

SLIDE 1: Built on Values Overview, Ann Rhoades and Gayle Watson



SLIDE 2:

Good to Great: Why Some Companies Make the Leap...and Others Don't, a bestselling management book written by Jim Collins in 2001, distills 5-years of research to describe how companies transition from being average to great companies and how companies can fail to make the transition. In this book, “greatness” is defined as financial performance several multiples better than the market average over a sustained period. In 2008, Collins authored a new book, ***How the Mighty Fall***, in which he examines 11 of the 60 “great companies” that have since deteriorated to “mediocrity or worse.” In this book, he finds “hubris” or lack of humility as a contributing factor to the fall of some of the great companies.

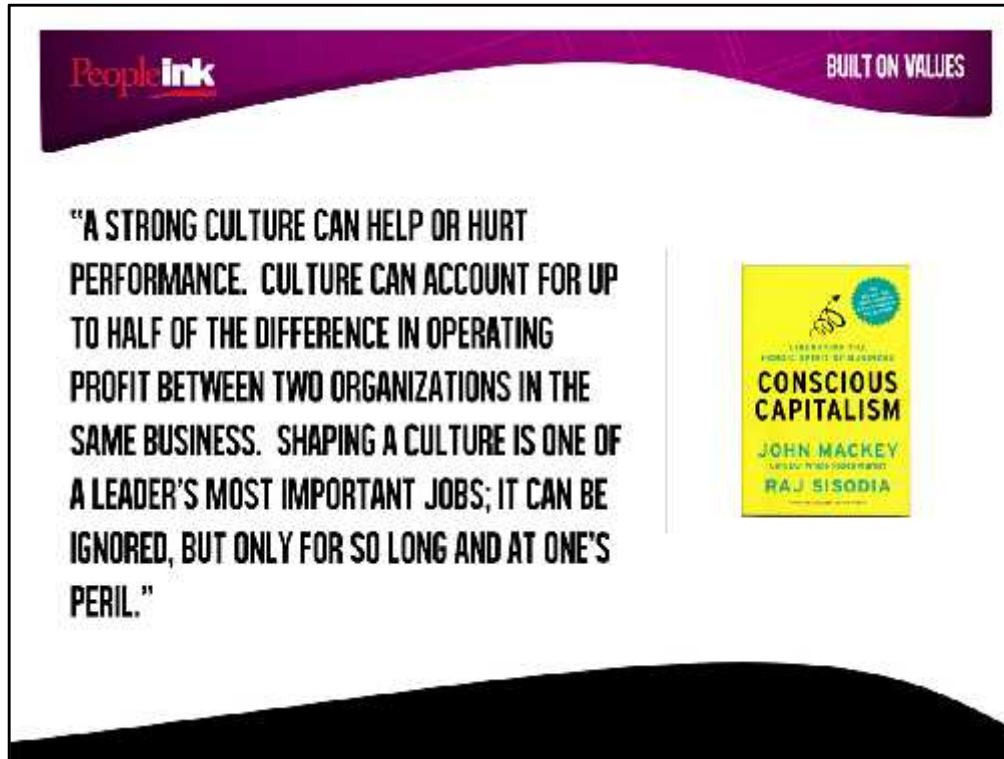
As a counter-balance to the case-study based theories developed by Collins, we like the practical approach of **Robert Cooper, Ph.D.** which is grounded in neuroscience. This research tells us that the growth happens most powerfully when we align each day with a compelling future vision, and “ideal future” or “most amazing future.” That ignites the brain’s emotional energy centers, infusing the day with meaning and helping you make better choices to speed you in the desired direction.

Discussion Questions:

1. *How will you make the purposeful switch from being better than the crowd to being better than your previous best?*
2. *What’s next for your organization? What’s even better?*
3. *What is possible for your organization’s desired future?*
4. *How does your culture need to evolve in order to achieve your desired future state?*



SLIDE 3: Tony Hsieh, CEO of Zappos, has been committed to establishing and nurturing the culture since the day he founded the company. He has proven that sustaining your desired culture results in high performance.



SLIDE 4: An Engaged Culture Drives Performance

Higher Performance

Companies with engaged employees outperform others by 47% to 202%. (Watson-Wyatt Research)

Higher Customer Engagement

Companies with engaged employees see 12% higher customer engagement (Gallup)

Less Turnover

Highly engaged employees are 87% less likely to leave their organizations than highly disengaged employees. (Corporate Executive Board)

Higher Productivity

Organizations with employee engagement scores in the top quartile had 18% higher productivity and 16% higher profits. (Gallup)

Discussion Question:

What opportunities do you have to drive performance improvements through an evolved culture?



SLIDE 5: Consciously Design Your Culture

The fact is, you have a culture in your organization now...and it may or may not reflect your stated values.

Discussion Question:

How would you describe your current culture?



SLIDE 6: People Ink definition of culture is simply..."the collection of the behaviors of all the people in your organization. "

Discussion Questions:

1. *Think about it, what are people really doing in your organization when no one is looking?*
2. *Do they know what behaviors are expected of them?*
3. *Do they believe they will be held accountable for living the Values/Behaviors?*



SLIDE 7: Game-Changing Companies Build Winning Capabilities

Harvard Business Review (January 2014) features a few Great Place to Work companies. These companies have three things in common: **Purpose, Performance and Principles (Values).**

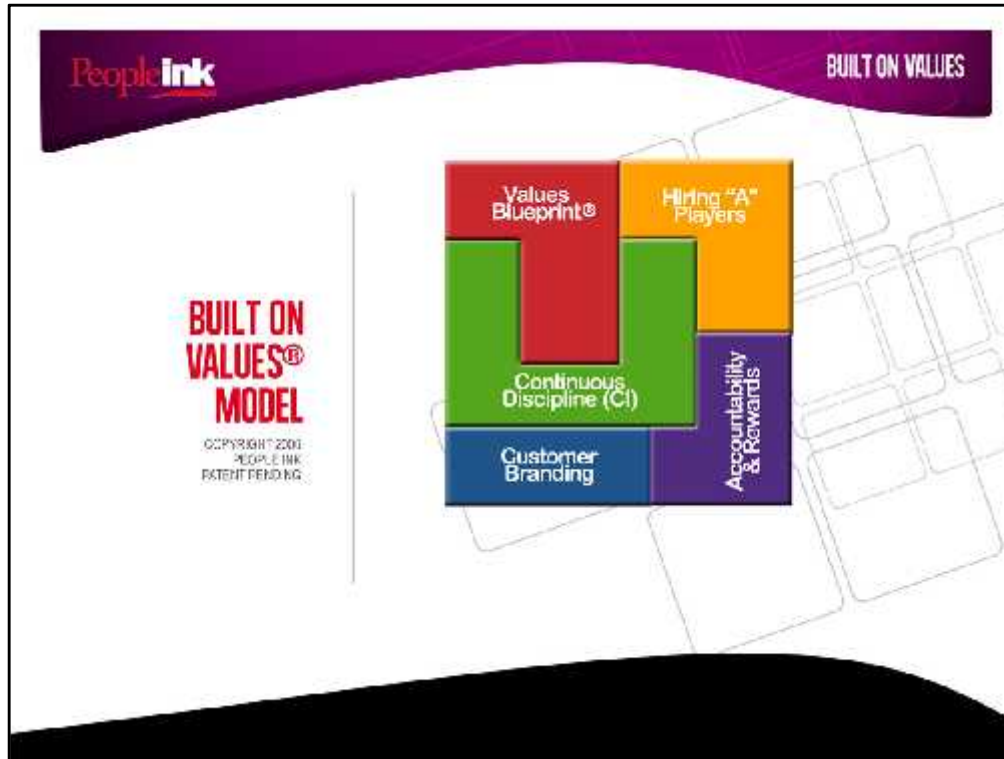
Discussion Questions:

- 1. Is your purpose clear? Does every employee understand how they personally contribute to the purpose of your organization?*
- 2. Are you exceeding your performance expectations? Why/Why not?*
- 3. Does every employee understand what is expected in terms of living by the Principles/Values?*



SLIDE 8: Culture by Design – Your Design

Make no mistake, cultural norms or “citizenship behavior” do not become a part of your organization’s DNA without intention.



SLIDE 9: Built on Values™ - Building a high performance culture.

People Ink provides a proven systematic process (roadmap) to help you refine and sustain your desired culture. These five key principles are the foundation for your success:

- 1. CREATE A VALUES BLUEPRINT®:** The Values Blueprint® is the foundation for establishing an organizational culture [built on values](#). Most organizations we work with have values in some form. But rarely do we see values that are clearly defined and which include a set of behavioral descriptions.
- 2. HIRE "A" PLAYERS WHO MIRROR THE VALUES:** Values-based and peer based interviewing methods are essential to building a values-driven culture and are derived on the knowledge that "past behavior is a reliable predictor of future behavior."
- 3. ESTABLISH A SYSTEM OF REWARDS AND ACCOUNTABILITY:** It isn't enough to hire "A" Players. You have to make sure they stay by rewarding and holding people accountable for living the values daily.
- 4. INCORPORATE VALUES INTO YOUR BRAND:** Maintaining a workplace culture that inspires trust both internally and outwardly to customers wins customer loyalty and increases bottom line results. Your values are your brand put into action as each employee touches your customer.
- 5. ESTABLISH A CONTINUOUS DISCIPLINE TO SUSTAIN YOUR VALUES:** The model for creating a values-centric organizational culture is simple, but not easy. Doing the right things well, every time, requires discipline and integration of your values into the DNA of your organization.



SLIDE 10: The Values Blueprint is the foundation for your culture.



SLIDE 11: Craft Your Values Blueprint®

A Values Blueprint is developed by a representative team of “A” Players in your organization (15-20 people): Sr. Leaders to front-line; cross-functional; long-tenure vs. new. Select people who have credibility with others and who will be good ambassadors for your Values.

“A” Players are those people in your organization who are high performers and also are good examples of living the values of your organization.



SLIDE 12: Values Blueprint® Example 1

The Values Blueprint Team works together to create simple, meaningful words and definitions for your Values that every employee can relate to and be held accountable for. If you already have Values, this part of the process may be a review and refinement to ensure these are relevant to every employee.

An important part of this process is to define Behaviors for each Value. When the Values Blueprint is complete, people should understand what behavior is expected of every employee to live the values.

These Behaviors will also be the basis for hiring, recognition, and holding people accountable for living the values in your performance management process.



SLIDE 13: Values Blueprint® Example 2

Every final Values Blueprint® is unique. The words, format, and style directly reflect the “personality” of the organization. This is an example of a final Values Blueprint for a young fast-growing technology company.



SLIDE 14: Leaders drive Values, Behaviors, Culture and Performance

Leadership conviction is the first and foremost success factor in defining the culture that will lead you into the future.

The success of the culture depends on the commitment of all leaders. They must be a part of the Values Blueprint development and approval process. Leaders must commit to being the best example possible for living the Values/Behaviors.

If leaders at any level, fail to “walk the talk” of the Values/Behaviors, your culture will not evolve to the next level of what is possible. If living the Values is not reinforced, and stories are not told of these positive examples, the Values will not flourish in the behaviors of the people. If all employees are not held accountable for the Behaviors and Values, there are no perceived consequences and the culture will not evolve.

Discussion Questions:

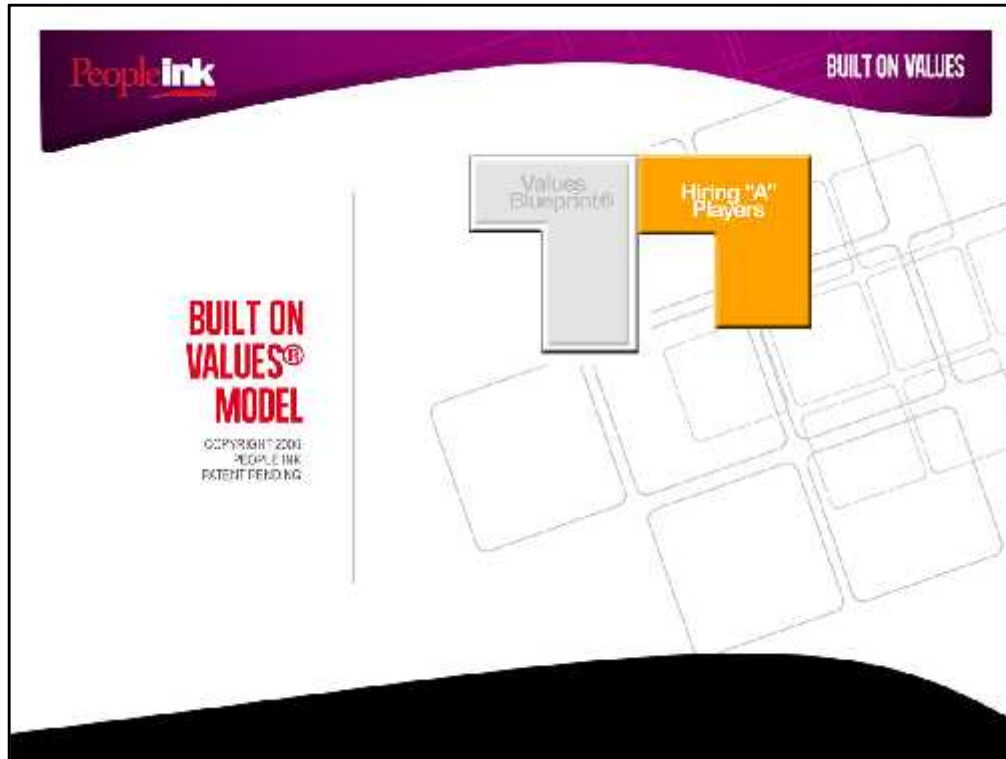
1. *Is your senior leadership team willing, ready and able to champion the Values Blueprint and live the Values?*
2. *What will be needed to get all leaders on board for this process?*



SLIDE 15: Values Committee

Once the Values Blueprint has been developed and vetted throughout your organization, a Values Committee assumes responsibility for communicating the Values, setting and monitoring metrics for success, and developing a plan for integrating the Values/Behaviors into your processes for hiring, total rewards, and performance management. They work to get employees involved and engaged in the Culture Journey.

The Values Committee is considered an ongoing, continuously operating committee. JetBlue Airways' Values Committee has been operating for over ten years, since the beginning of the company. In the first year or two, the Values Committee is busy implementing new plans and processes that will integrate your Values/Behaviors into your operating practices. Over time, the Values Committee may meet less frequently and focuses on evaluating progress, setting new goals, and process improvement.



SLIDE 16: Hiring “A” Players

After the Values/Behaviors are defined and communicated, the first step is integrate Values into your hiring process. We call this Hiring “A” Players. That is a systematic process of hiring people not only for their skill/competence/experience, but also for how they fit your culture and Values.



SLIDE 17: PeoplePix™

The People Ink hiring process is called PeoplePix™. PeoplePix is systematic hiring process based on three proven hiring best practices:

1. **Behavior-based interviewing.** Research proves that behavioral interview questions produce highly predictable selection results.
2. **Peer-based interviewing.** Getting multiple perspectives (usually 3 interviewers, including at least one peer) using a coordinated set of interview guides ensures a complete view of the candidate.
3. **Incorporating behavioral questions for your Values.** This ensures a culture fit.

The PeoplePix process, together with well-trained interviewers, ensures a consistent and fair selection process throughout the organization.

PeopleInk BUILT ON VALUES

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APPLICANT:

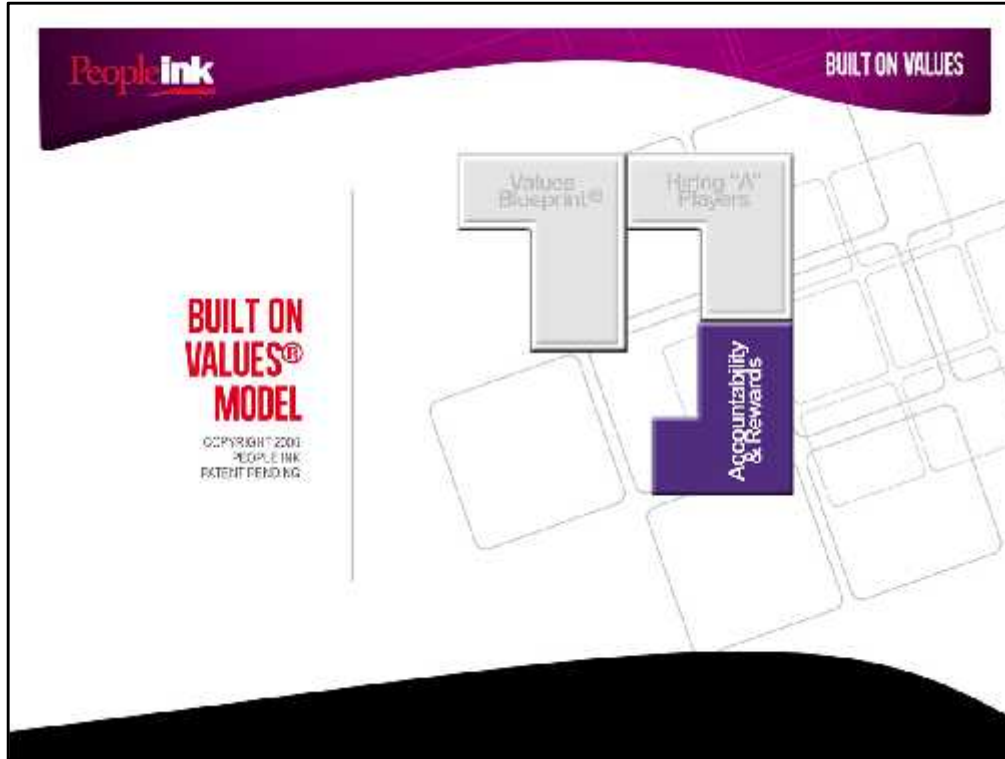
GIVE ME AN EXAMPLE OF A TIME YOU KNEW BY TELLING THE TRUTH YOU WOULD BE JEOPARDIZING YOUR JOB.

SLIDE 18: Interviewing for Values

Here is an example of a behavioral interview question for the Value of **Integrity**. This is a real story involving a candidate interviewing for a position as a mechanic at JetBlue.

He was asked this interview question: *“Give me an example of a time when you knew by telling the truth you would be jeopardizing your job.”*

In his response, he gave an example of when he was told by his supervisor to sign off on a plane that had a safety issue. He refused to sign off, knowing that he might lose his job, and possibly not be hired in the local market. He was hired by JetBlue, not only for his skills, but also because they knew he would always make the right decision when it came the value of Integrity. He still at JetBlue and is a supervisor today.



SLIDE 19: Accountability & Rewards

Accountability for living the Values/Behaviors is a decision every person makes on a daily basis. Once people know what is expected, and they know they will be held accountable, they choose to live the Values/Behaviors

Recognition and Total Rewards systems should align with the Values to reinforce the desired behavior.

PeopleInk BUILT ON VALUES

Performance **Values** Propensity

SECTION B - LIVING THE VALUES

The manager utilizes this questionnaire to help capture input & feedback for overall evaluation of the Direct Report's ability to live the values. The manager will report the scores to provide additional feedback.

Value	Follow	Cope
SAFETY		
Supports change and works with flexibility and adaptability		
Is comfortable to share, in or out		
Seeks to understand the organization		
Respects organizational values, including confidentiality		
Engages in team activities, including team building activities		
Communicates effectively		
CAREING		
Manages time and resources effectively		
Is a team player and works collaboratively		
Provides a friendly and positive work environment		
Shows respect and care for others and their growth		
Communicates effectively		
INTEGRITY		
Follows company rules and policies		
Follows the code of ethics		
Does not use confidential information for personal gain		
Provides a high quality of work and maintains high standards		
Is committed to the organization		
Communicates effectively		

LIVING THE VALUES

Value	Follow	Cope
FUN		
Looks for fun in work and life		
Wants to have fun and enjoy work		
Is creative and innovative		
Is a team player and works collaboratively		
Communicates effectively		
PASSION		
Shows passion and energy for work		
Is a team player and works collaboratively		
Communicates effectively		
INTEGRITY		
Follows company rules and policies		
Follows the code of ethics		
Does not use confidential information for personal gain		
Provides a high quality of work and maintains high standards		
Is committed to the organization		
Communicates effectively		

SLIDE 20: Living the Values – Multi-rater Feedback

One method of holding people accountable for living the Values, is with a **multi-rater system** designed to get feedback from peers and people with whom an employee has regular interaction. They are then rated on how consistently they demonstrate the expected behaviors (Note: these are the same Behaviors defined in the Values Blueprint).

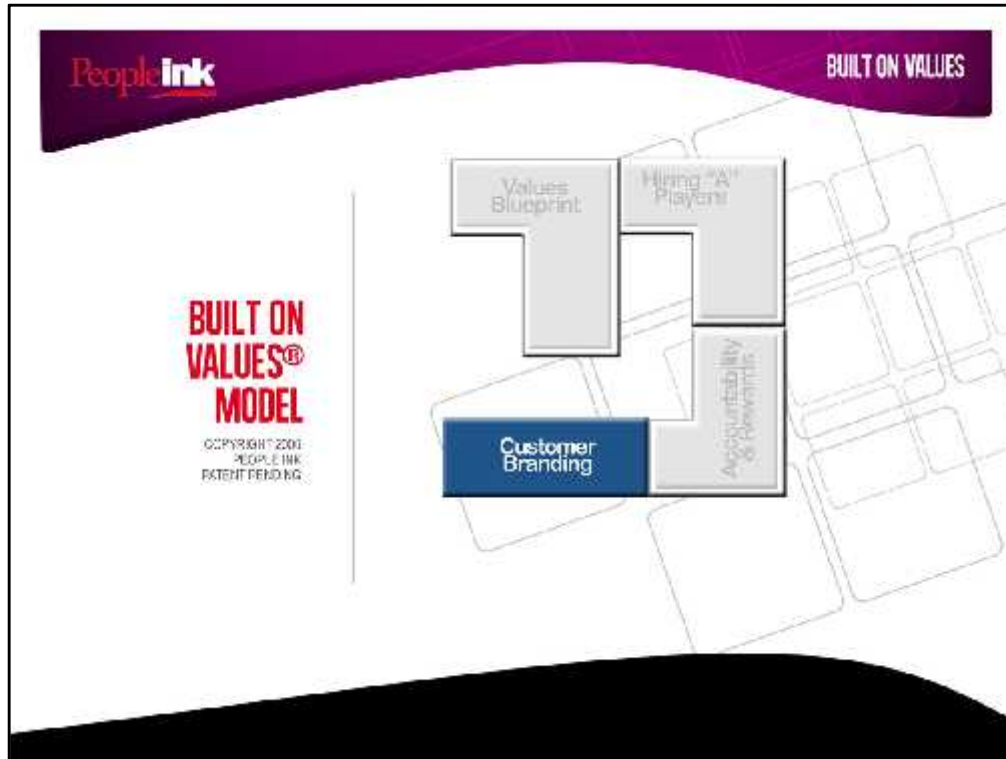
This feedback is then incorporated into the performance management process for coaching, development and performance evaluation purposes. JetBlue and other companies who have this process well integrated put as much as 50% weight on the Living the Values section of the total performance evaluation rating. The Living the Values section will have an impact on Total Rewards and incentives.



SLIDE 21: Recognize Employees Who Live the Values and Behaviors

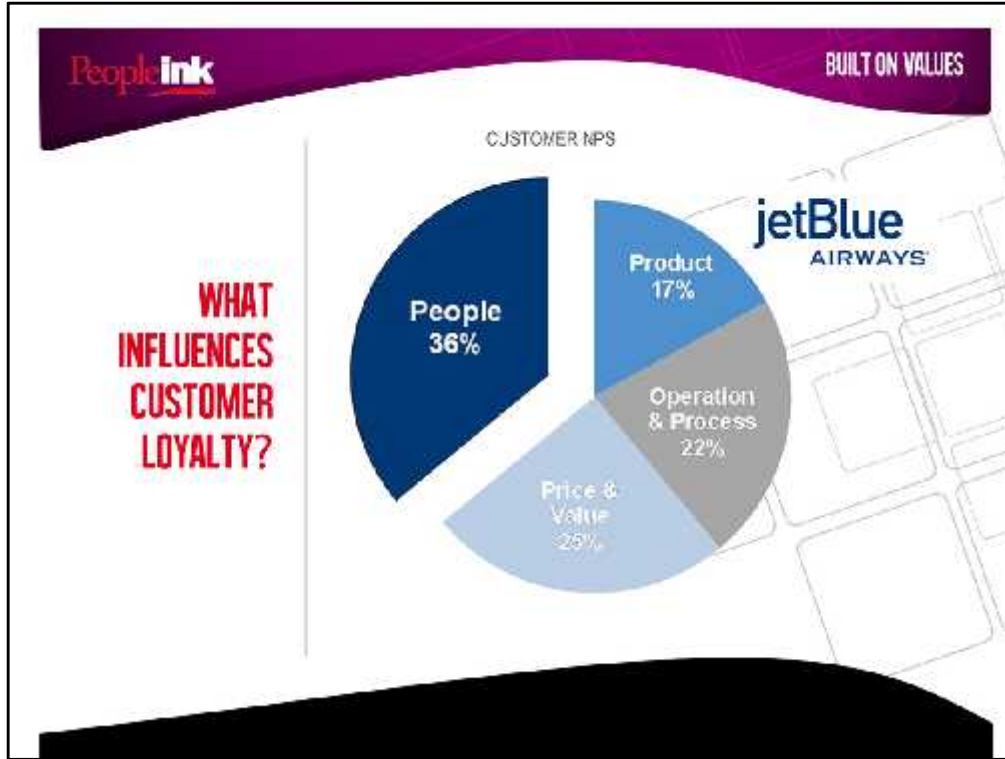
Recognition programs should be evaluated to see how they can be used to highlight and reinforce the Values. This is a creative and fun process which often involves a team of employees.

In this example, Juniper Networks highlights a story and statement from nominated employees who have demonstrated living the values among their peers.



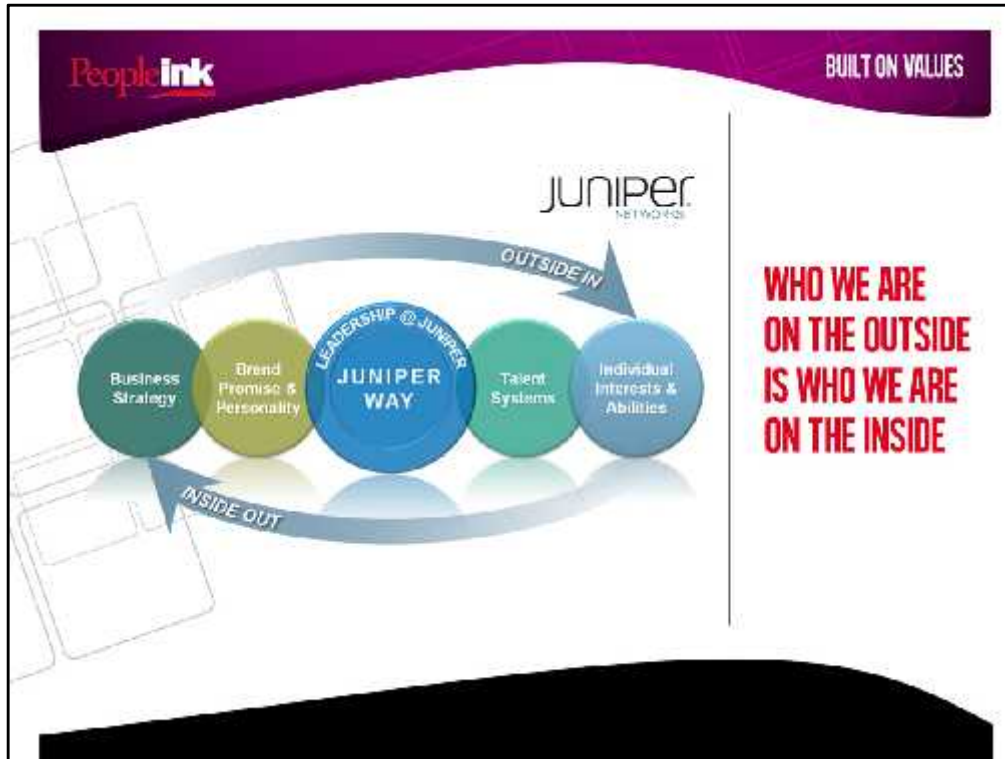
SLIDE 22: Customer Branding

Values have proven to be a strong branding opportunity for many companies, both for customers as well as recruiting talent.



SLIDE 23: Customer Loyalty

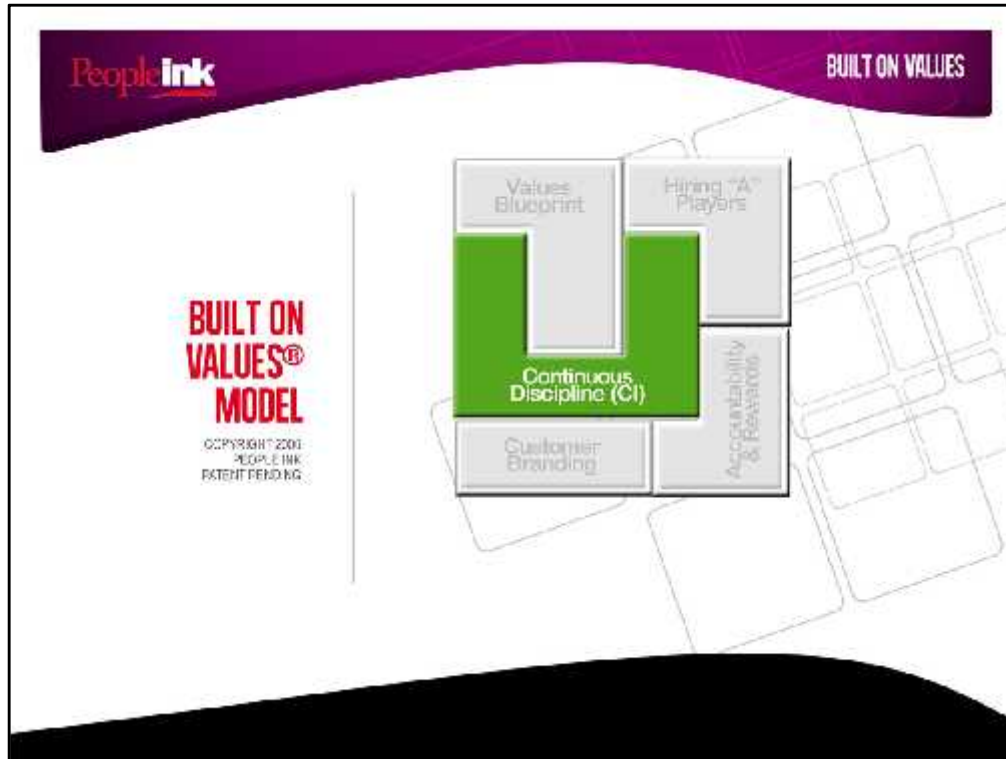
Not surprisingly, JetBlue’s customer Net Promoter Score (NPS) data shows that the people are the greatest influence on Customer Loyalty, over product, operation/process and Price/value.



SLIDE 24: Branding Strategy

Juniper Networks developed a comprehensive branding strategy that centers on its Values (the Juniper Way), not only for brand promise, but also for talent acquisition and development.

Their strategy reinforces the concept: “We are on the outside what we are on the inside.” In other words, our customer’s experience will never exceed our employee’s experience.



SLIDE 25: Continuous Discipline

Continuous Discipline (Improvement) ties the Built on Values™ Model together. We often hear our clients say, “the concepts are easy to understand, but it is difficult to implement.” It requires staying the course and a commitment to the discipline of continuous improvement.



SLIDE 26: Communicating Performance Metrics

Continuous Discipline also depends on creating an environment built on a set of shared Values AND financial responsibility. It is not enough to have a “Great Place to Work”. You must also be a high performing organization. And everyone needs to understand the business of the organization and the key success metrics.

In this example, JetBlue sends a daily update to every crewmember giving them current performance metric data: On Time Performance, Profit per Departure, and Crew Engagement.



SLIDE 27: Shared Values

Discussion Questions:

1. *What are the next steps for our Culture Journey?*
2. *How will we involve the Senior Leaders?*
3. *How will we engage employees?*
4. *What are the expected outcomes for our Culture Journey?*