

“Leadership is the capacity to translate vision into reality.” –Warren Bennis

# CULTURE

The Service Profit Chain is...

“...about developing a work environment in which carefully selected, highly capable, engaged employees interact with customers to create customer value far superior to that offered by the competition.”

–The Ownership Quotient

## KEY CULTURE-BUILDING PRINCIPLE AND BEST PRACTICE



**“Great Cultures are Co-Created!”** If you are working alone you are not making progress.”

–The Culture Blue Print  
R. Richman

“Most workers approach a role and a company with a highly designed set of expectations. They want their work to have meaning and purpose.”

–Gallup  
2017 State of the American Workplace Report

An inspiring vision and mission modeled and enforced by leadership is the **Secret Sauce** for attracting, engaging and retaining top talent!

## GUIDING QUOTES AND PRINCIPLES



“Leaders don’t create followers, they create more leaders.”

–Tom Peters  
*In Search of Excellence*

“Culture gets built with or without strong leadership. You have a culture. The question is: Is it the one you desire?”  
–Steve Rudolph

“Culture is a lead indicator for profit.”  
–Tony Hsieh, Zappos

“Culture eats strategy for breakfast.”  
–Peter Drucker

“You don’t build a business, you build people, and then people build the business.”  
–Zig Zigler

# THREE KEY CULTURE-BUILDING DEFINITIONS AND ACTIONS

**1 Vision Statement** Optimistic view of where your organization wants to be at a set time in the future



- Where are we and where do we want to go?
- Gives energy, motivates employees, attracts customers
- Describes aspirations for future without defining the means of achievement for desired ends

*The Big Question is, "What business are you really in?"*

*"Outstanding people have one thing in common: An absolute sense of mission!"*  
 –Zig Ziglar

### Vision Statement Examples

- Zappos:** Deliver happiness to customers, employees, and vendors.
- Harley Davidson:** Fulfill dreams through the experience of motorcycling.
- Disney:** Make people happy.
- Intuit:** Revolutionize the way people do financial work.

**2 Mission Statement** HOW you will get to where you want to be



- Answers the questions: "What do we do? Who do we serve? How do we do it? What makes us different?"
- Talks about the present leading to its future.
- Its prime function is internal. It defines the key measures of your organization's success; therefore, the target audiences are leadership, management and the team.

*Culture Building Question for Your Team:*

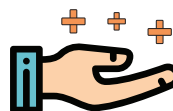
What do you do **every** day, with **every** customer, in **your community**, that ensures you are achieving your **vision**?

*"It's not hard to make decisions when you know what your values are." –Roy Disney*

### Mission Statement Examples

- Zappos:** We provide the best customer service possible and deliver WOW through service.
- American Express:** Work hard every day to make American Express the most respected service brand.
- Honest Tea:** We create and promote great tasting, organic beverages.
- CVS:** We will be the easiest pharmacy retailer for customers to use.
- Starbucks:** Inspire and nurture the human spirit. One person, one cup and one neighborhood at a time.

**3 Values** Guiding principles that dictate behavior and action



- Sets a foundation for the organization's culture.
- Helps you attract, hire, and retain the right types of employees.
- Helps you assess performance (individuals and organization).
- Aligns teams around specific, idealized behavior.
- Impacts how your organization serves its customers.

**Culture-Building Question** for your team: *What are our core values and a few supporting behaviors?*

Our Core Values

Supporting Behaviors

|       |       |
|-------|-------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

### Sample Values

- Be a professional
- Deliver WOW customer service
- Act with integrity and honesty
- Be customer-focused
- Build positive and trusting work relationships and be respectful
- Be accountable
- Collaboration and teamwork
- Strive for excellence & high standards
- Model positivity
- Embrace learning, growth & change
- Drive for results
- Do more with less
- Be a leader, regardless of your title

## LEADERSHIP & MANAGEMENT BEST PRACTICE

*Dedicate regular time with your team to clarify:*

- 1 **Why** do we exist? (What is our Mission?)
- 2 What are we **striving** to become? (Vision/Purpose)
- 3 What **values** guide our everyday behavior?

*Key behaviors of engaged, passionate and loyal employees*

- **Exceed** customer expectations
- **Give** discretionary effort → Go above their job description
- Regularly **contribute ideas** to improve the business
- **Help recruit** high-potential friends and acquaintances to join your awesome organization's cause

*"Hire the Smile;  
Train the Skill."  
—Ritz Carlton*

### 5 Core Customer Service Behaviors that Deliver a WOW!

- 1 Warm, friendly greeting with a SMILE (and always use customer's name)
- 2 Upbeat and positive CAN-DO attitude
- 3 Deliver and exceed customer expectations
- 4 Continually monitor customer satisfaction
- 5 Give a gracious farewell

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## Sample Interview Behavior and Value-Based Questions Exercise

*Fill in relevant value (s) after each question*

*Please provide example(s) of you exceeding a customer's expectations. What did you do? What were the results?*

Values? \_\_\_\_\_

*Tell me about a time you had to deal with an irate customer. What did you do? What were the results?*

Values? \_\_\_\_\_

*Provide an example(s) of when you had to go above and beyond your normal duties in order to get the job done. What did you do? What were the results?*

Values? \_\_\_\_\_

*Please share an example(s) of you contributing idea(s) at work that had a measurable and/or positive impact on the customer or business.*

Values? \_\_\_\_\_

*Describe a time when you put the needs of your teammates before your own when completing a task. What did you do? What was the result?*

Values? \_\_\_\_\_

*Tell me about a time when you had conflict with a co-worker and how you handled it.*

Values? \_\_\_\_\_

*What has been the most stressful situation you have ever found yourself in at work? How did you handle it?*

Values? \_\_\_\_\_

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*“Management gets what it measures and what it improves.”*

–Peter Drucker

**EXAMPLE** “Your Best Ideas” Program

Employees’ Best Ideas Suggestion Box

Question: How would your **BEST IDEA** either grow revenue or save money?

-  Gold Idea \$100
-  Silver Idea \$50
-  Bronze Idea \$25

**EXAMPLE** Players Scoreboard


Award Medal Board (Visual Management and Players Scoreboard)

**Process**

- Leadership/key front-line employees own and manage
- Weekly capture and track number total ideas and number per employee
- Discuss and judge at weekly leadership meeting
- Determine winners and post on board to recognize at daily line-ups

**Compensation: Incentivize**

- Tied to year-end bonuses for full-time employees



|                  |   |                    |   |
|------------------|---|--------------------|---|
| number suggested | + | number implemented | = |
| % of bonus       |   |                    |   |

Examples of Continuous Improvement Best Practices

- **Monthly all-hands-on-deck meetings**
  - Part business updates
  - Part recognition and reward
  - Part continuous improvement ideas
- **“Your Best Ideas” Program**  
with a process for organizing, tracking, vetting and rewarding
- **Visual Recognition and Reward Board**
- **Weekly (Department) Meetings**
- **Daily Line-Ups (10 min)**
  - Recognition and reward (value-/ performance-based; not everyone wins a trophy!)
  - Value-focus of the day
  - Customer/work-improvement ideas
  - Mini trainings
- **“Work-Stream-Moment HUDDLE-UPS**
- **Regular 1:1s Between Manager and Team Members**

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*"There are two things people want more than sex and money: recognition and praise."*  
—Mary Kay Ash

## Workplace Recognition and Reward Ideas

- **Start a "Be a FRED" program!** Have team read *"The FRED Factor,"* by Mark Sanborn.
- **Create a Culture of Praise and Recognition Program.** Create a feedback-rich performance environment. Research supports that high-performing cultures have a 3:1, positive to criticism feedback ratio.
- **Encourage Peer-to-Peer Recognition.** Work with the team to create a fun and purposeful program.
- **Perform Random Acts of Kindness.** Bring in some tasty treats or happy hour drinks to express your gratitude. Write thank you notes to team members.
- **Share Stories.** Share employee accomplishments through the company blog, social media, newsletters, a visual recognition board, etc.
- **Establish Sacred, Quarterly Employee Celebrations.** These can be one to three hours. Announce and reward individual, team and company accomplishments. Have fun!
- **Draw From a Hat.** Every time an employee acknowledges a peer's achievements, their name goes into a hat. At the end of the month draw two names. The winners get dinner and drinks on the company!
- **Schedule Employee Appreciation Day.** Plan a formal employee appreciation day. Take everyone out or just have an in-office party!
- **Create a Wall of Fame.** On your wall of fame, display not just one but a collage of pictures showing someone's achievements and unique personality.
- **Recognize Your Top Performers.** Antidote to the dreaded disease "everyone wins a trophy." Can include: increased bonus, high-visibility leadership projects, career advancement, cross-functional team opportunities.
- **Give the Gift of Time.** Offer time off for doing an excellent job! Flex time is highly valued for many, including millennials and parents.

**Culture-Building Question:** *What Recognition and Reward program should we develop that would foster and reinforce the culture we envision?*

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*“Talent recruiting is everyone’s job!”* –Anonymous

**What are the Potential Talent “Hot Spots” for your organization?**

Based on the critical traits, characteristics and skills critical for your organizations “culture fit,” what are potential talent hot spots in your region that you could begin scouting?

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**Keep it simple, keep it focused and definitely keep it inspiring!**  
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**SUPPORTING RESOURCES**

- Delivering Happiness*, T. Hsieh
- The Ownership Quotient*, J. Heskett, W. Sasser, J. Wheeler
- Fred 2.0: New ideas on how to keep delivering extraordinary results*, M. Sanborn
- The 7 Hidden Reasons Employees Leave*, L. Branham
- Raving Fans*, K. Blanchard & S. Bowles