



ZOHO for Enterprise

Culture conflict:

Lessons from the remote work revolution

Switching to remote work has panned out well for many organizations. But, the long-term erosion of work culture may prove to be a silent killer.

While a remote workforce has significant advantages in the current business landscape, the increased digital distance can have the side-effect of concealing growing tensions between employees and leadership. More and more organizations are becoming aware that healthy company culture isn't just a job perk—it's critical for long-term success. Looking past empty buzzwords, culture at its core can be thought of as the ultimate performance metric—the combined quality of communication, structure, and purpose within an entire organization.



Mutually beneficial

As more research has emerged, the ROI of maintaining strong corporate culture has become clear, as well as the risks of inaction. According to data from McKinsey¹, companies that rank in the top quartile of corporate culture have on average earned much higher returns for shareholders: 60 percent higher than the median companies, and 200 percent higher than those in the bottom quartile. Additionally, upper management teams have found that a more purpose-driven culture leads to more focused and motivated team members. This means that organizational leaders are able to dedicate more time to big-picture strategy concerns without the burden of constant micromanagement and oversight.

Additionally, employees are more committed to their work when they can sense that they are working together towards the same goals as their managers and colleagues—as opposed to the demoralizing effects of working at cross-purposes, or inconsistent

[1] McKinsey, 2018

standards. The resulting productivity boost and sense of well-being can be a substantial asset to an organization, yet few companies are willing to expend the resources to make it happen. To the contrary, as many as 30% of employees² surveyed claim to anticipate a cultural crisis within their organization in the next 2 years.



When employees feel connected to their company, it's a powerful thing—and difficult to win back when lost. Especially now, at a time when employee expectations are rising, today's prosperous enterprises could find themselves facing a brain drain tomorrow if they don't take their responsibilities seriously.

- Raju Vegesna, Chief Evangelist at Zoho

[2] UnitedMinds, 2019

Statements vs. Actions

Companies may find it helpful to view cultural issues as conflicts between the stated values of the organization, and their actual execution in day-to-day work. These conflicts are often exacerbated when leadership attempts to reinforce their prescribed culture from the top, rather than listening to and addressing the experiences of their employees. Quick fixes from management—like releasing a revised mission statement, or holding a few all-hands meetings—can generate a morale boost in the short-term, but when the company again fails to live up to their ambitious goals, these gains are quickly reversed.



This cultural dissonance is unfortunately common. A 2019 report³ revealed that only 28% of employees feel strongly that their values and actions are in alignment with their organizations.

[3] UnitedMinds, 2019

This widespread failure demonstrates a need for more engaged leadership across the board. Business leaders that make deliberate efforts to model the behavior that they're asking for, while also spotlighting high-performing employees from across the organization, stand to make the most efficient use of their influence.

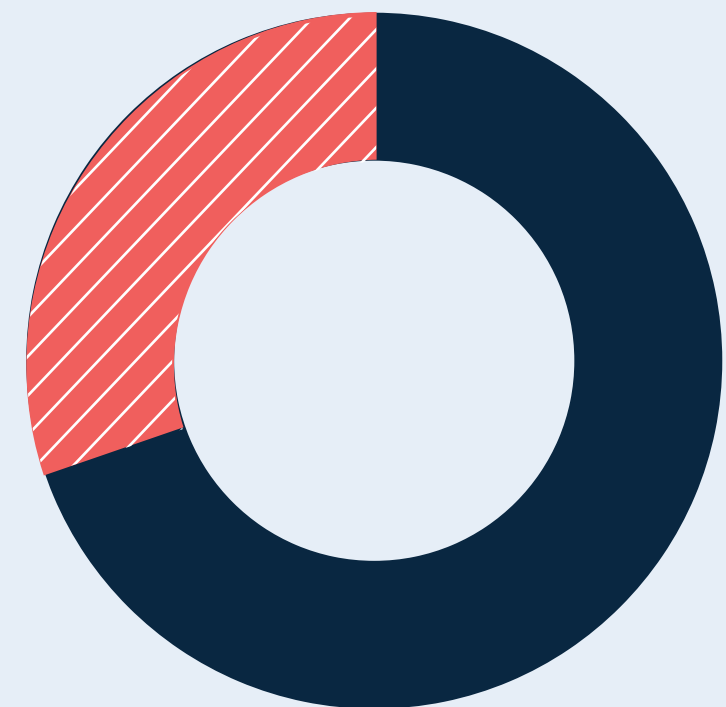


At Zoho, we've established a practice of recognizing our 'game-changer' employees—those who have made a significant impact through their own initiative. The result has been more engaged, more inspired employees, which is exactly what has made Zoho a success since the beginning.

- Sridhar Vembu, Zoho CEO

Culture at a distance

The logistical challenges of remote work have made it much more difficult to maintain company culture from afar. Many unprepared organizations have adopted an out-of-sight out-of-mind attitude to cultural concerns while they struggle to re-adjust. However, this cultural neglect has only amplified the difficulties in adjusting to the new normal. Over 70% of organizations⁴ have attempted agile transformations in the period following lockdown. The number one challenge to a successful transformation? Implementing cultural changes—far beyond both tech and resource allocation.



More than
70%
of respondents are
transforming to agile.

[4] McKinsey, 2020

Changing the culture is the biggest challenge

Top five challenges during an enterprise agile transformation, % of respondents (n=1,411)



[Source: McKinsey, 2020]

Many of these companies are now in the unfortunate position of addressing their long-overlooked culture issues in an exceedingly difficult environment. Meanwhile, the minority of organizations that have already established strong group cohesion have demonstrated their resilience.



Collaborate virtually, with Zoho

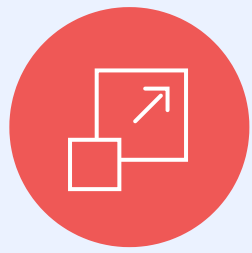
In 2020, Zoho shifted over to complete remote work. In that time, we relied on our own suite of collaboration tools to support our thousands of employees co-working virtually, worldwide. We were able to stay seamlessly connected with integrated work chat and video, virtual townhalls with leadership, and community-based project collaboration tools. Zoho offers its comprehensive remote collaboration suite to empower its users with the building blocks for strong corporate culture under any circumstances.

Stronger together

Following a massive shift in the business landscape, it makes sense that something as nebulous as corporate culture might fall by the wayside. However as the market continues to acclimate, it appears that a solid foundation of healthy corporate culture has proven to be worth the hype.

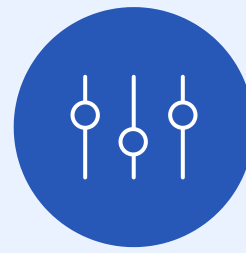
Why Zoho for Enterprise?

Proven software, customer commitment, tremendous value.



Scalability & Reliability

Zoho for Enterprise reduces the cost of infrastructure, unifies existing apps, and solves complex business problems for increased enterprise fitness, resilience, and scalability.



Customization & Extensibility

Through granular customizations and powerful in-house developer platforms, Zoho lets you orchestrate workflows, streamline data management, and deploy world-class solutions at scale.



Security & Privacy

From owning our own data centers to GDPR compliance features, Zoho enables enterprise organizations to focus on core business priorities, rather than data management.



Enterprise Services

From data migration to consultation and implementation, our team is armed with the in-depth product knowledge and industry expertise to meet your unique technical requirements.

Are you ready to transform your organization?

We're here to help. Have a 15-minute, no-obligation call with one of our **Business Architects** to get all your questions answered.

Find us at zoho.com/enterprise |  **for Enterprise**