

[http://www.sbnonline.com/Local/Article/18723/75/0/The\\_path\\_to\\_follow.aspx](http://www.sbnonline.com/Local/Article/18723/75/0/The_path_to_follow.aspx)

# SMART BUSINESS

INSIGHT. ADVICE. STRATEGY.

## Smart Leaders

### The path to follow

*How to build and maintain a strong company culture*

By Erik Cassano

Smart Business Los Angeles | December 2009



*Wayne Ratkovich, founder, president and CEO, The Ratkovich Co.*

---

Wayne Ratkovich has worked hard to build a strong culture at The Ratkovich Co.

The task can be simply stated, but the work involved is intensive and constant.

Ratkovich, the founder, president and CEO of The Ratkovich Co., a developer of urban real estate, says your culture will start in your office, with momentum provided by you and your management team. But once you've driven the culture throughout the company, the process doesn't end.

“Through my leadership, I try to bring out the best that each employee has to offer, says Ratkovich, whose company generated more than \$30 million in 2008 revenue. “I let them know that they're an important participant in the fulfillment of our mission.”

Culture building is an ongoing process of communication and maintenance with each employee. It starts with the interview process, continues on an employee's first day on the job and keeps going for the duration of their employment.

Smart Business spoke with Ratkovich about how you can build and maintain your company's culture within each employee.

**Start with the interview process.** The most important issue that I've found is the cultural cohesiveness of the organization. I believe that has a great deal to do with the success of any company. So when we interview, discuss and take the time to get to know somebody, we tend to focus our questions on just how important it is that their job goes beyond their paycheck. How interested are they in the work you do, in your mission as a company? If you just want a job, that's one thing, but you probably need to be looking for more than that from your employees.

You are looking for people who attach relevance to the work you do. We like to think that we're involved in making a fundamental difference in the way cities work. That is our fundamental business. If that is interesting to somebody, if they like those ideas, if they're interested in the quality of life in cities, if they're interested in design in general, we get into those kinds of questions and find out if they're really into the subject matter.

**Set the tone with new hires.** The mission statement is the most important thing that we rally around. We want our people to know our mission statement, starting with their first interview. If they're in an interview for a job and they don't appear to be interested or impressed by our mission statement, the interview is basically over. The mission statement, and the company culture that flows from it, really keeps you together as a company and is a major factor in success.

It's not always easy to find out if a job candidate is going to be a good match, but it's not always terribly difficult either. These days, almost anybody who comes in for an interview has already looked at your Web site. If they look at your Web site, hopefully they'll be able to gain an understanding of your company and corporate culture, at least get some insight into it. The interview might begin with a complimentary comment about the company from the person being interviewed, which is a nice thing to do, but throughout the interview, we test the sincerity of that. How much do they really want to be associated with a company that does what we do? Hopefully, throughout the interview and lines of questioning, you're able to make that judgment.

**Train and test.** You obviously need to train people and get them involved once you hire them, but that can vary among people and positions. Historically, as we grew the company, it has changed. When we started out, we had very few employees and didn't have any formalized training programs at all. We simply hired the smartest people we could find and gave them an assignment. For the most part, they were just tossed into the water and learned on their own.

That's kind of an interesting test for people. We've had some really great successes that have come out of that. Today, things are a little more formalized. We have a process that we go through to train new employees. It starts out working with our chief financial officer, usually in an analyst position, where most of their work is focused on the economics of a real estate project. We give them a pretty good orientation on financial modeling and the criteria that we look at in a real estate project. We're involving them in the acquisition process, so they're seeing how we think and how that matches what our company does.

**Know how to communicate.** Candor and honesty are two good places to start with regard to communication. As most companies do, we have very smart employees. If you try to hide things from them, they can tell it in a heartbeat. We try to be as candid and forthright as we can. In addition to our staff meetings, we facilitate face-to-face communication on issues. Our managers will engage one-on-one with the people under their supervision. We do try to get to know our employees on a more personal level with a show-and-tell session following our weekly staff meetings. It gives employees a chance to share their outside interests and experiences, and it gives everyone listening an opportunity to know that person better.

It builds a personal connection to have that added level of familiarity with employees. You learn things, interesting talking points that can start conversations and help build unity within your team. If we didn't get to know our employees, I'd never know that one of our account managers has one of the largest collections of coral in the country. His house is filled with coral from all over the world. To have communication that goes beyond just work helps to build a level of familiarity and comfort with each other, and that can translate to the work environment.

**How to reach: The Ratkovich Co., (213) 486-6500 or [www.ratkovich.net](http://www.ratkovich.net)**