

Foundation of a Strong Culture

Right People – Right Place

The concept of *Right People, Right Seats* was maybe introduced by Jim Collins in his seminal book *Good to Great* (2001). Collins emphasizes that the foundation of a great company is not its strategy, technology, or even its leadership style—it is the people. He argues that before setting a direction or making strategic decisions, organizations must first ensure they have the right individuals in place. This principle is also deeply embedded in the Entrepreneurial Operating System (EOS), a business framework developed by Gino Wickman in *Traction: Get a Grip on Your Business* (2007). EOS builds on Collins' ideas by providing practical tools, such as the *People Analyzer*, to help companies systematically assess whether team members fit both culturally and functionally.

According to Collins (2001), the “right people” are those who share an organization's core values. Their alignment with the company's mission and culture is more important than their specific skills or experience. When businesses prioritize hiring individuals who embody their values, culture strengthens naturally. Conversely, when companies retain employees who do not align—regardless of performance—their culture erodes over time.

Collins' principle of *First Who, Then What* suggests that great companies focus on people before defining strategy. This means leaders should ask, “Would I enthusiastically rehire this person?” If the answer is no, then that individual may not be the right fit, regardless of their technical abilities. A company's culture is ultimately shaped by the collective character and behaviors of its people, making it critical to ensure cultural alignment in hiring, retention, and leadership decisions.

Beyond cultural alignment, individuals must also be placed in roles where they can thrive. Collins (2001) describes this as having the “right seat.” A highly values-aligned

employee in the wrong role may struggle, become disengaged, or fail to contribute effectively. In EOS, Wickman (2007) operationalized this concept using the GWC framework—evaluating whether an individual **Gets it, Wants it, and has the Capacity to do it.**

A strong culture is not just about shared values but also about placing people in roles that maximize their potential. Leaders must be proactive in ensuring that employees are positioned where they can succeed. Misalignment leads to inefficiencies, frustration, and ultimately weakens company culture.

Cultural Erosion: The Cost of Misalignment

Failure to apply the *Right People, Right Seats* principle can have costly consequences. When businesses allow cultural misalignment to persist, it weakens trust, lowers morale, and disrupts team dynamics. Collins (2001) warns that keeping the wrong people on the bus—or in the wrong seats—creates long-term damage, even if those individuals are high performers. This reinforces the need for leaders to make difficult but necessary personnel decisions to protect and strengthen culture.

Application Where it Matters

The EOS framework provides a structured approach to applying *Right People, Right Seats*. The *People Analyzer* helps organizations evaluate employees against core values and job fit, ensuring objective decision-making. Wickman (2007) emphasizes that a healthy, high-performing company requires both cultural alignment (right people) and proper role placement (right seat).

For business leaders, coaches, and consultants, integrating Collins' and Wickman's insights into leadership development and team structuring is essential. By ensuring that the right people are in the right roles, organizations create a culture that is not only strong but also sustainable. Leaders who embrace this principle will build teams that drive long-term success, resilience, and high performance.

