

Tyler Kern 0:03

Welcome to the sunrise podcast powered by sunrise labs.

Welcome to the podcast everyone. I'm your host today, Tyler Kern. And joining me is Eric Soderbergh. He's the president of sunrise labs. Eric, thank you so much for joining me today.

Eric Soederberg 0:19

That's a real pleasure to be here with you today. Tyler,

Tyler Kern 0:22

is it pleasure to talk to you, and I'm really excited to get a chance to dive into this topic, because today we are talking about corporate culture, and how it can be used as a competitive advantage, but not so much just for that sake, but really just that it is beneficial to have a corporate culture that is positive on so many different levels. So Eric, just as we dive into this topic, what in your mind are the ingredients that make up a positive culture for a company.

Eric Soederberg 0:48

You know, my experience, the culture that's most important to foster is one of high respect and, and high integrity, I think those are the only things that are going to get you long term success. So the main those, those will be the main ingredients, you know, high respect, is all about, you know, letting your people know, that you're sort of 100% confident that they're out for the best interest of your company, and perhaps your clients, and letting them know that and let him know you trust them. And with that comes something we call an assumption of positive intent, which I can I can talk more about. But it is it is what it sounds like, you know, that combined with, with high integrity, it's not just a matter of doing what you say you're going to do, which is which is real important. But but also not doing what you say you're not going to do. But sometimes there's some, it's a little harder that at the end, it gets into, you know, for my business important not to over promise and under deliver it's you want to do the opposite. And that's all part of high integrity culture.

Tyler Kern 1:56

Absolutely. I want to talk about that assumption of positive intent. Because I think sometimes that can be lacking just in our, in our everyday lives, we assume that, you know, the person that cuts us off in traffic, did it maliciously or, you know, one, one thing or another? And so I think just in general, we have this negative attitude, sometimes towards the actions that other people take. But in an office setting, you're saying that the opposite is really beneficial?

Eric Soederberg 2:19

Oh, my gosh, yeah, this is this is neat stuff. I mean, you know, we all have the probably a self disposition to say, you know, we're the only rational people around and, and when we see something that looks looks funny to us, somebody took an action that looks silly, or, or maybe worse than that you feel is detrimental to your business or something, you know, immediately you say, Holy smokes, what was that person thinking? And well, that's the right reaction, what was that person thinking? And so something a positive 10 is more than just assuming you know, that they're out for the best interest of, of you and your company. It you've got to go and and then verify that you've got to go sit with that person say, hey, what, you know, made you take that action? I'm curious, because it looks a little, little funny here to me, and, and listen and hear well, why did they take that, that action and, you know, 10 times out of 10, they were acting, you know, just the way you wanted them to perfectly rationally. And you just did had to hear why. And there's a lot of advantages to opening up and listening to your your people. And you start to learn what's not working in your organization, what is working in your organization, you also send a message to your people that, hey, I really care about what you think. And I want you to continue to act in the best way you see fit for the company.

Tyler Kern 3:53

Absolutely. And I think in a way that this can also be can be reversed a little bit that I always think that

my intentions are positive. But if someone comes to me and asks for clarification on why I took a particular action, not taking offense to that, but understanding that clear and open communication between multiple parties is key to continue to have that good company culture.

Eric Soederberg 4:15

Yeah, and I think the reaction you'd find if you did that Tyler would be Oh, Jeepers, I'm so glad you came to me and ask because I wouldn't want you thinking that I did that for some other reason. So so it's it's something that builds on itself. You know, I had a class I took on sort of participative leadership connected with with my church. And in this class, the instructor told a story of a minister who had four words tattooed to his forearm, right where we can never overlook them. So capital letters that read, I might be wrong. And so there's a whole you know, attitude that has to sort of Sort of sort of sort of change here, depending upon the the culture you're coming from. But you really have to be open to, you know, what the assumptions I have about the way this thing works might be absolutely wrong. And I've got to be open to, to, to learning new things, I think, that little phrase, I might be wrong and keeping that in mind, as a reminder, I know I need often and no, probably a lot of us could could benefit from

Tyler Kern 5:29

absolutely, you know, it kind of reminds me of, of a guy, he came up to me at my wedding reception, and he said, you know, you can be right, or you can be happy, which, you know, I didn't realize exactly what he meant at the time, but I'd have a better idea now. But that makes a lot of sense to me also, just that there, there is room to be able to admit when you make a mistake, and really take responsibility for that. And that, you know, furthers that culture and really has that, that openness and that accountability to one another that, you know, it's okay to admit, when you do when you do make a mistake and take ownership of that.

Eric Soederberg 6:06

Yeah, you know, it's certainly okay to admit it. But as a leader in an organization, it sets the stage for everyone else not having to be perfect. You know, and being able to, you know, I think it sets people at ease, and helps set up this whole culture of, hey, we're working together, we want to learn from each other, none of us are perfect. Let's work on this together and be as good as we can be.

Tyler Kern 6:32

Right? Absolutely. Now, when you look at culture, where would you rank its overall, maybe importance in the different elements that make up a company, the different things that lead to success? Where does culture rank? You know, if there's, you know, company strategy, and, you know, some of the other elements that you could say, would make up, you know, a successful team? Where does culture rank and all of that?

Eric Soederberg 6:58

Well, I think it's Peter Drucker, that said, culture eats strategy for breakfast. And I would, that's, you know, I'll build on that, I believe that it's, if you have a strategy that you want to implement, and it's counter to the culture of your organization, your culture is going to kill that it's not going to, you know, the culture is not going to help you avoid that. If, on the other hand, you know, you've got a strong culture. And, and you've got a strategy that's consistent with that culture, you're you're going to find that your leaders in your organization picks up, picks up that strategy and runs with it, and goes and implements it. So it's really eating it for breakfast is interesting. But really, it a culture enables you to become the company you want to be, I think is the way I would put it, it's necessary. It's not the only thing required to be successful in business, you certainly have to have all the other pieces. But I think without the culture, it's a lot harder. I can give an example here of I was on vacation week before last. And I got an email maybe halfway through the week that said, Eric, I just let go of Joe so and so. And it was interesting in that he wasn't calling me to ask me, Hey, I had this problem with Joe, do you think I should let him go? He didn't have to disturb my vacation for that. So so this is there's a laziness piece here. Because because we have a culture where you know, if somebody does something, or

somebody is acting in a way that isn't consistent with our culture, they're acting disrespectful, or abusive to others. We don't want them around, right. And everyone in the organization knows that. And so when we this was a some of those here on contract and hadn't been here very long. And my leader knew exactly what to do. And he did it. And sort of so the culture helps an organization function more efficiently. If you don't have to spend a lot of time thinking about your body decisions, it becomes very clear when the culture is clear. Yeah, I can give lots of examples on this. But that's, uh, you know, I look at culture as sort of, you know, sailboat having a keel. You know, it knows which ways up and stays that way on course.

Tyler Kern 9:41

Yeah. And I think you mentioned how, how having that really allows a company to kind of, you know, kind of work towards reaching its potential and operate at its best level. I think that's true of individuals as well when the culture is positive, and it's good, and it is that high integrity, high respect culture, then you're freeing your Employees up to do their best work and to be the best possible versions of themselves, which then, you know, kind of lifts everyone else up around them as well.

Eric Soederberg 10:08

Absolutely.

Tyler Kern 10:10

Yeah. You know, one of the other things that I've read recently, it's a story I've been told in the past is that kids in a kids in a playground that isn't fenced in, tend to kind of huddle in the middle of it, and don't kind of venture out to the, to the wider parts of it. But if you put a fence around it, and just give guidelines, a lot of times that frees people up to then go and understand their roles. So like, when you talk about your manager understanding that, if it doesn't fit within the framework of the culture of the company, he has that freedom and and knows that it is an okay thing for him to then let that person go, because that's just not something that you want inside your company.

Eric Soederberg 10:50

Yeah, absolutely. Yeah. You know, sort of On a related note, it's it's, you know, is the high integrity side of side of things, you know, when when that's part of your culture, it sort of make makes these these what might be very difficult decisions to make a lot easier. You know, if there's a particularly complex situation, where we're dealing with maybe a partner that is approached of the same client, or there's all kinds of situations we get into, you know, my manager might come to me and say, Eric, what do I do? What do you think I should do? And it's very simple for me, I just, I just back at them and say, well, what's the right thing to do, and then sit there and scratch your head. And usually it comes up pretty quickly, boom, you know, what, it's not always obvious, but it you know, often, when you phrase it that way, it's you, what you do is you you take sort of, I give them permission to take sunrise profit motive completely off the table and say, well, what's the right thing to do. And then I just say, well go do that. And sometimes it costs us. But but but it's a short term cost, we're in the game. For the long run, I think most companies are, you know, it's, it's not about making a buck today, it's about building a reputation or reputation is everything to us. So doing that, that height, making that high integrity decision, you know, as as a lot of benefits, it speaks to, you know, your whole, it reinforces itself with your leaders. And it reinforces it with their clients. And, you know, nobody wants to, nobody's gonna come back and do another job with you, or sign another contract with you, if they don't trust you. But, but when you build up that, that trust, and, you know, have a reputation out there for being very high integrity, you know, you went a lot of repeat business, and word of mouth and more business. So this is where I get into this being a competitive advantage. It goes, it goes beyond, you know, just winning clients, but but also, you know, on the side of, of hiring people, it's, you know, it's amazing how many people out there, you know, want to work in an organization, where they're respected, and where they can do things they're proud of?

Tyler Kern 13:15

Yeah, absolutely. Which, which keeps people around, which is better than having to replace good

people, you know, if you have people in positions, and that person understands and knows the culture, you'd like to have that person there, and be able to retain that, you know, that talented person and be able to keep them within your company. So having that high integrity, high respect, it keeps people that you want to keep and that really benefits the company in the long run.

Eric Soederberg 13:42

Absolutely, and, and we certainly have almost no turnover at sunrise labs, but we're also very successful in attracting talent. We've got it's amazing, it's it's a very tight market right now for for for engineers, especially for great engineers, and we managed to have a nice flow of, of new people coming in that are extraordinarily talented. And it's really sad. Why because, you know, so many great engineers are finding themselves in, you know, working in positions where they're not excited about what they're doing, and they don't feel appreciated. And, you know, they don't want to be there anymore. And so, the second sort of, they call it they call the second they walk in the door, you know, to interview they they feel the difference. And it often is sometimes they're quite enthusiastic about it, and it says, you know, and letting us know, no, I really want to work here. Yeah, yeah. And so so that sort of sets us in a nice league where, you know, those people come from those companies and they talk to some of their Our old friends back at those companies, at least at least the ones that they know are really hard workers and really intelligent, smart people. And we managed to keep a good flow of new talent coming in. And, you know, so competitive advantage, this, this is everything when you're in the engineering consulting business is all about your engineers.

Tyler Kern 15:21

Absolutely. And then I want to go back to something that you talked about previously, as well, when you talk about just doing the right thing over maybe the thing that makes you a quick buck, you know, that that day, and building just that incredible trust with your clients. You know, that's, that's another competitive advantage, just a way of making sure that your clients know that you're always looking out for their best interests, because of your high integrity and high respect culture that you have there at the company.

Eric Soederberg 15:47

our clients. certainly appreciate it.

Tyler Kern 15:49

Yeah. If there's a company that's saying to themselves, you know, that that sounds really great. But right now, we don't have that. Can a company's culture change? And if so, what concrete steps would you give to the leadership of that company? To begin to change the culture within within that group?

Eric Soederberg 16:12

I'd say, absolutely, the culture can change. But it does have to come from the top. And it has to be consistent, not only the message consistent, but the actions of those leaders needs to be consistent. Or you can go out and say we're gonna practice the assumption of positive intent. And then not listen, when people are talking to you or not, you know, not not not switched, you know, if you're used to being this command, control, sort of culture, which is very common. It's, it's, it might be a hard adjustment to make. So he said, I think you have to start first by, you know, looking in the mirror or looking at your people and saying, Do I trust my people are going to do the right thing? Or are out for the best interest of the company and our clients? And if the answer's no, there, then you've got some other stuff you got to work on first. And if you don't trust all your people, there, there may be some obvious changes you need to make there. And so you really do have to start there and ask yourself, you know, the leaders, you know, is this, is this a place where I can go with my own heart? Once you decide that, that you can? Absolutely, I've got the father of one of the other scouts and my son's Boy Scout troop I've spoken with, about his company, and he's been, he's real frustrated with high turnover, and just Yeah, not being fun at work anymore. And I spoke to him about the assumption of positive intense stuff, and he went and implemented it. And, and the jury may be still out, I don't know, that that's only been a couple months now. But he's, um, you know, when I saw him over Christmas,

he was who he was very excited with, with the progress he had made. So you know, you know, if you have a big organization, it's gonna be harder. But what's really nice about sort of this, this is such such a positive 10 is really tactic but it's really, you know, it's having, you know, respect for your people. But the beautiful thing about this tactic is, is, you know, you start preaching, and I appreciate every month and people come up and thanked me for doing that. It's been a bit of a surprise, actually, that I feel like I'm getting on a soapbox again, there's Eric get on a soapbox. But people really do appreciate it, because that's the kind of organization they want to work in. And so when you when you do that, it you're it's not just the the managers, the top, it's, it's throughout your whole organization. If you can pull this off, you're gonna see, you know, improvements at all levels of your organization. It's not, it's not a static that's just used at the top. Just used, you know, for line workers on the assembly line. It's it's equally important at every level in the organization. And if you can make that change, it'll have impacts across your organization. course with that, you've got it you've got to practice high integrity stuff. Otherwise, you're I think you're out for short term gains. I don't I don't know how you can play a long game without people really trusting your work.

Tyler Kern 19:50

Yeah, you know, I think I think people tend to think that they can take a shortcut to having a positive and and a fruitful company culture by Doing things that seem fun and that sort of thing and being being a fun company. So whether it's, you know, an open of office concept or ping pong table in a break room or something like that, people try to shortcut their way. But there really is no way to get there without that integrity in that respect, like what you've talked about.

Eric Soederberg 20:18

That's a wonderful observation. And I'm so glad you brought that up. It's, it's some had a woman working for us. And, and she came from that environment. And, and there was some press interviewing us one day, and she she brought that exact story says, You know, I came from a place that had ping pong tables and beer taps and everything. And you know, what, it didn't matter. Right. They didn't know. It wasn't a fun place to be. You know, I wasn't appreciated and and I didn't respect the leaders. You know, so So yeah, no, the the, the real stuff is real. And the rest is its dressing. dressing.

Tyler Kern 21:07

I think you're, I think you're absolutely right about that. And it's and it's really encouraged to hear encouraging to hear that you you practice what you preach in this way and that the sunrise employees love working there and love the culture there. So I think that's a testament to what you're doing Erik Soderbergh, the President and CEO of sunrise labs. Thank you so much for joining me on the podcast today.

Eric Soederberg 21:26
Pleasure