it. Make sure you (and other levels of leadership, if you have them) are approachable.

When employees come to you with a concern or feedback, listen to them and respond to what they have to say. You may want to create an avenue where they can provide anonymous feedback too.

### Recognizing and Rewarding Success

Recognition and reward are important to any high-performance team but what type of recognition/reward is valued by each employee varies. Understand what makes them happy. If you employ high school kids or college students, money and gift card rewards could be large motivators for them. If your employees have a family, a bonus day off may be a bigger draw. Make recognition a regular practice even if it’s just small recognitions you give. Everyone wants to feel appreciated.

### Lead by Example

You (and your leadership) should be working examples of the team culture. You must model desired behaviors and encourage growth and development. If your team doesn’t see you doing the things you ask of them, it will erode the trust they have in you and discount what you say. For instance, if you stress the importance of work/life balance but they never see you go home, they’ll have a hard time believing you mean it.

Building a memorable team culture is an ongoing commitment. It will help you attract the right employees and customers. Being without a team culture is like deciding your business doesn’t need a brand. How will people recognize you without one?

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