The ultimate list of corporate culture statistics



Corporate culture is the shared values, beliefs, and behaviors that guide an organization's interactions with its employees, customers, and stakeholders. A strong corporate culture can positively impact <u>employee engagement</u>, retention, productivity, and your business' overall performance—and failing to prioritize it can have serious consequences. In this blog post, we've compiled the ultimate list of corporate culture statistics to help you understand the importance of culture in the workplace.

Leadership

The leadership of an organization plays a critical role in shaping its corporate culture. It starts from the top down and sets the tone for the entire organization. Here are some company culture statistics that highlight the importance of strong leadership:

• A Gallup study found that 70% of the variance in

employee engagement is directly related to the manager.
(source: Gallup)

- Nearly half (46%) of all decision-makers and leaders report that culture drives improvements in areas critical to growth such as employee productivity, retention, and engagement as culture improves. (source: Arbinger)
- 90% of executives say that the importance of company culture is increasing in today's market. (source: Arbinger)
- 52% of respondents in a recent Arbinger survey say that leadership development has the greatest impact on improving an organization's culture. (source: Arbinger)
- Organizations that focus on mindset in their leadership development programs are almost 2x as likely to have employees that feel they are doing meaningful work compared to organizations that don't include mindset in their leadership development programs. (source: Arbinger)
- Those with the most successful leadership development programs are more likely to feel that employees have an eagerness to improve. (49% vs 30%) (source: Arbinger)

Which of the following elements are part of your company's leadership development initiatives/programs?



Team performance

A positive corporate culture can improve everything from collaboration and working relationships to overall team performance. Here are some workplace culture statistics that highlight the impact of corporate culture on team performance:

- Companies with a strong corporate culture see a 4x increase in revenue growth compared to companies with a weak culture. (source: <u>Harvard Business Review</u>)
- Teams with a strong sense of shared purpose and values have a 17% increase in performance compared to teams without a strong sense of purpose and values. (source: <u>Harvard Business Review</u>)
- 47% of organizations who have very successful company

cultures saw significant revenue increases in the past year compared to just 9% of those with less successful or unsuccessful company cultures. (source: Arbinger)

- 75% of those with very successful company cultures have extremely positive outlooks on business success compared to just 21% of those without very successful company cultures. (source: Arbinger)
- 60% of organizations include professional development in their performance management programs. (source: Arbinger)

Employee engagement & retention

Your corporate culture has a direct impact on employee engagement and retention. If it's positive, you'll have happy, productive, and innovative teammates. If not, you'll find the opposite to be true. Here are some statistics that highlight the impact of corporate culture on employee engagement and retention:

- Quiet quitting (47%) and the great resignation (41%) are the workplace movements most commonly reported to have a negative impact on company culture in the next two years. (source: Arbinger)
- Only 30% of decision-makers and strategic leaders surveyed feel that employees at their organization seek to understand their impact on others, which is foundational for relationship building and creating a positive environment. (source: Arbinger)
- Toxic culture is 10x more likely to cause turnover than compensation. (source: <u>LinkedIn</u>)
- (97% of decision-makers and strategic leaders agree that the collective mindset of an organization directly improves that organization's culture. (source: Arbinger)
- Those who work for organizations that focus on employee mindset are more likely to report that their

organization has employees who trust each other. (source: Arbinger)

- At least 50% of the U.S. workforce is quiet quitting. (source: <u>Gallup</u>)
- Quiet quitting leads to worldwide company losses of up to \$1.5 trillion each year. (source: <u>TeamBuilding</u>)



Corporate culture and business success

Corporate culture is a critical component of any organization's success. In fact, companies with best-in-class cultures are 72% more likely to invest in training for leaders compared to all others (67% vs 39%).

A strong culture can positively impact employee engagement, retention, productivity, and overall performance. The corporate culture statistics we've compiled highlight the importance of strong leadership, team performance, and employee engagement and retention in creating a positive corporate culture. By investing in these areas, organizations can create a culture that attracts and retains top talent, fosters innovation and collaboration, and drives business success. Like these corporate culture statistics? We have more insights where these came from! Download Arbinger's research report, <u>Creating a High-Performance</u> <u>Culture: The Role of Company Culture in</u> <u>Driving Success</u>.