Ending the blame game at Fulton Financial
The CEO and head of HR at the US-based financial holding company describe how a culture-change effort is restoring accountability and growth

For both individuals and organizations, it’s much easier to be successful when things are going well. In profitable, high-performing companies, employees seem happier, more optimistic, more energized, more willing to collaborate. There is a higher level of trust and accountability.

People tend to see solutions instead of problems, and seem more willing to go above and beyond to contribute new and bold ideas. But when times get tough, sliding financial results can paint a sobering picture. Cracks begin to surface, and these cracks show up in behaviors. At first slowly, and then very quickly, the symptoms point to an unhealthy culture: productivity declines, creativity and innovation stall, talented employees head for the exit.

CEOs under pressure commonly apply tried-and-true tactics to turn around performance: cost cutting, layoffs, consolidation, new business models and alliances—all efforts to restore top-line growth and help the company better compete and prosper. But they may be forsaking an important key to enabling a turnaround strategy—investing in the culture to restore healthy high performance.

A healthy culture is a key competitive advantage in good times, and it can also help in times of adversity by bringing people together, strengthening values, creating a common language for acting under pressure, and even preserving the capacity for recovery by retaining talent.

One organization that turned to culture change in such a situation was Fulton Financial Corporation. Now a regional financial holding company with nearly 3,700 employees and $18.1 billion in assets under management, it was founded in Lancaster, Pennsylvania, by local merchants and farmers, as Fulton National Bank in 1882. Today Fulton provides a variety of financial services through subsidiary banks in Pennsylvania and four other US states. Throughout its history of growth and acquisition, the company’s leaders have consciously aspired to preserve a culture of caring, community-focused local banks. When the 2008–09 recession hit, Fulton was among the many financial services companies fighting to survive.

Dennis Alimena, a vice president at Senn Delaney, a Heidrick & Struggles company, recently sat down with Fulton Financial’s president, CEO, and chairman Phil Wenger and chief human resources officer Bernadette Taylor to discuss the ongoing commitment to turn around Fulton’s performance by shifting the culture and creating “The Fulton Experience.” The following is an edited version of the interview.

Q: Take us back to the beginning of this culture-change journey. What was the situation at Fulton Financial?

Phil Wenger: We were a high-performing institution for a long time. When the recession hit, our performance, like that of most banks, suffered. Rather than trying to understand why our performance wasn’t as strong and how we could change it, we played the role of victim. We were having a really difficult time understanding what needed to change for us to be successful again. There was skepticism, and there were a lot of people who had trouble with the idea that we needed to change our culture.

Q: Why did you settle on culture as the enabler of change, and what were some of your goals?

Phil Wenger: It became clear that to survive, we’d need to change the culture. We were an organization that accepted mediocrity, and in a lot of cases even less than mediocrity. No one was held accountable.

— Phil Wenger


We felt that if we could just get that message across, we would see a big change in the organization.

**Q:** With that starting point in mind, what did you do to change the company culture?

**Phil Wenger:** In a way, we went back to basics. We consolidated our organizational values from 12 to 6, which has been helpful from a simplicity standpoint. We added a change value, which has been very important to let our employees understand the importance we see in change. We now actively emphasize the importance of change, of evolving as an organization, of searching out innovative ideas and making sure everyone has a voice.

We also emphasize the positive. We start out all our management committee meetings talking about these cultural concepts we’ve learned, and we also share a story about how someone in our organization has lived our purpose, which is about helping change lives for the better.

The articulation of that purpose was important to connect people in a positive way to what we really do as a company—how we help people enjoy success, how we help businesses, and how we help all the communities we work in.

**Q:** What is the Fulton Experience?

**Bernadette Taylor:** The Fulton Experience is the name we gave to our culture-shaping program. It is, in part, a process that includes insight-based learning sessions to help “unfreeze” old behaviors and engage employees at all levels of the organization around our values and the behaviors that support them. But it is also about incorporating the culture into the DNA of the company, through everything from processes, training, and rewards programs.

**Q:** What kind of progress are you making in engaging the organization in the Fulton Experience?

**Phil Wenger:** The process is going well. We started with senior management, which went really well. Getting the leaders of the organization through the Fulton Experience and then having people demonstrate the behaviors on a consistent basis has been really important.

If I could change one thing, it would simply be to speed it up. But it takes a long time to get everyone through the initial unfreezing sessions. Once they have been through the program, there’s still a lot of integration and reinforcement to do. We’re still working to get all our processes in line with the new company values.

**Bernadette Taylor:** I think the Fulton Experience has really reinvigorated the management team. When the recession hit, morale was very low. This program has elevated the mood substantially, and it’s been a catalyst to change some of the ways that we work together for the better. It’s also turned “accountability” from a threatening notion into a positive opportunity for feedback, which has been a huge change. Now that we’re in the second year, I think we have the language, we have the understanding, and we have the concepts. We have to get the rest of the employee base through the Fulton Experience sessions, and then we have to sustain it and keep it going.

Regarding reinforcement, we’ve just launched a new intranet, and there is a site dedicated exclusively to the Fulton Experience. The site contains our company’s purpose, values, and guiding behaviors, and outlines key culture concepts that are embedded in the Fulton Experience. We’re using our new intranet home page to showcase the activities of employees around the company and to provide fresh and new perspectives that tie in with Fulton Experience concepts. We’re also working on integrating the culture program’s concepts into our other learning programs—bank-teller school, branch-manager programs, and so forth. We’re baking it into how we do things every day.

We’ve also launched a recognition program with the Fulton Experience that’s a way to reinforce and communicate the values.

**Q:** What’s happening today in terms of performance and growth? What other benefits have you realized thus far?

**Phil Wenger:** We wanted to improve in every area. We want to perform in the top half of our peer group. We’re not where we need to be yet. But overall, the company is doing better. Before this process, our valuation was underperforming compared to our peers’ average; now we’re performing better than average. Our growth rate is the strongest it’s been in several years and it’s all organic, or internal, growth. That can only happen if everyone on the team is working to be at their best.”

— Phil Wenger
success—why it’s important to be better than average. I think everyone is more open not only to expressing opinions and ideas but also to listening to others’ differing opinions and ideas. For my part, this process has helped me listen better, listen to other points of view. I’ve seen how we end up with better results in the decision-making process. It’s still a great place to work and it’s a great place to have a career.

Bernadette Taylor: As CHRO, this process has been incredibly rewarding. Facilitating the sessions is now one of the best parts of my job. I learn a lot, and now I have a lot of tools that I use on a daily basis with my team.

Q: What challenges have you faced as the program has unfolded?

Bernadette Taylor: We have seen some management changes that demonstrate the consequences of accountability. Some people left—those who weren’t adapting to the new environment, stepping up, being accountable, living the values. As we worked through this process, those people became more apparent in the organization. These were the sort of changes we weren’t making when, as Phil put it, we were accepting mediocrity. It gave us the opportunity to fill those positions with people who truly represent the values and culture we’re trying to create.

Q: What advice would you give other leaders about taking on a culture-shaping effort?

Phil Wenger: Do it. And make it non-negotiable. It doesn’t happen overnight. And you need to be thinking about it all the time. You have got to buy in. Live it every day and really understand the importance of casting the proper shadow for your employees.

Bernadette Taylor: This is no small project. We have been working on this for 18 months so far. It takes a huge amount of effort and work, and it has had huge returns. It’s not something you can just fit into an otherwise full agenda. It truly “takes a village,” and for that reason, you need to ensure your leadership has bought in—from senior leadership through to managers. For us, the enthusiastic involvement of our line leadership has been crucial. This is more than just an HR initiative; it’s truly companywide. It’s Phil’s vision, but I am largely accountable for the program execution. Still, the CHRO has to be a role model. If you’re not out there talking about it and bringing it up at every opportunity and trying to point out where you don’t see people living the values, it’s going to be another program that gets put on the shelf.

And don’t dismay over isolated slipups. A lot of people will be lined up pointing out examples where leadership wasn’t demonstrating the culture. But the more buy-in you have, the less that will happen.

Q: Are you better positioned if another recession comes?

Phil Wenger: I think we’re better positioned. No one really has any idea what the future holds. But we do know it’s useless to play the victim, and thanks to the work we’ve been doing to shape a more positive, collaborative, and accountable corporate culture, I think we’re in a better position to tackle future challenges than ever before.

About Phil Wenger

Phil Wenger is chairman, president, and CEO of Fulton Financial Corporation. He began his career at Fulton Bank in 1979 and became its chairman and chief executive officer in 2006. He was named to his current positions at Fulton Financial Corporation, the parent company of Fulton Bank, in 2013.

About Bernadette Taylor

Bernadette Taylor is senior executive vice president and chief human resources officer at Fulton Financial Corporation. She leads the Fulton Experience culture-shaping program and is a trained facilitator of the process.
About Senn Delaney

Senn Delaney is widely recognized as the leading global authority and successful practitioner of culture shaping to enhance both the spirit and performance of organizations.

As a Heidrick & Struggles company, Senn Delaney positively impacts the world by inspiring leaders to create thriving organizational cultures. We partner with the world’s most recognizable companies to create cultures that create a distinct competitive advantage. It has been our sole focus since 1978.

www.senndelaney.com | www.heidrick.com

corporate offices

Los Angeles
7755 Center Avenue
Suite 900
Huntington Beach, California, 92647
t (562) 426 5400

London
40 Argyll Street
London
W1F 7EB
United Kingdom
main office line: +44 20 70754260
(from the U.S.: 011 44 207 075 4260)

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