
DOING THE OPPOSITE BUSINESS DISRUPTORS

Conversations with
Jeff Dewing

EPISODE FOUR

How Culture becomes a Competitive Advantage

Jeff Dewing - Teaser:

There's no such thing as work-life balance, there's only life. What we are doing is empowering you to decide how you run your life. When do you fit work in and when do you fit family in? You decide, not us. It's changed everything. Productivity has gone up purely because people are focused on the output, not the presenteeism.

--

Sam Walker:

Hello and welcome to Doing the Opposite: Business Disruptors - Conversations with Jeff Dewing. This is the podcast where we explore how leadership, culture and courage can transform business, but also life. I'm Sam Walker. Jeff Dewing has built a very highly successful company, the Cloudfm Group, by breaking every rule in the book. After losing everything, he came back by doing the opposite of what conventional wisdom said that he should. Today, we're unpacking one of Jeff's favourite topics, company culture, and why it's the most powerful form of competitive advantage.

Jeff, you've said that culture isn't about what's written on the wall. It's about what people whisper when you're not actually in the room. Can you explain that a bit more?

Jeff Dewing:

It's probably exactly that. It's what are people saying, what are they doing? But most importantly is how do they feel? How did that person feel after your conversation? Did they feel better than they did before the conversation? And it's about how you make people feel. That's all it's ever about. Do you energise or do you suck people's energy? And when you can create an environment where everybody's energising everybody then you have a powerhouse.

Sam Walker:

And isn't it also about actually how you behave when people aren't watching?

Jeff Dewing:

This is the whole point, right? You can't, and I used to tell this story in the business when I used to do stand-ups in the business, you cannot say to your kids when they're growing up 'do not under any circumstances smoke because it's bad for you. Excuse me a minute while I

light a fag'. Because the way you behave will affect the way other people behave. So you cannot turn around and say, I want everyone to behave on time. I want them to be on time. I want them to only have one hour lunch. I want them to always be in the office or whatever it is that you feel is your standards. And then you do something different.

There was a short story and it was with the chief exec of Pizza Express and we'd just come out of COVID and we'd adopted the process that said, 'no, you don't come to the office. You only come to the office for three things. You come to the office to be creative, to solve problems and have fun. You transact at home'. So only come to the office for those three reasons with your teams or whatever. And I had a dinner-lunch with the chief exec of Pizza Express and she said to me 'Jeff, all we keep hearing about is how you're doing with remote working which is fantastic. We tried it and it doesn't seem to be working. Everyone keeps coming to the office'. So I said, can I ask you a question? She said, yeah. I said, how many people are in your C-suite? She said, oh, about eight. I said, how many of those eight people are in the office every day? seven of them. I said, 'that's why everyone is coming into the office'. I said you don't ask people to behave in a way that you're not behaving.

Sam Walker:

So how did that belief shape the way that you built cloud? How do you build a culture from the ground up?

Jeff Dewing:

Being brutally honest, the culture the culture was something that I knew I had to get right from day one. But I didn't quite know how to do it. I knew how not to do it because of what I'd experienced in that 8 years of working, but I still have of creating a powerhouse culture that went beyond what I'd ever experienced.

So I had to go on a journey and that journey meant it had to get better every year. I guess the real pinnacle was when we came out of COVID and we were all working remotely and I said to my team, I want to make it really, really clear because we then got into mental ill health and people that were struggling because of COVID and things that were going on. And there was something that happened in my business where I'd spoken and I said to our – at the time Head of Marketing and I said 'how are you feeling how's things' and she said 'Oh Jeff I'm so stressed' "What do you mean?" He goes, "You know I've got two young boys, right? "12 and 13, yeah, well I have to pick 'em up from school, "or my husband picks 'em up from school, "and then we have to take 'em to soccer practice and all the usual stuff that parents do". So I said 'yeah, what's the problem'? She goes, well last week No, two weeks ago, my husband got stuck in London. He's a teacher in London. He got stuck in London, couldn't get back pick the kids up. So I said, oh, for God's sake, okay. So I went to my line manager, who was director of marketing, and said, look, can I leave at 2:30 gotta pick the kids up. And rightfully so cos we have a great culture we said 'Yeah, no problem at all, no problem at all'. So off I went and that was it.

She said the next day the same thing happened. And I had a row with the old man. "Why have I got to take all the burden?" and she's explaining this to me in quite passionate terms. So she went back to the marketing director and said, "I'm sorry but my hisband is stuck in

London again." And she said, "Yeah, listen, you've got to put your kids up. But please, get your husband a bit more involved" Yeah I will.

Third day. At this point she's had a blazing around with her husband. And she's telling me this story and she said, "I've got to ask again". She asked again the next day and the marketing director said 'look no problem but you can't keep doing this because this is going to set a precedent you know this everyone's going to think it's OK' and there's this big lecture going on.

That was in my head. And as we came out of COVID and we came back to some form of normality, remote working I said to my team I want to step up the culture a bit. They said what do you mean. I said, I want parents in this organisation to put their kids first. And I'm going to say, 'no, you put your kids first. You won't be questioned for leaving to pick your kids up and blah, blah, blah'. And they said to me, 'Love the sentiment Jeff but it's not gonna land because there'll be interpretations from managers and whatever whatever whatever'. I went okay that's good feedback I'm going to think about that so I reflected over the weekend video message on the Monday and the video message went something like this 'hello good morning team hope you're all well I do have a great weekend I just want to get some clarity straight for immediate effect. For those parents that have young children at school, you will be FIRED for not taking them to school in the morning. And you will be FIRED for not picking them up in the afternoon. That is what's important and finally there will be no meetings before 10 o'clock in the morning to protect the school runs and there'll be no meetings after 3 or between 3 and 4 to enable the school runs. That is in stone and non-negotiable. So that gave a clear message to all the managers, and everybody and everyone heard the same story. That came across quite well as you can imagine for the people that were there in that environment. I then spoke to this lady, this marketing manager, about two months later and said 'hows things'? She said 'Jeff my life has changed'. "What do you mean?" She said, "Well, I can drop the kids off at school. My husband's not under pressure to leave late to go to work. He's not under pressure to get home early. I can just go pick the kids up. I'll take them to soccer practice. After soccer practice, I take them to the park. I'll sit on my laptop. I'll do the stuff I wanted to do, but I'm sitting there. and what's going on. My stress has evaporated. I have no stress. And more importantly I love my husband again".

And that was the impact of that simple action and that simple piece of clarity that meant mental ill health in my organisation that most organisations have as a product of what you're doing every day in life has just now been removed and it changed so much stuff where there were so many stories that came out after that. But the point behind all of it was, somethings are so easy to fix. And it changed everything.

Sam Walker:

There might be some people watching this thinking, 'aha ha ha, I bet productivity dropped, because everyone's sitting in the park or coming in a little bit later'. Was that the case?

Jeff Dewing:

No, productivity trebled and has stayed trebled because we've maintained the status quo. Because those people now, what we do is we, there's another saying on the wall which we

say all the time 'there's no such thing as work-life balance. There's only life'. What we're doing is empowering you to decide how you run your life. When do you fit work in and when do you fit family in? You decide, not us. If we decide, then you're not controlling your destiny and therefore you'll never be fulfilled. If you decide, you're controlling your destiny. All we have to do as an organisation and as a community is agree the outcomes we're going to achieve. How you do it – providing you don't break the law - how you do it is your decision. But the time you're doing all this, you are also protecting and looking after your colleagues and the people that are in your community or in your direct involvement. So all you have to do is collaborate. You have to stay together, but you decide.

I don't decide you've got to be here at eight. I don't decide you leave at five. That's input based. We're only worked on output-based. And what's then happened is these people now are now doing what they love as opposed to what they had to do and they they end up doing more, more creatively because they're so nourished by the time they're spending with their kids and their family and the homework and the sports and God knows what. That they have got no problem in working on Saturday afternoon while the old man's watching rugby or the other way around. So it's changed everything. Productivity has gone up purely because people are focused on the output, not the presenteeism.

Sam Walker:

You talked about the fact this was a journey for you. This was something that were able to adapt along the way. But in an ideal world, at what point in building a business strategy should you consider the culture you want to nurture?

Jeff Dewing:

From day one. Because we're back to when I mentioned I couldn't hold a job down for more than two years. Because when you try to create what you think or influence what you think the culture should be in any organisation or any community, if it's not already there, it's like trying to turn a tanker. So you need to set out the stall of how you want everybody to behave but more importantly, how you want them to feel.

We've all heard about the word job description. When you put a job description you will have you know you will have a degree in mathematics you'll have a degree in in psychology you'll have had at least 5 years experience in this industry, blah, blah, blah, blah, blah, blah, blah.

Our job descriptions say that we're looking for manager and it then has four paragraphs: 'this is how you will behave in this environment'. We don't talk about degrees here, degrees there, or anywhere. We talk about this is how you'll behave in this environment, and these are the values that are important to us. If you meet this strategy and this approach, then please come and speak to us. Everything else is just nonsense. You can train skills. You cannot train or adjust people's attitude based upon how they behaved for the rest of their previous lives. So, it's all about this is what is important to us. Is this important to you? If it is, come and see us. If it's not, go somewhere else.

Sam Walker:

And I guess that also therefore opens the door to a more diverse workforce. And I'm not just talking about gender or race. diversity of thought, a diversity of an approach of how to solve a problem. But to go back to the example for gender, I know there's that famous statistic that a man will look at a job ad and go, 'I could do six out of 10 of those things. I'll got for it' and a woman won't even consider replying until she thinks she's got nine of them. But what are you going to miss out on? Like you said, it's about actually approach and behaviour and the way you tackle a problem as opposed to ticking a box of what you might have.

Jeff Dewing:

Listen, when you get the culture right, amazing things happen. In our world, our board five years ago was six men and one woman. And that frustrated me. And it frustrated me because any role we ever advertised, you'd get 50 applicants as men and you get three applicants as women and you sit and ask yourself 'Why'? And I'm not gonna pretend to know the answer to this, other than you might have suggested something that is real. Women are more focused on saying, "No, I can't bullshit my way through this. I've gotta know it." So I went on this journey and said 'how do I really promote this, how do I do this' so the outcome is now our board there are three men and three women and those three women are just super human people because they've been allowed to be superhuman people. If we now look at some of the people that have grown in our organisation, we've got two women that stand out particularly, just because I'm familiar with their story. One of them has built team whilst being employed with Cloudfm, right? So I mean she's on the production line of children and yet she's been promoted almost every year, despite being away almost every year on maternity leave because the output she produces, the focus she has and being a family man or a family woman and having a great job should go hand in hand. This is not about the time. It's not about presenteeism. It's about your capability. And then the latest addition to our board is a lady that joined me 10 years ago who has also had three children whilst she's been in my employment. And she's now just been promoted to Director of Operations on the board. Yet again, she missed three years of activity because of maternity leave. So this is where people get it wrong is when you're sitting up, listening to people say this a thousand times in the business I've worked in. 'You can't really consider her because she's a young woman. She's building a family. She's not going to be around'. I'm thinking, 'why are you even thinking that way? You're missing out on so much creativity'. So when you, again, you could argue that I'm being courageous with that approach, but I'm not because I'm seeing the benefit. The business is seeing the benefit. They're seeing the benefit. And the beauty of that is not only is she holding down, in this case, or both of them, women I'm talking about, holding down very high profile jobs and roles, they're spending all the time they want to spend with their family.

Sam Walker:

What about toxicity? What happens when toxic elements creep in where perhaps it's an individual or even a client?

Jeff Dewing:

I don't want this to sound wrong, but it's called zero tolerance. What you ignore, you accept. It's as simple as that. And if you ignore any form of toxicity, you're sending a message that says 'it's okay to be toxic'. So it has to be nipped in the bud. It has to be nipped in the bud. And nine times out of 10, you can solve the problem. You don't have to just cut it out and

throw it away like you would a cancer. You can solve the problem if you hit it hard straight away. Because we actually care about what's going on and what you don't do is you don't bowl in and say, 'right, you're toxic, we're going to have to have a chat. You sit down and say, 'Where's the person I know? What's happened to you'? And there's always a problem that they were either frightened to share, didn't know how to share, couldn't articulate whatever it is, first seek to understand. Why are you behaving in that way rather than I'm just going to cut you out. But you never ever ignore it.

Sam Walker:

What were some of the toughest cultural changes that you had to make?

Jeff Dewing:

There's been some changes or challenges internally with senior management when I'm coming up with these sort of approaches and they're because they're in a traditionalist environment. So I'll give you one quick story. There's a young lady on our help desk, which is the entry level to our business. And she was working on the help desk. Anyway, she fell pregnant, went off, had the baby, and she came back to work after the maternity leave and I only know this cos the story came out later. Her mother was looking after the child because she couldn't afford childcare, obviously. It was the cost of childcare. About a month after that, her mum was diagnosed with terminal cancer. So while she was coming to work, not only was she worried about her mum and her state of mind, she was worried about her mum looking after the baby, where should she take a fall, whatever, because of the type of cancer she had. So she's got this stress going on in her head like you wouldn't believe, but she's got to earn money. She went to HR and she said to HR, 'look, this is my problem' and explained the whole situation. And the HR team said, 'well, the only thing you can do really is resign and go on to benefits. Because with benefits, you'll get this amount'. And they structured it out perfectly well for her. You'll get this amount of money, you'll get this support, you'll have time with the baby and you'll be able to look after your mom and blah, blah, blah. And then she found herself writing to me on an email. She wrote to me this email, told me the story. She said, "Look, it's not your problem, Jeff, nor is it your challenge, but I just wanted to share to see if you could give me some advice or help me in some way without any form of handout. And I read this story and I had tears in my eyes And the first thing I did was I went straight to HR and said, "Tell me about this person." And they said, "Oh, well, yeah, her mum's been diagnosed with cancer." I said, yeah. I said, what did you say? Oh, we said you should resign and go on benefits. I said, is that how we do things in this business? They said, well, technically it's all right. I said, is that how we do things? So they said, well, yes, Jeff, that's, I said, well, do things. So I then wrote to... of HR and I said, next door to our offices, there's a place called Busy Bees, which is a childcare place. I said, can you please contact Busy Bees and enroll this person's baby from tomorrow, where we will pay the childcare for the next three years. And we'll also pay the tax implications, because it's a benefit in kind. And once you enrolled her please let me know and then I want you to call her in and I want you to explain what the business has done for her. Then I get a call from my Head of Governance who's a guy who's worked with me for 10 years, incredible guy. He said, 'Jeff, you can't do that'. So arrogantly, I said, 'well, I just did'. So I said, why can't I do it? He said, 'because you're setting a precedent, Jeff. Now what's going to these great big gates where suddenly there's going to be this demand everywhere and we have to be consistent'. So I said, 'okay, can I give you the solution to that'? I said, "So here's the new

policy. Any woman that falls pregnant whilst on the helpdesk that goes on maternity leave, comes back and her mother is looking after the baby who is THEN diagnosed with terminal cancer gets free child care.' He said 'there won't be many of those will there'? I said, 'No, there won't but it'll be consistent won't it?'. At which point that was the new policy. So once we've implemented that, the young lady, bless her, and we had three offices in Colchester then. She was in a different office. She'd walked from one office to the other, and she'd come up and she gave me a cuddle, was crying. And she said, you've just made my life a billion times easier. And she, over the next 12 months became a superstar and got promoted three times. It's just doing the right thing!

Sam Walker:

Let's take it back then to the flip side, to ROI and go, can you measure a culture's ROI? How does culture drive material results? Or is that something you literally never consider or is it something you've never been asked by a board member or a stakeholder?

Jeff Dewing:

You can measure it by virtue of the fact of measuring what happened when you didn't have a great culture. So if you've always had a great culture, then you just have to believe in its process. When you've got 85, 90% engaged staff, and you hit every milestone you set, no matter higher you reach, then you know it's happening. In our world, we were a 70, 80 million pound business pre-COVID. we had an EBIT about two and a half million quid. So it gives you an understanding of the profit margin versus the turnover.

Post-COVID, where we drove efficiency, we lost two or three clients that went into administration as a result of COVID. And as a business, we dropped down to 45 million, driving 3.5 million EBITDA. And no matter what happens in our organisation, no matter how many times we have to reinvent the wheel, reinvent ourselves because of the market challenges, and we were talking earlier about hospitality, and the challenge they're facing with so many restaurant chains going into administration, that has an impact on us, obviously. And yet, no matter what happens, we still deliver a greater outcome than the previous year. That can't come if you haven't got a great culture. And it certainly can't come if you haven't got a transparent culture. So we realise straight away, that the first thing we think about when we wake up in the morning is we don't ask what our profit and loss is. We don't have much we don't ask how much money we've invoiced and we don't ask how much money is owed to us, we ask is our culture right? Is our culture under any form of attack? That's the first thing we ask, then everything else follows.

Sam Walker:

So it's making culture a daily practice?

Jeff Dewing:

It's making culture your living and breathing everyday life.

Sam Walker:

What is your one message to any leaders listening about building a culture and how building a culture fits into the process of building a successful and profitable company?

Jeff Dewing:

When you have a great culture, a great culture is creating an opportunity for every person in your community to drive towards what you call the ultimate reason for existence. And that is, people talk about happiness and contentment and stuff. What does all that mean? The key word here is, fulfilment. Because fulfilment is different things to different people, right? And when you have people that can see the light on their fulfilment, where they actually wake up every day just feeling happy, whether they're looking at the sun, whether they're looking at their bank balance, whether they're looking at their healthy kids, whatever the reasons are: fulfilment is the ultimate goal. If you are creating an environment that lets everyone see their journey to fulfilment then not only does that create a powerhouse of an organisation, a high-performing team, it creates a happy team and a happy team rarely, if ever, let you down at any level, and a happy team will deliver everything they said they're going to deliver. And that makes you wake up very, very happy. And that's about as good as it gets!

Sam Walker:

I love that. Thank you. Thank you so much to Jeff. And thank you for listening to or watching *Doing the Opposite, Business Disruptors, Conversations with Jeff Dewing*.

To find out more about Jeff and his work, do head to jeffdewing.co.uk. And if you enjoyed this episode, please do share it with someone who's ready to unlock the power that a positive culture can bring to the success of a business.

Next time, we're gonna be exploring trust, transparency and technology and how using tech to create transparency also builds credibility. Until then, keep questioning, keep leading, and keep doing the opposite. Big thank you to Nichola Crawshaw at Cloud and also Michael Blades at What Goes On Media. I'm Sam Walker and *Doing the Opposite: Business Disruptors* is a What Goes On Media Production.