

# Why the Best Companies to Work For Distinguish Between Culture and Strategy

Lauri Alpern, PhD

BUSINESS PSYCHOLOGIST AND  
PRESIDENT, OPEN DOOR ADVISORS

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advisors



**Can you define your organization's culture? How about its strategy? Many organization leaders– even workplace "experts"– struggle to distinguish between these two massive concepts. But a company-wide understanding of the difference is pivotal for both individual and organizational success.**

## **Culture vs. Strategy: Why the Mix-Up?**

If you find yourself in the mixed-up camp, you're not alone. No shame, no blame. It is very easy to conflate workplace culture and strategy– organizations often use the terms interchangeably, and articles claiming that culture and strategy are "two sides of the same coin" only fuel the confusion.

All of us want our considerable time at work to work, and to make sense of our environment and our company's direction. When these desires aren't met, fingers usually point at culture.

People wishing to improve their workplaces often share worries that shed light on the depth of their concerns, and their desire for positive change. Such concerns quickly translate into pressing questions, like: *Is our organizational culture broken? It seems that too many people are checked*

*out, why and what can we do about it? Last time I talked about our strategy, I could see eyes rolling from across the room— where do I go from here?*

## **Culture's Big Appetite**

Peter Drucker's assertion that "culture eats strategy for breakfast" has resonated widely. It's catchy, yet it underscores a common misperception— that culture dominates just about everything at work.

Culture is vital, but so is a well-defined strategy. Here's how to tell the difference.

### **An Easy Way to Understand Culture**

At its core, culture is about the shared values and expectations that shape employee interactions and behaviors. It comes from the Latin *colere*, meaning to tend or cultivate. Here's a simple formula:

**[Organizational Values] + [Organizational Vision + Mission] +  
[Organizational Growth Style] =  
CULTURE**

### **An Easy Way to Understand Strategy**

Derived from *strategos* in Greek, strategy is about setting and achieving goals. In essence, strategy is what matters most to achieve our mission, how we will achieve it, how we know we have achieved it, and how each person contributes.

**[Organizational Vision + Mission + Priorities + Goals + Actions] +  
[Individual Roles or Contributions] + [Success Indicators] =  
STRATEGY**

In many organizations, strategy remains confined to a document in the CEO's shared drive— launched, then lost and forgotten. This invisibility is perhaps why it often gets "eaten."

## **How Strategy Creates Belonging, Engagement and Success**

When strategy is built inclusively— engaging every member of an organization, and when it is clearly aligned with the organization's values and broadly shared and used— organizations transform from slumping to soaring.

A well-understood strategy builds a connection between an individual's work and the organization's overarching purpose. Consequently, people develop ownership, agency and connection. This connection increases organizational effectiveness and individual belonging. It's a win/win for individual contributors, managers, leaders, and for the organization as a whole.

## How to Shift From Confused to Clarified

As leaders, shifting the understanding about culture and strategy from confused to clarified is paramount. Engage your team in meaningful discussions, assessing your organization's current stance. At your next staff meeting, start with the basic question– is it culture or is it strategy?

Use the Culture or Strategy table below to assess how well your organization's culture and strategy show up.

## Culture or Strategy?

Attributes	Best case for culture	Best case for strategy
Is it tangible?	Yes	Yes
Is it codified?	Yes	Yes
Is it shared?	Yes	Yes
Is it time-specific?	Your call here, but we recommend revisiting your organization's definition of culture at minimum every three years.	Definitely. Review, revise, refresh or rework your organization's strategy every three years.
What are the key elements?	<ol style="list-style-type: none"><li>1. Values (3-10 statements)</li><li>2. Vision and mission</li><li>3. Growth style (e.g. planned, organic/status quo)</li></ol>	<ol style="list-style-type: none"><li>1. Values (3-10 statements)</li><li>2. Vision and mission</li><li>3. Strategic priorities (3-5), goals (2-3 per priority) and actions (as many as needed to realize the goal)</li><li>4. Individual roles or contributions per goals and actions</li><li>5. Success indicators</li></ol>

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## Why Clarity Matters

Clear definitions of culture and strategy dispel ambiguity. Such clarity not only unifies teams but also fosters belonging for all members of the organization.

So, rather than saying "culture eats strategy for breakfast", consider these updated nuggets of workplace wisdom:

- "Strategy and culture meet for lunch, both agree it's better than eating alone."
- "Strategy soars when culture makes space for all at the table."
- "Strategy and culture, always better together."

While culture and strategy are distinct, they are complementary. Together, they become the source of individual connection and engagement– the foundation of a workplace that soars. Only by recognizing and nurturing both can people and organizations truly thrive– together.

## Five Steps to Influence Action in Your Workplace

You can begin to leverage the best of culture and strategy at your company by exploring these questions with your team:

1. **Take stock:** Do we have a clearly defined culture? Do we have a clearly defined strategy?
2. **Check connection:** Is everyone in our organization aware of our culture, our strategy? Does everyone understand our culture, our strategy?
3. **Confirm inclusion:** Does our culture, our strategy create opportunity and fairness for all? Do we "live" our culture, our strategy?
4. **Get relevant:** How would you update Drucker's phrase "strategy eats culture for breakfast"? Could you make it more positive or relatable?
5. **Think sustainable positive change:** What is the most important action you will take to move culture and strategy in your organization from muddled to managed?

If you'd like to learn more about how to foster a workplace that soars, please check us out at [opendooradvisorsinc.com](https://opendooradvisorsinc.com)