



## The Secret Sauce

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There was a buzz for a couple of days last week about [the op-ed piece by Greg Smith](#) when he resigned from Goldman Sachs. He had worked there for ten years after initially serving as a summer intern from Stanford. According to Smith, “I have worked here long enough to understand the trajectory of its culture, its people and its identity. And I can honestly say that the environment now is as toxic and destructive as I have ever seen it.” Ouch.

He says that the financial firm had shifted its focus from serving the client’s interests to making money, period. That contrasts with a strong culture at Goldman Sachs that for many generations had “revolved around teamwork, integrity, a spirit of humility, and always doing right by our clients.” Smith said that the culture “had something to do with pride and belief in the organization. I am sad to say that I look around today and see virtually no trace of the culture that made me love working for this firm for many years. I no longer have the pride, or the belief.”

Smith described the former culture at Goldman Sachs as “the secret sauce that made this place great and allowed us to earn our clients’ trust for 143 years.”

Culture may be the most important feature of any organization. It is shaped by the values and collective behavior of everyone in the organization, and it determines what happens day-to-day more than any strategic plan. Each one of you is responsible for our culture. Like gravity, culture is an invisible and powerful force that is difficult to resist. As the example of Goldman Sachs



illustrates, it also can change quickly and without anyone necessarily having made a conscious decision to change it.

[My last blog post](#) talked about the importance of surrounding ourselves with people who are committed to the School's mission, and who will be good and supportive colleagues. I believe that surrounding ourselves with people who get "it" contributes to our strong and positive culture. What do you think are the most important ingredients of "the secret sauce" that produces the School's culture? I'd love to hear your ideas.