For Startups, Culture Shouldn't Be Overlooked

At a startup, company culture can take a back seat amid the pressures of getting a product or service off the ground, raising capital and other tasks.

Yet forming a cohesive team and efficient work environment is often just as critical for success.

The Wall Street Journal blog The Accelerators asked a group of startup mentors what are the best ways founders can develop their own company traits and traditions and why this is important. Edited excerpts:

Lessons From Facebook

I was fortunate enough to have been one of the first 10 employees at Facebook Inc. and had the opportunity to watch as the company grew to more than 3,000 employees during my six years there. In that time, the company never lost focus on the critical nature of culture.

For example, Facebook was always incredibly clear about its mission statement—to give people the power to share and make the world more open and connected—with both its users and employees. There was not a single staffer who could not recite the mission and did not believe that the sole purpose of his or her career was to build a company that would deliver on its promise.

Facebook has always taken its new employee orientation incredibly seriously. Several of its most passionate and most tenured employees from various departments speak to every new recruit to ensure the company’s meaning and purpose are fully understood.

When I was at Facebook, the company hosted weekly "All Hands Meetings," in which the management team would host an open and honest Q&A forum for employees. These sessions were tremendously valuable in building the company’s culture. They gave every employee direct access to the CEO and the opportunity to express any concerns or frustrations that they may have, or get answers to questions that most companies would never address in a public forum. They were always a highlight of my week.
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—Kevin Colleran,
venture partner at

A Startup Rots From
The Head Down

If you spent an afternoon walking from one company to another—let's start with Google Inc., then Yahoo Inc., Tumblr Inc., Etsy Inc. and Kickstarter Inc.—you would find after about 30 minutes that every single company has a distinct vibe and culture.

This is what makes a company tick. When hiring, particularly at the beginning, it is important to find people who are drinking the same Kool-Aid and are going to be part of creating the cultural vibe that ends up bleeding into the brand. This is key.

Years ago, a company that I invested in was looking high and low for the right salesperson. It was getting to the point where we really needed to pull the trigger on someone. I pushed them to hire an employee who was such a poor fit, the entrepreneur knew within three days that the company had made a mistake. The problem was cultural fit.

What do you do in this situation? Tell the employee immediately that it is not going to work out and move on. The right person was found, and it was a lesson learned by all.

—Joanne Wilson,
angel investor
and startup adviser,
New York

Focus on Culture First

When working on a startup, culture is often the last thing that entrepreneurs think about. They tend to see it as insignificant or something they can put off until later. That's wrong.

A startup’s culture has a direct impact on the type of product that eventually gets built, its brand and even its ability to raise money and generate revenue. Entrepreneurs need
to take the time to really think about the kind of company they want to create because it can make the difference between success and failure.

Ultimately, the vision for a company will help an entrepreneur recruit the best and most authentic talent. This idea of "authentic talent" involves striking a balance between people who possess the skills that will help an entrepreneur accomplish his or her goals, and people who fit the culture, believe in the company's vision and share its core values. Simply hiring based on skill and education can lead to recruits who may not gel with the rest of the team and who end up making a startup an unpleasant place to work. No amount of free massages, dry-cleaning and the like can cure that disease.

— Angela Benton,  
founder and CEO  
of NewME Accelerator,  
San Francisco

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