

Building Corporate Soul

Powering Culture & Success with the Soul System™

by **Ralf Specht**



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THE SUMMARY IN BRIEF

In *Building Corporate Soul: Powering Culture & Success with the Soul System™*, Ralf Specht provides a framework that allows leaders to act immediately for the long-term benefit of their businesses. The Soul System™ gives answers on how to approach this seismic shift by giving away practical and reality-tested approaches that enable leaders to maximize the impact of their workforce. In doing so they will gain the broad acceptance of society as a whole—winning the hearts of their stakeholders on an emotional level and convincing their minds on a rational basis.

This book summary provides the means by which leaders can inspire their people to do what they did not believe possible, not by some magic potion but through a framework driven by courage to challenge the conventions of how to create value sustainably in extraordinary times.

IN THIS SUMMARY, YOU WILL LEARN:

- How to move beyond current thinking and create an environment where business goals are understood.
- How corporations can ‘walk their talk,’ going beyond words to truly embody their vision and culture.
- How to turn a company’s purpose into a real means to an end.
- How every leader can ignite or re-ignite the corporate soul in their firm.

Introduction: The Soul Index

Building Corporate Soul is not looking at the absence of soul. It celebrates companies that have been successful at building—or in some cases re-building—it. At a time when purpose seems to be the flavor of the day in discussions about corporate leadership, this book aims to provide a framework for how to take purpose to a higher level: corporate soul. If you are able to build corporate soul, the rewards to your company are huge.

Corporations in many sectors and cultures are taking every effort to achieve it—at every level and every day. They are united in how they ensure a solid understanding of the company's direction and how they leverage key principles of behavior that make a difference for the thousands of people who give their very best for "their" company day in and day out.

The Soul Index is a global ranking that identifies companies across a wide range of sectors that have corporate soul. In researching the quantitative studies available that identify the performance of companies in terms of their brand strength, their brand impact, their employer brand qualities, and their ability to create employee satisfaction, a correlation emerged between the business success and the level of employee engagement and satisfaction and their appreciation for their company's CEO. The companies featured on the Soul Index speak the language of success based on a clear system of the key elements of the Soul System: a shared understanding and corresponding shared behaviors.

As the Soul Index proves, making the effort to build and maintain corporate soul provides significant value and growth. So how can a company find and build its corporate soul? And then how does a company ensure its soul grows and thrives?

The Corporate Soul

Corporate soul is the ultimate currency of success. It is a function of aligning both corporate understanding and behavior around a purpose that is inclusive to all stakeholders—by "simply" ensuring that all three levels are a shared property of the firm and its people.

That shared purpose allows a company to develop a shared understanding of what drives that company and its people, as well as the corresponding shared behaviors that reflect that shared understanding.

As a result, shared understanding and shared behaviors are inextricably linked in building the soul of a company and its brand. If corporations walk the talk—meaning that they behave on the basis of shared understanding—then you find companies with soul. As the social philosopher Charles Handy said, "The companies that survive longest are the ones that work out what they uniquely can give to the world, not just growth or money but their excellence, their respect for others, or their ability to make people happy. Some call those things a soul." This was a new perspective that Handy introduced in his 1989 book *The Age of Unreason*.

Until then, a different view had been predominant in the world of business. Handy, who has been rated among the Thinkers 50, a private list of the most influential living management thinkers, was one of the first who understood that soul might also be a relevant attribute when it comes to corporations.

The Soul System™

The Soul System is a framework that enables business leaders to assess the level of corporate soul that their firm has. The shared aspect of the three dimensions of the Soul System allows companies to measure their achieved levels of understanding and behavior on the basis of the firm's purpose across all areas of the business—internationally or domestically, across different departments or across different leadership levels.

To develop corporate soul, making a shared purpose the guiding principle for the entire company is critical. You accomplish that by defining the different elements of the Soul System for your company. At the core of the Soul System sits that all-important shared purpose—it represents the heart of everything your company does. Surrounding that core are four key elements—vision, mission, values, and spirit—that build shared understanding.

Creating the Soul System is not just a task for top management. It is a company-wide project that never ends. It is not a straight line. Even the companies that do extremely well in this space have lost their way at times. In start-ups this can happen when the founding generation leaves. In established companies, management changes often include the risk of losing the way. Few companies recognize that they have lost their soul—and then they start to look at it as a detour on their way forward. They find a contemporary way to give the soul back to their company, which often allows them to make giant leaps in business success during

the next few years. Companies that implement the Soul System methodology and create “their” Soul System all have one thing in common: a shared understanding of the forces that drive their success and the shared behaviors that express that understanding. And they all are ready to be on the journey for the long haul.

Purpose Meets Soul

Purpose gives us direction, motivates us, gives reason for our existence. It also helps us make decisions -big ones and small ones. Merriam-Webster differentiates between the various words that are synonymous with purpose: Intention, intent, design, aim, end, object, objective, and goal all mean what one intends to accomplish or attain. What makes purpose different, though, is that it “suggests a more settled determination.” While purpose is important for individuals, it has been recognized more and more that it is critical for business success, too.

Without purpose at the heart, there is no chance for soul to develop throughout the entire company. Like Harvard Business School professor Ranjay Gulati discovered in his work on start-up companies, “There’s an essential, intangible something in start-ups—an energy, a soul. Company founders sense its presence. So do early employees and customers. It inspires people to contribute their talent, money, and enthusiasm and fosters a sense of deep connection and mutual purpose. As long as this spirit persists, engagement is high and start-ups remain agile and innovative, spurring growth. But when it vanishes, ventures can falter, and everyone perceives the loss—something special is gone.”

Understanding the Soul of Your Company

The Soul System can get into full swing when all elements of shared understanding—mission, vision, values, spirit—and the corresponding shared behaviors are completely internalized by everyone in a company. A company’s culture is a manifestation of its corporate soul. The shared behaviors that drive that culture are either true to the soul of the firm—or not. In both cases, understanding your company’s soul is key. Why is that important and what makes it so difficult?

Successful start-ups develop their culture beyond the leadership spirit very naturally, as they are often driven by the sheer motivation to do things differently. Airbnb’s CEO Brian Chesky is famous for his quote, “Culture is simply a

shared way of doing something with passion.” But as simple as it sounds, it is one of the most difficult things to achieve when a company grows beyond the founding partners.

Lead with Soul

The larger your company becomes, the more challenges will be around the corner to ensure the soul of your company stays healthy. Your first twenty associates will get it from the horse’s mouth every day and reinforcing the soul of the company will be a natural thing. But then, if your product and your business model are sound, the company will grow and you will need to establish larger leadership structures.

Nurture the Soul Ecosystem

Souls are very sensitive. Individual souls, but also collective souls, as in the soul of a company. As with individuals, companies go through ups and downs. The resilience of their organization is a testament to the ecosystem of all the players inside the organization and the stakeholders outside the firm. The shared behaviors inside the company allow new employees to “get it” fast—actions speak louder than words, and the behaviors display what gets rewarded, ignored, or destroyed inside an organization. LEGO is a prime example of a firm where that ecosystem got out of balance and then subsequently restored, which helped the company rise to greatness again.

This true self differs from company to company, but the principle remains universal since we are all human beings. Whether we work as an accountant, as an engineer, as a pilot, or as a chef—it’s those principles of behavior that human beings have fostered over thousands of years.

Promote Soul Drivers

Promotions are a very powerful tool. Not only do they have the ability to increase employee morale beyond the individual who is being promoted, but they also are a credible sign to everyone else that career progression is possible internally. Plus, promoting individuals from within the organization who are ready for the next step often makes more sense than finding someone from the outside to both do the job and fit the culture of the company. Yet very often it is so much harder. In 2018, Michael C. Bush, CEO of Great Place to Work®, and his colleagues Jessica Roman and Chinwe Onyeagoro shared their experience based on a survey of over 400,000 US workers. The title says it all: “How You Promote People Can Make or Break Company Culture.”

Soul drivers are a rare species—identifying them is really

critical when you are on your way to building a company with soul. Once your organization has been able to find them, make sure they are being nurtured and given the opportunities to grow. They are definitely worth it.

Reward Soul Supporters

Whether your company is an international enterprise or a domestic business, there aren't many corporations these days where every member of the workforce stems from the same gender or ethnicity. In other words, don't expect that everyone else has the same perspective on what is going on at your firm. To state the obvious, soul supporters can come from anywhere with any kind of background or orientation.

To develop soul supporters, it is critical for global companies to really understand the drivers of outperformance when building successful teams. The numbers indicate that more and more firms are understanding this, but the level still remains low for now.

Hire Soul Makers & Grow Soul Leaders

It goes without saying that when you want to ensure that your company maintains the corporate soul that has made it so strong, you want your people to know how to hire soul makers—the right talent that will live up to that soul. That means finding people with good or strong emotional intelligence—which is the capability of individuals to recognize their own emotions and those of others, discern between different feelings and label them appropriately, use emotional information to guide thinking and behavior, and adjust emotions to adapt to environments. This is a critical factor when it comes to hiring people and developing people— but it hasn't been a priority for many companies so far.

Identify Soul Allies

As a matter of course, corporations are maintaining partnerships with other organizations—whether these are mere sponsorship arrangements or commercial activities such as creating joint venture entities or other forms of collaboration. A multitude of criteria is usually applied when it comes to forming these partnerships: Do we have successful shared experiences with one another? Do we share the same passions? Is this an opportunity to expand our business network? Can I trust the other partner? Do they apply a great level of creativity in their dealings? Do we share the same vision?

Create Soul Followers

Too often, the connection that a customer has with a company or brand is not a human-to-human interaction. Instead, it feels like a machine-to-human interaction. The principle behind the success of leaders with their internal stakeholders and their external stakeholders, too, is human-to-human interaction. When strategic clarity and emotional intelligence connect, interactions become effective, connections become stronger, and a loyalty emerges that has the power to drive long-term success, both for the company and its customers. Corporate soul can become tangible inside and outside the corporation.



Ralf Specht is a visionary business leader and creator of the Soul System™, a framework that aligns value-creating employee action with broader corporate strategy through shared understanding & shared purpose. As a founding partner of Spark44, he was the architect of an innovative, industry-first joint venture with Jaguar Land Rover which he grew to a global revenue of \$100+m and 1,200 employees. Previously, he consulted with global companies and brands for more than two decades with McCann Erickson.

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