



Rockefeller Habits
with
Verne Harnish

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*Relax with
the Process*

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Rockefeller Habits Checklist

Name : _____ Company : _____ Date: _____

1) Everyone aligned with #1 thing that needs to be accomplished this quarter to move company forward

- 5 priorities (Rocks) are identified and ranked for the quarter
- A Critical Number is identified and aligns with the #1 priority
- A Quarterly Theme is established that brings the key priority/Critical Number alive
- A scoreboard for the Critical Number is posted and Theme announced
- All employees know what the Celebration/Reward will be

2) Communication rhythm is established. Information moves through organization accurately and quickly

- All employees are in some kind of a daily and weekly huddle
- Huddles cascade from senior management to frontline or visa versa

3) Every facet of the organization has a person assigned with accountability for ensuring goals are met

- Income (P&L), Cash Flow, & Balance Sheet statements have persons assigned to each line item
- An accountability chart has been created

4) Ongoing employee feedback and input is systematized to remove obstacles and identify opportunities

- Employee hassles/ideas/suggestions/issues are being collected weekly
- There is a systematic process for addressing issues and opportunities
- Thank You cards are being written every week by senior management

5) Reporting and analysis of Customer Feedback data is as frequent and accurate as financial data

- All employees are involved in collecting customer data
- There is a person assigned accountability for customer feedback
- All senior leaders communicate with at least one customer weekly

6) Core ideologies are "alive" in the organization

- Core ideologies are discovered and defined
- Stories are being shared of employees who represent the ideologies
- Core ideologies are included in appraisal and recognition processes

7) Clear understanding of the firm's market position drives strategic planning and sales and marketing

- Brand Promise and market (Sandbox) are clearly defined
- The organization is aligned around 5 key strategies (Thrusts/Capabilities) for growth

8) All employees can report at any time what their productivity is and how it compares against goals

- Smart Numbers (key performance indicators) are identified for the organization
- Weekly measures for each individual/team are clearly displayed and reviewed

9) A "situation room" is established for the weekly executive team meeting

- Smart Numbers and Critical Numbers are posted bigger than life with goals clearly shown
- Data is presented graphically to help visualize trends
- Core ideologies, priorities, and market maps posted

10) As goes the Executive Team goes the rest of the firm

- Team members understand each others' differences, priorities, and styles
- The team meets offsite every few months for strategic thinking and renewal
- The team is having fun together

Rockefeller Habits Checklist

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SAMPLE LIST

THE LITTLE THINGS THAT MAKE A DIFFERENCE TO HELP ESTABLISH CULTURE

ARCO Construction

- Core Values, Core Purpose, Envisioned future, BHAGS – Current Vision/Mission Statements
- Customer evaluation sheets allowing us to evaluate our customers
- Guiding principles
- Annual schedule of meetings and company events (5-6/year)
- Incentives:
 - a. \$3,500 to earn P.E.
 - b. \$5,000 to teach Spanish
 - c. Split ½ interest earned with associate on early collections bi-annually
- 85% collection rate by the 20th of the month using games
- 15% profit sharing if we hit 80% of estimated annual gross profit
- Manuals:
 - a. Procedures
 - b. Design
 - c. Safety
 - d. Standard Details
- Lists
 - a. Design Checklists
 - b. Job start-up
 - c. Job close-out
 - d. Company address list with spouse and children
- Annual evaluation system at beginning of year, with performance contracts to ensure personal and company goals are in line. Track regularly.
- Leadership training program
- Simple business plans with one page monthly tracking sheet presented to everyone
- One-on-one mentoring: once a month with key person(s)
- Track historical data
- Meetings:
 - a. Quarterly strategic planning
 - b. Monthly one hour financial statement review
 - c. Weekly operations
 - d. Bi-monthly field operations
 - e. On-going monthly technical and procedural training
 - f. Two annual all company training meetings – ½ fun, ½ substance
- Orientation of new associates should follow these time-lines: first day (4 hours), first week (10 hours), first month (15 hours)
- Ownership opportunities: separate company and division strategies to get more leaders involved
- 30-day period sabbatical every five years of service with \$3500 toward travel expenses
- Weekly written client updates and monthly picture books with job progress
- Weekly job progress tracking fund/updates and monthly job meetings with key associates on each job
- Repeat customer strategy
- Give away ARCO items: hats, mugs, shirts, post-its, calendars, coats, client gifts, etc.
- Financials available to anyone anytime-open book approach
- Focus on Top 50 list
- Budget annually in November for the next year
- Operating income split 50/50 to stockholders and operating bonuses with a bonus system based on net profitability and individual contribution
- Echo Valley Retreat: fun place for meetings and for associates' personal use
- Annual Top 10 vendor of the year dinner with plaques and pictures of vendors
- Customer Evaluations after every job: Asking our customers: What went right? What went wrong? How can we improve?
- Written "thank yous" to everyone who performs well or gives us gifts.
- Intra-company fun newsletter with feature articles on associates, sabbatical of the month, etc., (10 hours per week)

Verne,

Happy New Year to you as well.

Started the list when we started ARCO in 1992 and over the next 3-4 years added to the list. When we started ARCO (and the list) we had 12 associates and had \$8.5 million in revenues. 12 years later we have 135-150 full-time associates (our field labor fluctuates with market to some extent) with current revenues of \$150-\$200 million (again, fluctuates with real estate/construction market).

Verne, what I have noticed over the years with information is that most people think they have it already figured out. They say “well, that’s great for you, but our business is different, we could never start a sabbatical program today and give associates \$3,500 to travel anywhere they wanted to” and I say, “okay, if that’s what you think, but I’m not sure you can afford not to” and we laugh and they keep doing what they do (my opinion in scarcity and we keep doing what we do in abundance...long term, built-to-last approach) so...feel free to share, if it helps you.

The bigger issue is to hopefully encourage leaders (as you are) to start a list and focus on others first and the rest will follow.

Jeff

Top 1

What is your number 1?

Examples:

- 1) Simply not big enough to compete - need to merge with larger firm.
- 2) Lacking a key player - until this position is filled, a lot of other efforts are wasted.
- 3) Economic engine is broken - there is simply no way to make money given the way we're doing business.
- 4) We've lost control of a key component of our business to a competitor. Someone else is controlling our destiny.
- 5) We need \$200 million war chest to get to a competitive scale.
- 6) Can't raise money until we get back on a growth path.
- 7) Must scale back rapidly to reach breakeven and take another run at it.
- 8) How could we net 30% profit.

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What is your number 1?

Problem-Solving Guidelines

You might note that these guidelines are similar to those also found in conflict-resolution, decision-making, and problem-solving courses.

RELEVANCY — does the issue really matter, is it of top importance or is there a customer affected by the hassle. Here you are looking for a pattern of recurring hassles. You can't solve every hassle right away, so you want to look at those that are costing customers and employees the most time or money.

BE SPECIFIC — look back over your hassle lists. Did you write in generalities or list specifics. Some people will list as a hassle communications problems, or interruptions, or having to answer the same questions over and over. However, you can't begin to address these issues without knowing the who, what, when, where, how, and why of these hassles. Being specific also means being careful when using the words "always, never, and all the time." In staff meetings, push people to give specifics..

ADDRESS THE ROOT of the issue and not just the symptoms. Let's say you've identified a specific communications problem -- in most cases, the standard response is "send out a memo." Rarely does this get to the root of the problem -- instead, it serves as a quick fix. One of the best ways to get to the root of the problem is using the "5 Whys" technique. Ask "why" several times until you get to the root cause.

FOCUS ON THE WHAT, not the WHO — you don't want to turn your search into a finger pointing or blame game. Besides, 95% of the time, it's a process problem, not a people problem. However, what if all the WHATS keep leading to the same WHO. Maybe you've waited too long and the person has to be let go. But you should still ask "what did we do wrong that caused this person to fail?" Maybe your hiring or training process needs improved. If you don't get to the root of the WHAT, you'll keep making the same WHO mistakes.

INVOLVE ALL THOSE AFFECTED — rather than run around getting ten explanations from ten people, get them all in the same room to give a truer picture of the entire problem. Getting everyone in the room together also helps to minimize suboptimization where fixing a problem in one part of the organization causes greater problems elsewhere.

NEVER BACKSTAB — never talk negatively about anyone without that person being present. The only exception is if you need to seek the advice of someone before confronting the individual. In this case, you still need to bring them into the conversation as soon as possible. This guideline has its roots in such principles as the right to face your accuser and to be present when being judged. Besides, when you talk negative about someone to another person, they have to then wonder if you are talking negative about them behind their back. If you can be successful in implementing this rule the level of trust and openness in your organization will improve immensely. And by having the other person present, everyone tends to follow the first four guidelines more closely.

Gazelles Executive Workshop Programs Schedule

Rockefeller Habits with Verne Harnish

2006

Seattle, WA	Jan. 4-5,	2006
Portland, OR	Jan. 5-6,	2006
Greensboro, NC	Jan. 11-12,	2006
Auckland, NZ	Feb. 15-16	2006
Sydney, AU	Feb. 20-21	2006
Brisbane, AU	Feb. 22	2006
Dublin, IE	Mar. 22-23	2006
Kuala Lumpur, MY	Apr. 20-21	2006
Detroit, MI	May 9-10	2006
Washington, DC	June 7-8	2006

Topgrading with Geoff Smart

Denver, CO	Mar. 16,	2006
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Gazelles Executive Workshop Programs Schedule

Sales and Sales Force Management
with Neil Rackham & Verne Harnish

Washington, DC Apr. 4-5, 2006

Innovation with Doug Hall – Eureka! Ranch

Cincinnati, OH May 4, 2006

Great Game of Business with Jack Stack

Springfield, MO Jan. 24-25, 2006
 Apr. 25-26, 2006
 May 16-17, 2006
 June 20-21, 2006
 Sept. 26-27, 2006
 Oct. 24-25, 2006
 Nov. 14-15, 2006
 Jan. 9-10, 2007

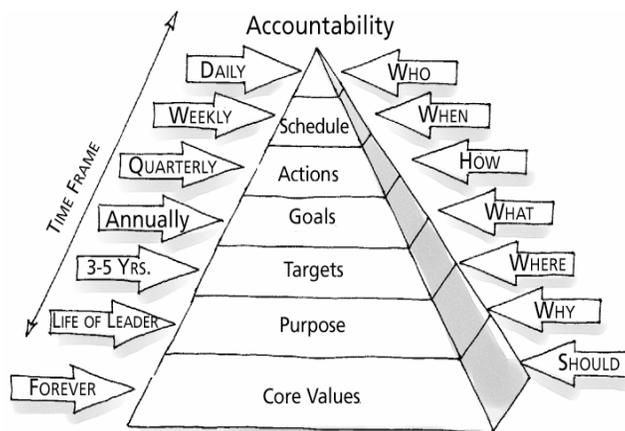
Business Frameworks

Planning Pyramid

&

Right People

Right Things Right



Planning Pyramid

Strategic Planning Pyramid



First Principles Group©

"I keep six honest serving men,
they taught me all I knew:
their names are What and Why and When
and How and Where and Who."

Rudyard Kipling

Business Language

Core Values. Like the US Constitution or ten commandments, core values are 5 or 6 statements which answer the question "**SHOULD** we or **SHOULDN'T** we." They are discovered over time and last. And they tend to be different for each business, defining what is often called the corporate culture. At 3M, one of their core values is innovation. If they can't be innovative in a business area, they'll not do it or get rid of it. Jim Collins' "Mars" exercise helps discover core values.

Core Purpose & BHAG. This is a philosophical statement about **WHY** you're in business and is determined by your leader's particular reason for having passion for the business. Patagonia's (outdoor clothing) founder once exclaimed "Let my people surf" and that became their purpose statement. It says a lot about the founder's philosophy and style. The core purpose puts "heart" into the business. In addition, the business should be pursuing a Big Hairy Audacious Goal (BHAG). It should be a quantifiable pursuit with a 10 to 25 year horizon that is audacious but not braggadocious and reinforces fundamentals. Microsoft's pursuit of being on every desktop is an example.

Targets. The target level answers the question "**WHERE** you want the firm to be in 3 to 5 years." Besides deciding certain quantifiable targets, a firm should define the Sandbox in which the company chooses to play, so that it can be #1 or #2. The Sandbox definition includes the firm's expected geographical reach, product/service offering, and expected market share. Xerox changed their tag-line to "The Document Company" to signify a change in Sandbox focus from being a copier equipment seller to document management.

Next, clearly articulate the key need you're going to satisfy for your customers, called your measurable Brand Promise - alternatively called a value-added proposition or differentiator. Finally, define five or six Key Thrusts/Capabilities necessary for you to dominate your defined Sandbox, fulfill your Brand Promise, and meet your quantifiable Targets.

Business Language (Cont.)

Goals. These say **WHAT** the firm has to do this year in order to be what was defined on the Target level. Like New Year's resolutions, they are defined annually. The key is defining five or six key initiatives for the year. Answer the question "If we get these five or six things accomplished, we'll meet our annual goals." In addition, choose one or two critical numbers - ideally one off the income statement and one off the balance sheet - on which the firm will focus. These critical numbers define the biggest opportunity for providing positive impact on the firm.

Action Plans. These describe **HOW**, on a quarterly basis, you're going to accomplish your annual Goals. Think of these as 13 week MISSIONS (this is how we define mission). Besides setting specific quantifiables for the quarter and one or two critical numbers, you need to define five or six key "rocks" that have to be completed in order to accomplish the goals. In addition, a quarterly or annual theme should be established, complete with a key measurable goal, theme title, company-wide scoreboard, and defined celebration/reward.

Schedule. This sets deadlines **WHEN** we're going to complete certain actions. Nothing will ever get accomplished until it makes someone's weekly to do list. The idea is to take the 13 week actions and put together a week-to-week plan on how they'll get accomplished, so that everyone knows what they need to do. We encourage firms to move their thinking from a monthly rhythm (A/R deadlines, billing cycles, sales targets) to a weekly or daily rhythm.

Accountability. This names **WHO** is going to be sure a particular activity is going to be accomplished. These last four levels essentially define WHO has to do WHAT WHEN and HOW in order to get things accomplished in the organization. And it's important to understand the difference between accountability and responsibility. Many might be responsible for getting something done (creating a new product), but only one person can have accountability. If the buck doesn't stop somewhere with a single person for every activity, then it's likely not to be completed or completed well. "Who owns the outcome?"

People Doing Stuff

People/Relationships

Activities/Transactions

Balance Sheet

Income Statement

Customers

Sell

Reputation

Productivity

Employees

Shareholders

Make or Buy

Keep Good
Records

Get, Keep, Grow

Better, Faster, Cheaper

CASH

PROFIT

Business Framework

**Right People
Right Things Right
Framework**



Right People

“People”

Getting People

Taylor Charts - Reputation

Number of Applicants

Quality of Applicants

Sell the Vision

Employment Ad – Exceptional opportunity! Rapidly growing promotional marketing agency with Fortune 500 clients seeking: ACCOUNT EXECUTIVE (description only delineating qualifications).

vs.

When Was the Last Time You Had Fun At Work?

It's a great time to join our promotional marketing agency team. Get all the benefits of working with Fortune 500 clients in a small agency environment. Not only do we take pride in what we do, we have FUN. Your creativity & energy are what we need. PROMOTIONS MANAGER description (delineating what you'll do) and ACCOUNT EXECUTIVE description. Enjoy coming to work. Send resume to:

Interviewing

Structured/Behavior Based

Multiple Interviews

Group Interviews

Testing

Bartell & Bartell, 814-861-6606, State College, PA

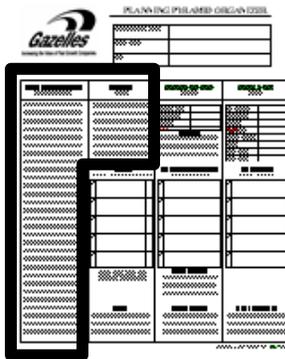
Bigby Havis & Associates, Inc. 972-233-6055, Dallas, TX

Topgrading, Bradford D. Smart. New York, NY: John Wiley & Sons, 2001.

Right People

NOTE:

Fill in **Core Values** and **Purpose** columns of the Planning Pyramid Organizer



Built to Last, James Collins with Jerry I. Porras. New York, NY: HarperBusiness, 1994.

Good to Great, Jim Collins. New York, NY: HarperBusiness, 2001.

From *Built to Last* by Jim Collins:

Core Values - handful of rules that never change

Core Purpose - the big "WHY" revolves around one word

From *Good to Great* by Jim Collins:

Would you enthusiastically rehire?

CEO Council

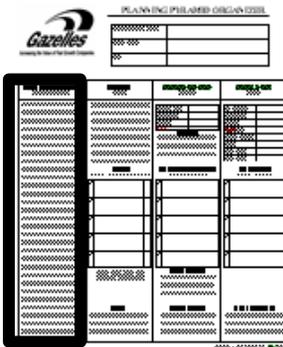
Level 5 Leaders

Listen & Learn

Bias for Action

Core Value Checklist

ACTIVITY: In this column, list someone **accountable** for taking action on each item you want to pursue. Also, go to Planning Pyramid Organizer and fill out Core Value column.



Have a few rules, repeat yourself, and be consistent

To Bring Your Core Values Alive:

Create Legends — Link a company story with each core value to make it memorable. Story-telling is the best way to teach. Do this now, while you're together.

Recruitment and Selection — Use the core values in your ads and selection process. Have them serve as the section themes/headings for your structured interview process.

Orientation — Have your core values serve as the major themes for your orientation process.

Appraisal Process — Have your core values serve as the section headings for your appraisal process. With a little creativity, any performance measure can be made to link with a core value.

Recognition and Reward — At the quarterly or annual company gathering, if you're looking for recognition and reward categories, look no further than your core values. And this serves to generate new stories to bring them alive.

Internal Newsletter — Highlight a core value each issue with an example of someone exemplifying the value.

Themes — Whether as a theme for a particular round of good news stories or as a company-wide quarterly theme, use the core values to bring focus to improvement efforts. Ask people to take time to audit the firm along with lines of a core value. It produces some very healthy and often needed dialogue.

Everyday Management — Without going to the ridiculous (though it's hard to repeat yourself enough), relate decisions, reprimands, praisings, customer issues, and employee concerns back to the core values. These daily actions will do more than any of the other strategies to strengthen the culture within the firm.

SUPRIYA DESAI

As part of a recent strategic planning retreat, we invited Supriya DeSai, Director of Quality for the Ritz-Carlton, Phoenix, to participate. Her remarks were stretching, refreshing, and inspiring.



We hope you find the excerpts helpful as you continue down the path "from good to great in '98":

On the mission: *We are ladies and Gentlemen Serving Ladies and Gentlemen.*

On the magic of the Ritz: *The caliber of the people we select and their commitment to excellence in guest service.*

On the guidance team: *We used to be the executive committee. To emphasize that this is not a traditional hierarchical environment, we now refer to ourselves as the guidance team.*

On empowerment: *Someone once said, "People are empowered 16 hours a day, it's the other 8 hours at work that can be very frustrating!" The guidance team works hard to eliminate the barriers that get in the way of truly empowered employees. Most people believe you've got to empower and motivate people. The key is to remove barriers to empowerment and motivation.*

On environment: *Create an environment that allows employees to astonish customers. We strive for customer astonishment, not just customer satisfaction. Also create an environment of open communication to facilitate progress.*

On standards: *Take the time to really define the values of your organization. In our organization, we have defined the "Gold Standards"- 20 standards which we all strive to live up to, day in day out. And we enliven them every single day!*

On selection: *We call it QSP, Quality Selection Process: The process consists of an application/screening interview, the QSP interview (a 3-day certification process to be a QSP interviewer), and a listening interview (a 1/2-day certification process to do the listening interview). It's a rigorous interview process!! Every employee experiences this process regardless of position. It is the cornerstone of our success as a company -- remember, our magic is in our people.*

On measurement: *You don't know where you're going, until you know where you are right now. Quality is often nebulous-you have to quantify it to relate its effects on the bottom line.*

On the challenges of implementation: *People will always say they don't have time. We have to do a better job of educating people about the*

direct impact of any change initiative. We have to be able to talk about the cost of quality in regards to customers, employees, and owners. Once we know the impact, they're willing to commit and invest their time.

On the daily lineup: *Every day, each department meets for 5-15 minutes to talk about one of our 20 Gold Standards. In other words, we talk about each of our Gold Standards every 20th day. That's one of the key ways in which we keep the Gold Standards alive and well!!*

On customer loyalty: *Our research from J.D. Power & Associates shows that our most loyal customers are those where we effectively resolved a difficult situation-great service recovery: Customer loyalty also comes from astonishing service - i.e., better anticipating their needs.*

On service recovery: *employee has the authority to spend up to \$2000-no approvals required-to satisfy a customer. Any employee who receives a customer complaint "owns" the complaint. We*

On the future: *We are constantly striving to better anticipate our guests' needs and create a flawless delivery system.*

On the challenges for any general manager: *We are always asking ourselves three questions:*

- 1) *Are the basic systems in place to support our Gold Standards?*
 - 2) *Are the Gold Standards alive and well in the organization?*
 - 3) *Are we providing our employees the quality tools to keep improving?:*
- The two main expectations of our particular GM are*
- 1) *create excellence for the guest and,*
 - 2) *to create a positive work environment.*

On the importance of leadership: *Our source of excellence rides with the senior leadership, the guidance team, for each hotel. The awareness, the buy-in, must start with senior leadership to be effective. We must be role models for the rest of the leadership body who must then go on and effectively lead and manage their people.*

THE RITZ-CARLTON BASICS

1. The Credo will be known, owned, and energized by all employees.
2. Our motto is: “We are Ladies and Gentlemen serving Ladies and Gentlemen.” Practice teamwork and “lateral service” to create a positive work environment.
3. The three steps of service shall be practiced by all employees.
4. All employees will successfully complete Training Certification to ensure they understand how to perform to Ritz-Carlton standards in their position.
5. Each employee will understand his or her work area and Hotel goals as established in each strategic plan.
6. All employees will know the needs of their internal and external customers (guests and employees) so we may deliver the products and services they expect. Use guest preference pads to record specific needs.
7. Each employee will continuously identify defects throughout the Hotel.
8. Any employee who receives a customer complaint “owns” the complaint.
9. Instant guest pacification will be ensured by all. React quickly to correct the problem immediately. Follow up with a telephone call within 20 minutes to verify the problem has been resolved to the customer’s satisfaction. Do everything you possibly can to never lose a guest.
10. Guest incident action forms are used to record and communicate every incident of guest dissatisfaction. Every employee is empowered to resolve the problem and to prevent a repeat occurrence.
11. Uncompromising levels of cleanliness are the responsibility of every employee.
12. “Smile – we are on stage.” Always maintain positive eye contact. Use the proper vocabulary with our guests. (Use words like “good morning,” “certainly,” “I’ll be happy to,” and “my pleasure.”)
13. Be an ambassador of your Hotel in and outside the work place. Always talk positively. No negative comments.
14. Escort guests rather than pointing out directions to another area of the Hotel.

15. Be knowledgeable of Hotel information (hours of operation, etc.) to answer guest inquiries. Always recommend the Hotel's retail and food and beverage outlets prior to outside facilities.
16. Use proper telephone etiquette. Answer within three rings and with a "smile." When necessary, ask the caller, "May I place you on hold?" Do not screen calls. Eliminate call transfers when possible.
17. Uniforms are to be immaculate. Wear proper and safe footwear (clean and polished), and your correct name tag. Take pride and care in your personal appearance (adhering to all grooming standards).
18. Ensure all employees know their roles during emergency situations and are aware of fire and life safety-response processes.
19. Notify your supervisor immediately of hazards, injuries, equipment, or assistance that you need. Practice energy conservation and proper maintenance and repair of Hotel property and equipment.
20. Protecting the assets of a Ritz-Carlton Hotel is the responsibility of every employee.

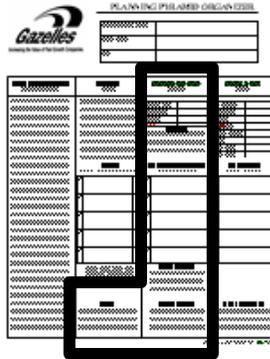
Right Things

“Strategy”

Right Things

NOTE:

Fill in **Target** column
of Planning Pyramid
Organizer



Go to
www.jimcollins.com for
*Building Your
Company's Vision.*

Viabale Economic Model - Good Race and Good Horse in Race

Indicators - Reputation measure:

1. Growing 2X the rate of the market.
2. It's getting easier to get customers.
3. It's getting easier to get employees.
4. Investors/Banks want to give you money.

S-Curve Lifecycle

Secure and cash cow the base.

BHAG - Big Hairy Audacious Goal "Rules"

1. Ten Year Horizon.
2. Audacious, Yet Reason for Being - Not just Braggadocios.
3. Must Drive Business Fundamentals

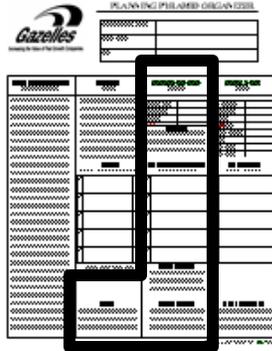
Brand Promises

Blockbuster, Southwest Airlines, Mc Donalds

Bottlenecks - gaining a monopoly - X Factor

Shortages, chokepoints, "steel rings"

Right Things



Go to
www.jimcollins.com for
*Turning Goals into
Results: The Power of
Catalytic Mechanisms*

What is your BHAG?

How do you define your **Sandbox** - geography, product lines, distribution channels?

What are 3 biggest "**needs**" your customers have, distinguished from all their "**wants**."

What are your 3 measurable **Brand Promises**?

What is the **X-Factor/ Bottleneck/** shortage/ chokepoint in your sandbox/industry and how are you going to control it?

Leadership

“Good is the Enemy of Great”

Jim Collins

The Most Effective Measure of
Leadership is the Performance of the
Team in Your Absence.

Leading by Example Means Keeping
Your Commitments to
Your *Commitments.*

"In a world of unrelenting change, about the only sustainable advantage is learning. Competitors can copy your products, duplicate your technology, and replicate your processes, but as long as your organization is learning faster than theirs, you will always remain ahead."

Harvard Professor David Garvin
in HBS Program Guide 2000 – 2001

COMMITMENT

Until one is committed
there is hesitancy, the chance to draw back,
always ineffectiveness.

Concerning all acts of initiative (and creation)
there is one elementary truth,
the ignorance of which kills countless ideas
and splendid plans:
that the moment one definitely commits oneself,
then Providence moves too.
All sorts of things occur to help one
that would otherwise never have occurred.
A whole stream of events issues from the decision,
raising in one's favor all manner
of unforeseen incidents and meetings
and material assistance
which no man could have dreamt
would have come his way.
I have learned a deep respect
for one of Goethe's couplets:

"Whatever you can do, or dream you can...
begin it.
Boldness has genius, power and magic in it."

W.N. Murray

The Scottish Himalayan Expedition, 1951

Objective -Alignment

"You can have a life plan or a fight plan, but when the action starts, you're down to your reflexes -- your training. If you've cheated on your training in the dark of the morning, you'll be found out under the bright lights."

Joe Frazier

*Relax with
the Process*

1% Vision, 99% Alignment

"The sun is a powerful source of energy. Every hour the sun washes the earth with billions of kilowatts of energy. Yet with a hat and some sunscreen you can bathe in the light of the sun for hours at a time with few ill effects. A laser is a weak source of energy. A laser takes a few watts of energy and focuses them in a coherent stream of light. But with a laser you can drill a hole in a diamond or wipe out a cancer."

Al Ries, Focus

How to Gain Alignment

1. Align and Drive Performance of Senior Management Team

As goes the senior team goes the rest of the company. Focus of Immersion sessions is senior team development.

2. Align Middle Management

Growing a business requires growing leaders. Focus of Monthly implementation sessions is the opportunity for the senior team to work with the middle management team.

3. Align Everyone Else

The roll-out process gets everyone headed in the same direction with common:

Frameworks - relate to what people already know

Language - common meaning and understanding

Habits - "routine sets you free."

Empowerment and Customer Service

Empower - encourage rank-and-file employees to make the kind of operating decisions that used to be reserved for managers.

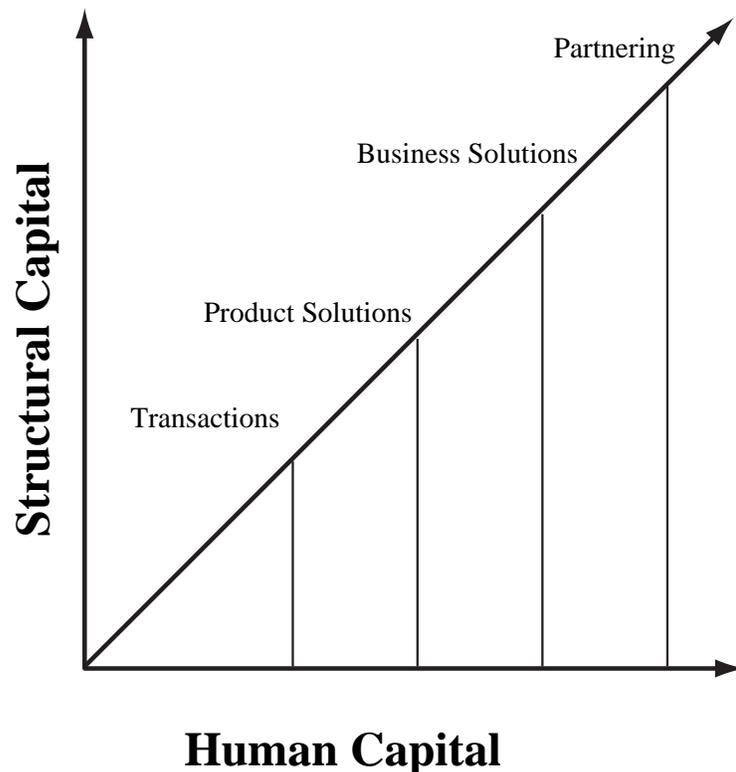
Information - give people the information that they need to make such decisions - information that used to be given only to managers.

Training - give employees lots of training to create the kind of understanding of business and financial issues that no one but an owner or an executive used to be concerned with.

Ownership - give people a stake in the fruits of their labor.

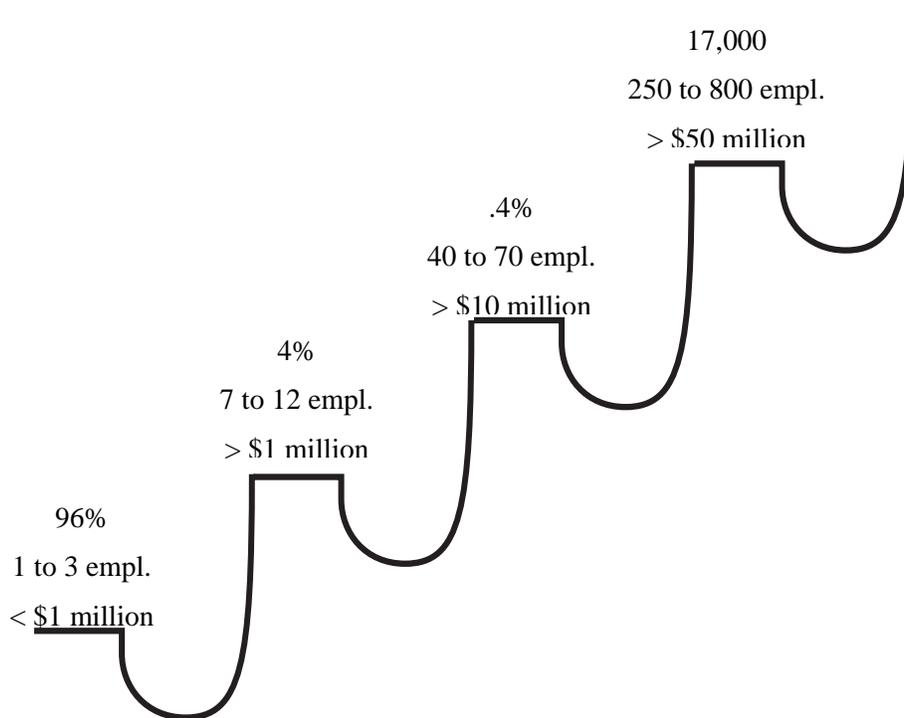
Intellectual Capital.
Thomas A. Stewart,
New York, NY:
Doubleday/Currency,
1997, page 158.

*Rethinking the Sales
Force.* Neil Rackman
and John
DeVincentis, New
York, NY: McGraw-
Hill, 1999.



Evolution and Revolution

25+ Million Firms



Transaction Costs Increase

40% to 60% of operating costs are transaction costs — the cost of moving information between people. As you add people, you increase the number of channels of communication which can increase transaction costs. Proper structures and systems are critical.

Mistakes Increase

If you're running at only 96% reliability, the 4% mistakes will eat up 54% of your time and effort. If you can increase reliability to 99%, the 1% mistakes can still eat up 25% of your time and effort. Six Sigma quality focuses on increasing reliability to better than 99.99%. Again, proper structures and systems are critical.

What starts to happen as you add people:

COMPLEXITY increases - as you arithmetically add people, you geometrically increase complexity

Barriers to Growth

- 1. Leadership** - ability to delegate and predict
- 2. Systems and Structures Development**
- 3. Market Impact**

Winning

My Problem

1) My problem is that my people/customers/investors always/often:

a.

b.

c.

2) My problem is that my people/customers/investors never/seldom:

a.

b.

c.

PLEASE do not write further until given further instructions.

3) My problem is that I always/often:

a.

b.

c.

4) My problem is that I never/seldom:

a.

b.

c.

Learned Optimism: How to Change Your Mind and Your Life, by Martin Seligman

Locus of Control

Some people have a general "victim" attitude — other people and circumstances beyond their control caused things to happen, *caused* them to feel the way they feel. "THEY did it to me!" People who have this style of interpreting their experiences are said to have an external locus of control.

The flip side of this attitude is one in which individuals *perceive themselves to be in control*. These people are said to have internal locus of control. "I perceive my circumstances to be within my control. I believe that what I do has an effect." Even when things don't turn out "right," an internal person will evaluate present circumstances in terms of what they can do to improve the situation. They take *response-ability* for making things happen.

<i>External:</i>	<i>Internal:</i>
No one told me.	I didn't ask.
He doesn't listen.	Next time I'll make sure I have his attention.
She talked me into it.	I agreed to go along with it.
She doesn't understand	I'm not communicating.

Each of these statements is a different view of the same problem the external person complained about earlier. Both views of the problem are "true" — it's simply a matter of how you chose to approach the world. You can whine or take control.

For internal people, problems are lessons. To external people problems are an intrusion on their lives. When they experience a problem they quickly determine how the other person needs to change in order for their own lives to improve.

Exercise: Reframe each statement so that it sounds like you believe you are in control:

I don't have time.

Restatement: _____

We don't get the right kind of employees.

Restatement: _____

People ask me questions to which they should already know the answers.

Restatement: _____

Things Right

“Execution”

Delegation & Rockefeller Habits

Pinpoint - Top 3 and Top 1 of 3

Core Values - Remain Constant
Top 3 - Change Quarterly and Annually
Thematic Goal

Measure - Data - "Unshakable Facts"

3 Smart Numbers - Complex Ratios Help Predict
Critical Number - Short Term Focus
Customer and Employee Feedback

Feedback - Rhythm

Daily, Weekly, Monthly, Quarterly, & Annual
Set Agendas
Employees, Customers, Shareholders

Reward and Recognition

Thank You's & Good News Stories
Quarterly/Annual Theme Celebrations
Compensation

Thematic Goal

BUSINESS

► BRIEFS/B29

► PEOPLE/B30

TRANSACTIONS/B29

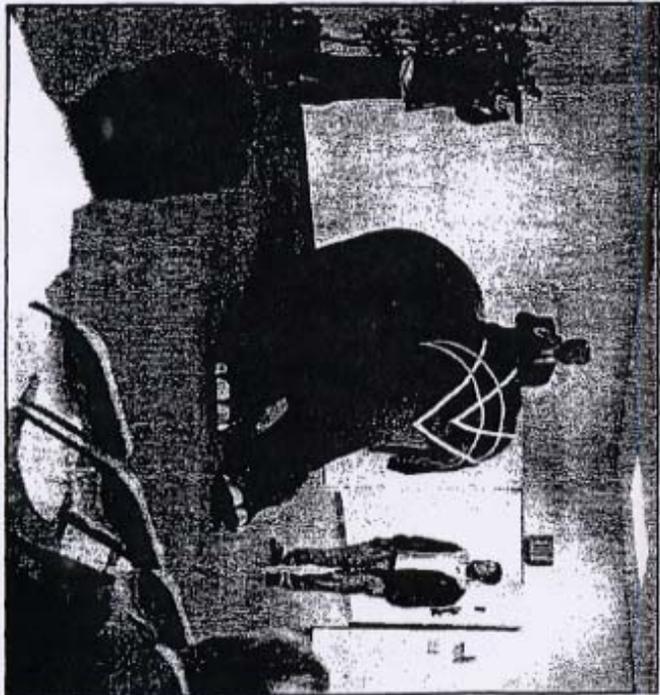
MEETINGS/B31

ELEPHANTINE INSPIRATION



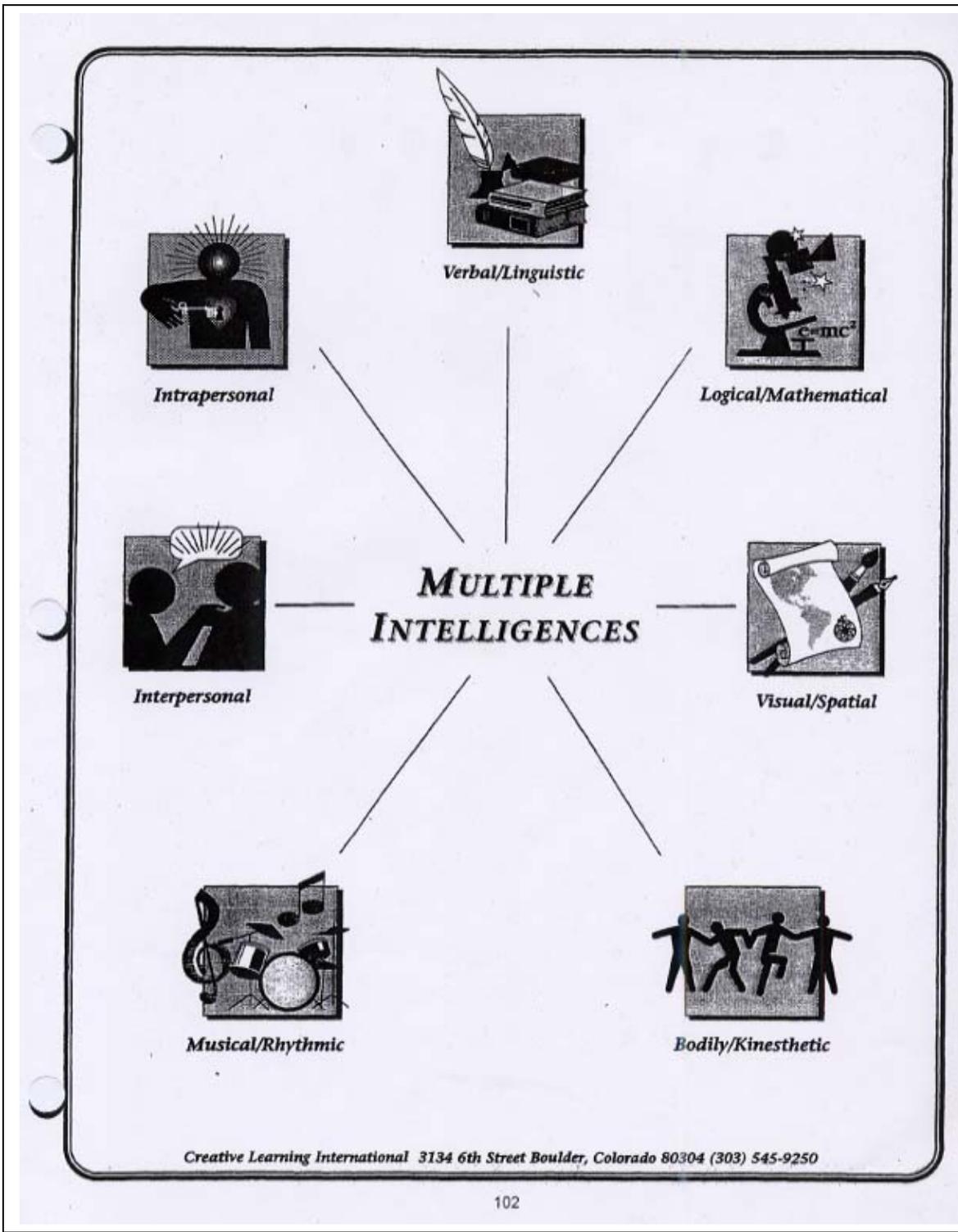
Is It Hannibal? Nope, it's just Moses — Mark Moses, that is, chief executive of the Platinum Capital Group, a mortgage firm in Irvine. He did sort of an imitation of the Carthaginian military leader last Thursday, riding "Kitty" the elephant to his Reynolds Avenue office with the intent of inspiring his troops. Hannibal, it is said, led his army across the Alps with the help of elephants in 218 B.C. to invade what is now Italy.

SHARF PHOTO/LEE PAVINE



Quick Summary

Intelligence	Activities	Materials	Strategies	Presentation Skill
Verbal/Linguistic	lectures, discussions, word games, storytelling, choral reading, journal writing, etc.	books, tape recorders, typewriters, stamp sets, books on tape, etc.	read about it, write about it, talk about it, listen to it	teaching through storytelling
Logical/Mathematical	Brain teasers, problem solving, science experiments, mental calculation, number games, critical thinking, etc.	calculators, math manipulatives, science equipment, math games, etc.	quantify it, think critically about it, conceptualize it	Socratic questioning
Visual/Spatial	visual presentations, art activities, imagination games, mind-mapping, metaphor, visualization, etc.	graphs, maps, video, art materials, optical illusions, cameras, picture library, etc.	see it, draw it, visualize it, color it, mind-map it	drawing/mind-mapping concepts
Bodily/Kinesthetic	hands-on learning, drama, dance, sports that teach, tactile activities, relaxation exercises, etc.	building tools, clay, sports equipment, manipulatives, tactile learning resources, etc.	build it, act it out, touch it, get a "gut feeling" of it, dance it	using gestures/dramatic expressions
Musical/Rhythmic	superlearning, rapping, songs that teach	tape recorder, tape collection, musical instruments	sing it, rap it, listen to it	using voice rhythmically
Interpersonal	cooperative learning, peer tutoring, community involvement, social gatherings, simulations, etc.	board games, party supplies, props for role plays, etc.	teach it, collaborate on it, interact with respect to it	dynamically interacting with participants
Intrapersonal	individualized instruction, independent study, options in course study, self-esteem building, etc.	self-checking materials, journals, materials for projects, etc.	connect it to your personal life, make choices with regard to it	bringing feeling into presentation

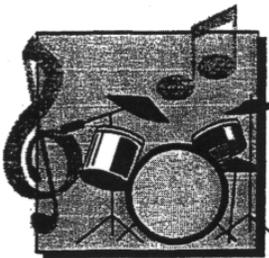




VISUAL/SPATIAL INTELLIGENCE deals with such things as the visual arts (including painting, drawing, and sculpture); navigation, map-making, and architecture (which involve the use of space and knowing how to get around in it); and games such as chess (which require the ability to visualize objects from different perspectives and angles). The key sensory base of this intelligence is the sense of sight, but also the ability to form mental images and pictures in the mind. This intelligence can be seen in such people as architects, graphic design artists, cartographers, industrial design draftspersons, and of course, producers of the visual arts (painters and sculptors).



BODY/KINESTHETIC INTELLIGENCE is the ability to use the body to express emotion (as in dance and body language), to play a game (as in sports), and to create a new product (as in invention). "Learning by doing" has long been recognized as an important part of education. Our bodies know things our minds don't and can't know in any other way. For example, it is our bodies that know how to ride a bike, roller skate, type, and parallel park a car. This intelligence can be seen in such people as actors, athletes, mimes (like Marcel Marceau), professional dancers, and inventors.



MUSICAL/RHYTHMIC INTELLIGENCE includes such capacities as the recognition and use of rhythmic and tonal patterns, and sensitivity to sounds from the environment, the human voice, and musical instruments. Many of us learned the alphabet through this intelligence and the "A-B-C song." Of all forms of intelligence, the "consciousness altering" effect of music and rhythm on the brain is probably the greatest. This intelligence can be seen in advertising people (those who write catchy jingles to sell a product), professional performance musicians, rock groups, dance bands, composers, and obviously, music teachers.

Multiple Intelligence Theory

Howard Gardner and his team of Harvard researchers involved in Project Zero have postulated that there are many forms of intelligence, many ways by which we know, understand, and learn about our world, not just one. Most of these ways of knowing go beyond those that dominate Western culture and education, and they definitely go beyond what current "I.Q. tests" can measure. Gardner proposed a system of seven intelligences and suggests that there are probably many others that we have not yet been able to test!

The Multiple Intelligences system will give you new awareness of how each particular intelligence works, what the various capacities and/or skills are, how to access each intelligence, as well as various techniques for teaching to the seven intelligences within the brain/mind/body system. Remember, the more intelligences you can incorporate into teaching, the deeper and more thorough the learning will be.

The following sections provide an overview of the multiple intelligences system showing how people who are strong in a given intelligence would prefer to process information.



VERBAL/LINGUISTIC INTELLIGENCE is responsible for the production of language and all the complex possibilities that follow, including poetry, humor, story-telling, grammar, metaphors, similes, abstract reasoning, symbolic thinking, conceptual patterning, reading, and writing. This intelligence can be seen in such people as poets, playwrights, story-tellers, novelists, public speakers, and comedians.



LOGICAL/MATHEMATICAL INTELLIGENCE is most often associated with what we call "scientific thinking" or inductive reasoning, although deductive thought processes are also involved. This intelligence involves the capacity to recognize patterns, work with abstract symbols (such as numbers and geometric shapes), and discern relationships and/or see connections between separate and distinct pieces of information. This intelligence can be seen in such people as scientists, computer programmers, accountants, lawyers, bankers, and of course, mathematicians.

Creative Learning International – 3136th St., Boulder, CO 80304 – 303.545.9250



INTERPERSONAL INTELLIGENCE involves the ability to work cooperatively with others in a group as well as the ability to communicate, verbally and non-verbally, with other people. It builds on the capacity to notice distinctions among others; for example, contrasts in moods, temperament, motivations, and intentions. In the more advanced forms of this intelligence, one can literally “pass over” into another’s perspective and “read” their intentions and desires. One can have genuine empathy for another’s feelings, fears, anticipations, and beliefs. This form of intelligence is usually highly developed in such people as counselors, teachers, therapists, politicians, and religious leaders.



INTRAPERSONAL INTELLIGENCE involves knowledge of the internal aspects of the self, such as knowledge of feelings, the range of emotional responses, thinking processes, self-reflection, and a sense of our intuition about spiritual realities. Intrapersonal intelligence allows us to be conscious of our consciousness; that is, to step back from ourselves and watch ourselves as an outside observer. It involves our capacity to experience wholeness and unity, to discern patterns of connection with the larger order of things, to perceive higher states of consciousness, to experience the lure of the future, and to dream of and actualize the possible. This intelligence can be seen in such people as philosophers, psychiatrists, spiritual counselors and gurus, and cognitive pattern researchers.

The information in this section is excerpted from *The Seven Ways of Teaching and Multiple Intelligence Approaches to Assessment*, by David Lazear.

Read *Frames of Mind* by Dr. Howard Gardner for indepth information on the Multiple Intelligences Theory.

***All men see the same objects, but do not equally understand them.
Intelligence is the tongue that discerns and tastes them.***

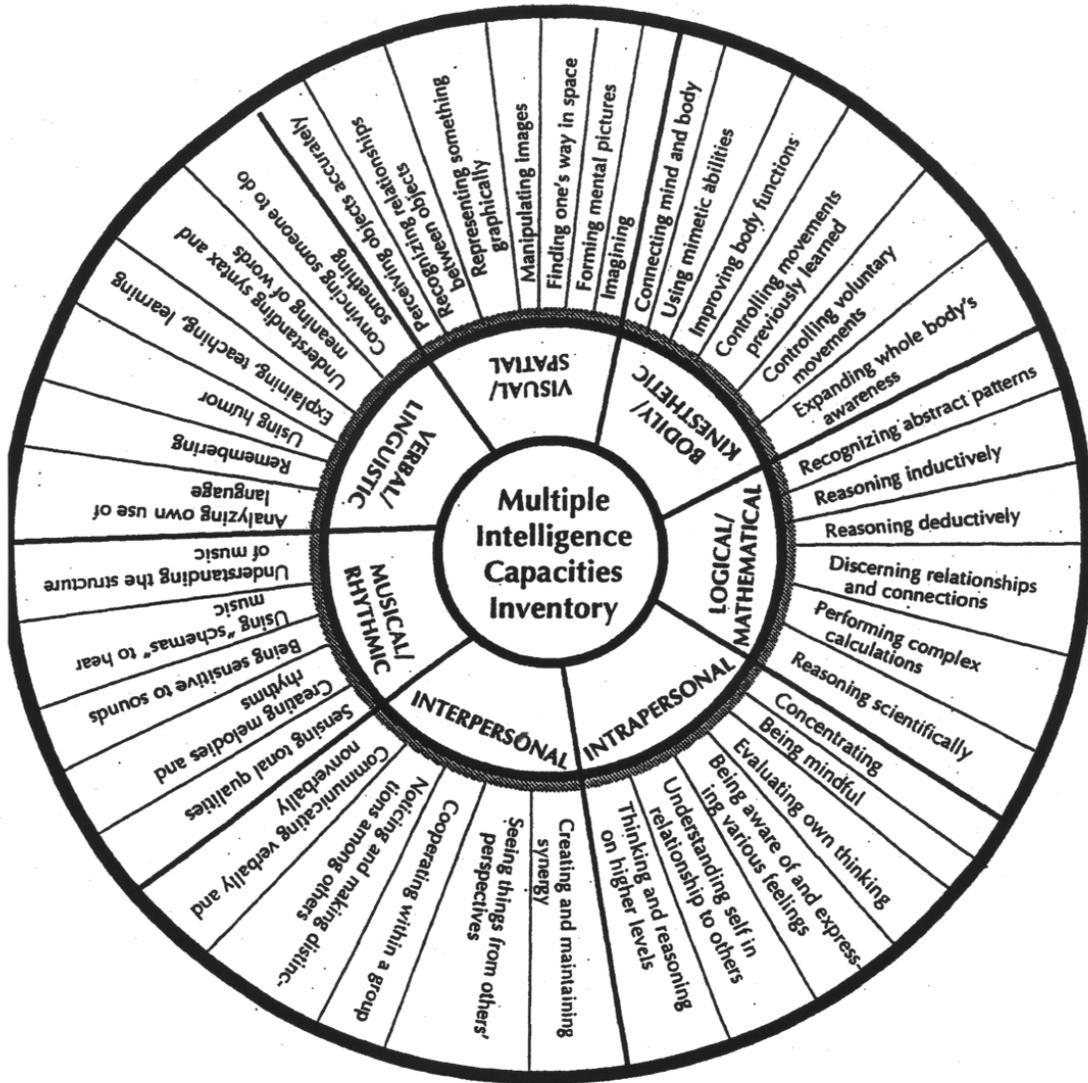
Thomas Traherne,
17th century poet

7 Intelligences Self-Assessment Survey

Read the items under each heading and score yourself using the following scale: 0 = uncertain; 1 = does not fit at all; 2 = fits slightly; 3 = fits moderately; 4 = fits strongly. When you have completed the survey add the numbers for each heading area and write in the total.

	Totals
Verbal-Linguistic Behaviors	
Loves talking, writing, and reading almost anything	0 1 2 3 4
Precisely expresses her- or himself both in writing and talking	0 1 2 3 4
Enjoys public speaking	0 1 2 3 4
Is sensitive to impact of words and language on others	0 1 2 3 4
Understands and enjoys plays on words and word games	0 1 2 3 4
Logical-Mathematical Behaviors	
Is good at finding and understanding patterns	0 1 2 3 4
Is quick at solving a variety of problems	0 1 2 3 4
Can remember thinking formulas and strategies	0 1 2 3 4
Likes to identify, create, and sort things into categories	0 1 2 3 4
Is able to follow complex lines of reasoning and thought processes	0 1 2 3 4
Visual-Spatial Behaviors	
Frequently doodles during class activities	0 1 2 3 4
Is helped by visuals and manipulatives	0 1 2 3 4
Likes painting, drawing, and working with clay	0 1 2 3 4
Has a good sense of direction and understanding of maps	0 1 2 3 4
Creates mental images easily; likes pretending	0 1 2 3 4
Bodily-Kinesthetic Behaviors	
Has difficulty sitting still or staying in seat	0 1 2 3 4
Uses body gestures and physical movement to express him- or herself	0 1 2 3 4
Is good in sports; is well-coordinated physically	0 1 2 3 4
Likes to invent things, put things together and take them apart	0 1 2 3 4
Likes to demonstrate to others how to do something	0 1 2 3 4
Musical-Rhythmic Behaviors	
Hums quietly to her- or himself while working or walking	0 1 2 3 4
Taps pencil, foot, or fingers while working	0 1 2 3 4
Can remember songs and rhymes easily	0 1 2 3 4
Likes to make up tunes and melodies	0 1 2 3 4
Senses musical elements in unusual or nonmusical situations	0 1 2 3 4
Interpersonal Behaviors	
Has an irresistible urge to discuss almost everything with others	0 1 2 3 4
Is good at listening and communicating	0 1 2 3 4
Sensitive to the moods and feelings of others	0 1 2 3 4
Is a good, effective team player	0 1 2 3 4
Is able to figure out the motives and intentions of others	0 1 2 3 4
Intrapersonal Behaviors	
Is highly intuitive and/or "flies by the seat of pants"	0 1 2 3 4
Is quiet, very self-reflective and aware	0 1 2 3 4
Asks questions relentlessly; has avid curiosity	0 1 2 3 4
Is able to express inner feelings in a variety of ways	0 1 2 3 4
Is individualistic and independent; is not concerned about others' opinions	0 1 2 3 4

Multiple Intelligence Capacities



* Adapted from David Lazear's *Seven Ways of Knowing: Understanding Multiple Intelligences* (Palatine, Ill.: Skylight, 1991).

Multiple Intelligence Approaches to Assessment © 1994 Zephyr Press, Tucson, Arizona

Theme Meeting

Thematic Goal?

Who's Accountable?

When will you hold the meeting?

Using the Multiple Intelligences list of activities,
what will you do at the meeting?

Verbal/Linguistic

Logical/Mathematical

Visual/Spatial

Bodily/Kinesthetic

Musical/Rhythmic

Interpersonal

Intrapersonal

Daily Theme

So the story goes:

One day a management consultant, Ivy Lee, called on Schwab of the Bethlehem Steel Company. Lee outlined briefly his firm's services, ending with the statement: "With our service, you'll know how to manage better."

The indignant Schwab said, "I'm not managing as well now as I know how. What we need around here is not more "knowing" but more doing, not knowledge but action; if you can give us something to pep us up to do the things we ALREADY KNOW we ought to do, I'll gladly listen to you and pay you anything you ask."

"Fine", said Lee. "I can give you something in twenty minutes that will step up your action and doing at least 50 percent".

"O.K.", said Schwab. "I have just about that much time before I must leave to catch a train. What's your idea?"

Lee pulled a blank 3x5 note sheet out of his pocket, handed it to Schwab and said: "Write on this sheet the six most important tasks you have to do tomorrow". That took about three minutes. "Now", said Lee, "number them in the order of their importance". Five more minutes pass. "Now", said Lee, "put this sheet in you pocket and the first thing tomorrow morning look at item one and start working on it. Pull the sheet out of your pocket every 15 minutes and look at item one until it is finished. Then tackle item two in the same way, then item three. Do this until quitting time. Don't be concerned if you only finished two or three, or even if you only finish one item. You'll be working on the important ones. The others can wait. If you can't finish them all by this method, you couldn't with another method either, and without some system you'd probably not even decide which are most important".

"Spend the last five minutes of every working day making out a "must " list for the next day's tasks. After you've convinced yourself of the worth of this system have your men try it. Try it out as long as you wish and then send me a check for what YOU think it's worth".

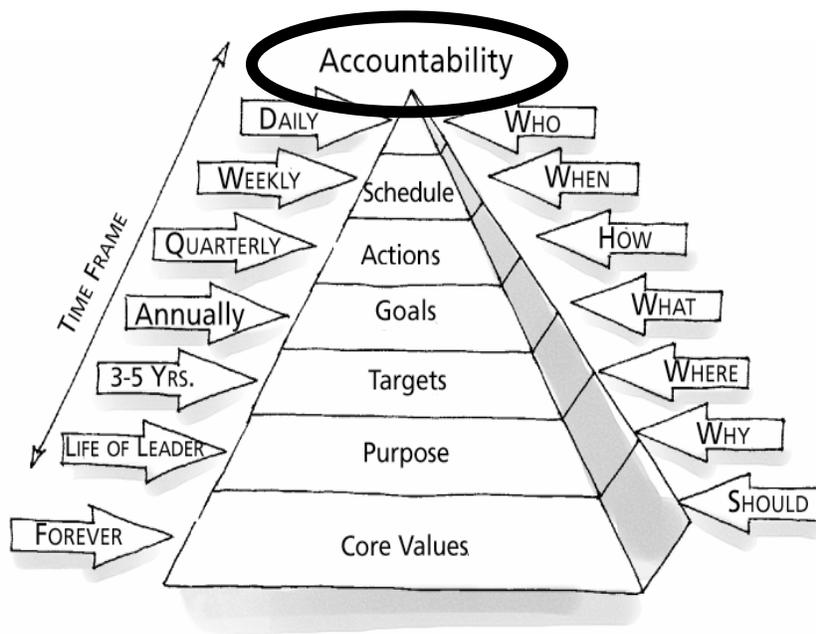
The whole interview lasted about twenty-five minutes. In two weeks Schwab sent Lee a check for \$25,000 - a thousand dollars a minute. He added a note saying the lesson was the most profitable from a money standpoint he had ever learned. Did it work? In five years it turned the unknown Bethlehem Steel Company into the biggest independent steel producer in the world; made Schwab a hundred million dollar fortune, and the best known steel man alive at that time.

Thank You's

List ten people down the left-hand column to whom you should show appreciation on a regular basis (especially your direct reports) and post this chart at your desk. Place five Thank You cards on your desk and give them out each week for the next ten weeks. Put a checkmark next to the five to whom you sent a Thank You card each week. Mark the "Others" row if you sent a Thank You to someone not on your list. See if you can send a Thank you at least twice to everyone on your list. See if you are playing favorites? Anyone you're ignoring on a regular basis?

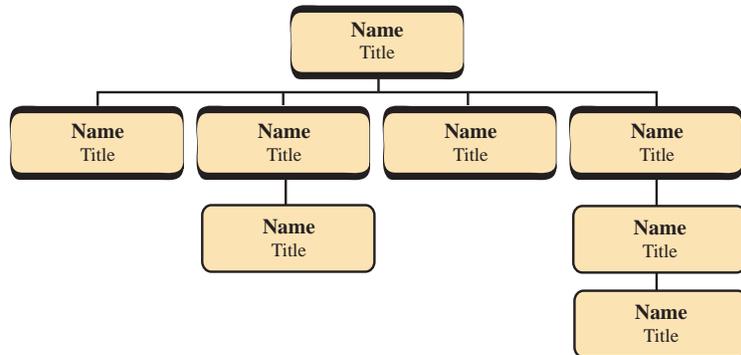
Week										
of										
Name										
Others										

Structures & Accountabilities



Org. Structure – genius of the “And”

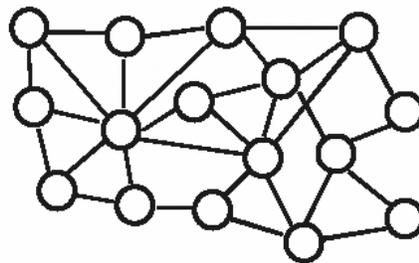
Accountability Chart – a place for everyone



"Humankind has not woven the web of life, we are but one thread within it. Whatever we do to the web, we do to ourselves. All things are bound together. All things connect."

Chief Seattle

Workflow/Process Charts – chart information flow



Almost Matrix

"To oversimplify, there will be two main flavors of (new style) managers: process managers and employee coaches."

Fortune Magazine
September 19, 1994

"Leaders at GE are now subject to what we call a 360° evaluation, meaning they are rated not just by those above them, but by their peers and their subordinates as well. This has become a powerful tool for detecting and changing those who "smile up and kick down." To be blunt, the two quickest ways to part company with GE are, one, to commit an integrity violation, or, two, to be a controlling, turf-defending, oppressive manager who can't change and who saps and squeezes people rather than excites and draws out their energy and creativity. We can't force that creativity and energy from our teams – they have to give it – but we have to have it to win."

Jack Welch

CEO, GE

The Almost Matrix

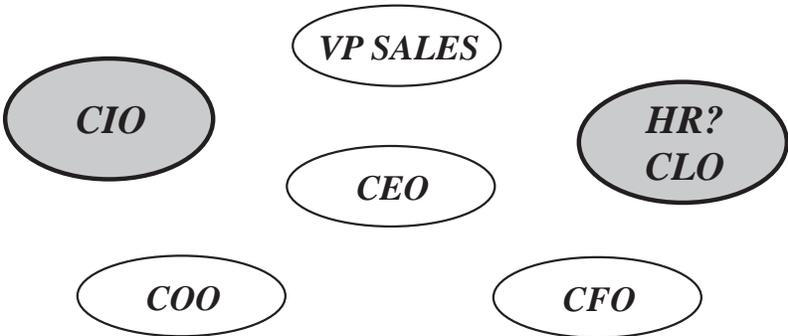
Leadership

Leadership Positions

A new role has emerged — that of the Chief Knowledge Officer (CKO). In many cases, they are filling the role of both HR/Chief Learning Officer (CLO) and the Chief Information Officer (CIO). The simple job description of a CKO is to make sure everyone in the firm "knows what they need know" to do their job. This is both a function of the information systems and the training systems.

"Everything I thought I knew about leadership is wrong....I am now a coach, not an executive."

Mort Meyerson
CEO, Perot Systems



Accountability Worksheet

Assignment:

1. Name the number 1 person accountable for each position.

2. List Key Measures for each position.

3. Take Profit and Loss Statement (Income Statement) and Balance Sheet and assign a person's name to each line item.

4. Each month, if any line items are off-plan, the person with accountability answers 2 questions.

a) Why is the number off ?

b) What is your corrective action plan?

Head of Company (CEO)

Head of Sales and Marketing (VP Sales & Mktg)

Head of Sales

Head of Marketing

Head of Operations/Manufacturing/Service Delivery and R&D (COO)

Head of Operations/Manufacturing/Service Delivery

Head of Research and Development

Head of Finance and Accounting (CFO)

Head of Treasury

Head of Controller

Head of HR/Learning/People Development (CLO)

Head of Information Technology (CIO)

Heads of Business Units

M.A.P



M.A.P Management Accountability Plan

Management Team Member: _____

"Big Rock" _____

Goal Title: _____

Story: _____

	Actions	Who	When	Resources Needed
1st Qtr.				
2nd Qtr.				
3rd Qtr.				
4th Qtr.				
Next Year				

Sample Management Accountability Plan

Management Team Member: V. Miller

"Big Rock" Marketplace Development

Goal Title: Sales Team Organization

Story: OS needs to provide better coverage of existing customer base as well as expand our coverage of opportunities for new business development

	Actions	Who	When	Resources Needed
1st Qtr.	Analyze and make corrections to existing account coverage	VBM	2/1/1999	BD Input
	Initiate process for leads mgmt with JH	VBM	2/1/1999	JH
	Establish specific activity std for NBD reps	VBM		
2nd Qtr.	Define needs for leads mgmt process & exchange of lead info with JH	VBM/LR	4/30/1999	
	Enhance internal activity tracking of NBD reps	VBM	4/15/1999	Outlook software
	Hire 2 NBD reps capable of achieving 1.2 mm	VBM	4/30/1999	Recruiting fees?
	Develop list of top 20-50 target accounts	VBM	5/31/1999	BD input/JH database
	Leads mgmt process in place and active	VBM	5/31/1999	JH
	Attend 3 industry/community organization mtg.	VBM	5/31/1999	
	Solidify 2 RE relationships	VBM	5/31/1999	
3rd Qtr.	Committee role in organization	LR	8/31/1999	
	Source method for coverage of top 50 accounts (ie. SC/OS joint investment)	VBM/BD	8/31/1999	
4th Qtr.				

Job Description

STRATFORD FINANCIAL SERVICES *Loan Officer Success Guidelines*

The Core Values for Stratford Financial Services

1. Ethics and Respect For All
2. Be Courageous
3. Routine Will Set You Free
4. Be Proactive
5. Be the Vocal Expert
6. See the Big Picture
7. Be Responsible for Your Own Experience

All actions of Stratford financial personnel should be consistent with the above statements.

The Stratford Mission

Our actions help people make SFR real estate decisions based on knowledge rather than ignorance or emotion.

The Brand Promise that Makes Stratford Unique in the Mortgage Industry

1. We Educate First
2. We Use a Big Picture Approach
3. We Manage Expectations

The Stratford Financial approach to asking for business.

1. *I'm _____ with Stratford Financial Services*
2. We specialize in helping people who want to build their custom dream homes.
3. We work with clients from the beginning of the process, sometimes two or three years in advance.
4. We educate them on how the entire process works and incorporate appropriate financing programs at every stage from land to permanent.
5. We have a 100% approval rate and have funded over 700 successful projects.
6. We also have 20 years of Purchase and Refinance experience and have helped many upper end and challenging clients with programs like 100% No Income loans to \$1.2mm.
7. Who do you know that could use our services?

Use this approach or a variation in all phone calls meetings and correspondence.

Copyright 2003 Stratford Financial Services

3 Stratford Benefits for Consumers

1. We give them an understanding of the entire custom home and financing process from start to finish.
2. We help them understand their mortgage decisions within the context of their total financial picture.
3. We give them realistic expectations as to costs and timeframes telling them things they don't want to hear as well as things they do want to hear.

3 Stratford Benefits for Architects

1. We save them time by educating the consumer on the Custom Home process from start to finish.
2. We establish an accurate budget and market value so the architect can understand the actual scope of affordability and marketability for the home.
3. We recommend the client pay the architect to scope out the house to the tiniest detail before bids creating more billable hours for the architect.

3 Stratford Benefits for Contractors

1. We save them time by educating the consumer on the Custom Home process from start to finish.
2. We teach the consumers to have liquidity for the project so the contractor does not depend on the bank draws.
3. We can get clients funded for difficult projects.

3 Stratford Benefits for Realtors

1. We can provide help and education to lot and custom home clients.
2. We can improve credit scores within days and finance clients with no income and no cash on million dollar purchases.
3. We can analyze a client's real estate portfolio and create opportunities for purchases and sales through tax and diversity education.

3 Stratford Benefits for Bankers and Credit Unions

1. We can fund most clients turned down for income or credit reasons.
2. We will provide competitive mortgages without competing for deposits, preserving loyalty.
3. Our methods encourage liquidity, increasing bank deposits.

3 Stratford Benefits for Custom Lot Developers

1. We can help Lot Buyers understand how to get from a Lot to a finished home.
2. We have Lot financing with No Income Qualifiers at 25% down.
3. We can shorten the time from Lot purchase to getting sticks up.

THE EXPECTED ROUTINE THAT WILL MAKE EVERY STRATFORD LOAN OFFICER SUCCESSFUL!

The Keys to Success are Persistence and Consistency

1. What I do every day to generate business:

- Call or Email 5 Architects
- Call or Email 1 Bank
- Call or Email 1 Realtor
- Call or Email 5 Contractors
- Call or Email 3 people on my Influence List
- Meet and give card to 1 new person anywhere
- Read my rate sheets

2. What I do every week to generate business:

- 2-3 Lunch appointments
- 2-3 breakfast appointments
- Visit at least 1 Realtor
- Visit at least 1 Architect
- Visit at least 1 Bank
- Visit at least 1 Contractor
- Read our website and all Stratford marketing materials word for word.
- Completely execute 2 CTP problems
- Study lender guidelines

3. What I do every month to generate business:

- Repeat 1 & 2
- Analyze monthly performance & set goals
- Call previous clients & ask for referrals
- Read a new book on effective sales
- Revisit and improve my Influence List

1. What I do every day to maintain business:

- Review File Status Sheet
- Review "To Do" List from Processor
- Communicate with Processor
- Prioritize Daily Agenda
- Return all phone calls & emails by end of the day

2. What I do every week to maintain business:

- Contact every active client in process
- 2 productive meetings with Processor
- Schedule Weekly Agenda
- Send thank-you notes or post cards to everyone I met during the week

3. What I do every month to maintain business:

- Contact every lead client
- Meet with other SFS Loan officers at least twice
- Call clients during build to see if project is going O.K. and ask for referrals
- Drive properties to see if sign is still there

Rhythm

"The Meeting Rhythm"



Jazz Band

Gazelles are like Jazz Bands – lots of improvisation going on, individual contributors producing solos, but the best are driven by a defined structure and rhythm. The rest are just creating a lot of noise.

Why Team Meetings?

1. **Communications Clarity** – the number 1 organizational issue when you get above 2 employees is “communication.”
2. **Focused Collective Intelligence** – to the extent a group can out-think an individual, get your teams thinking together on a regular basis.
3. **Peer Pressure** – having lots of one-on-ones don’t substitute for the team meetings we’re proposing. In one-on-ones, if there is a performance issue, you always have to be the bad one. In a team, you can leverage the power of peer pressure. This is not to be underestimated as a critical tool for leaders and managers.

Warning

Often Suspended – when the company is faced with a large initiative like moving, implementing a new computer system, or the executive is facing a major round of fundraising, critical rhythms are often suspended. This always leads to trouble. It’s a major reason why firms often collapse following their IPO, revenues drop after moving into a larger building, and cash flow reaches a critical point during the IT infrastructure upgrade.

Meeting Rhythm

Set dates in calendars for Year Out.

Annual 2 day meeting - executive team - Planning Pyramid

Quarterly 1 day update - 5 Rocks/Theme

Quarterly 1 day update - 5 Rocks/Theme

Quarterly 1 day update - 5 Rocks/Theme

Monthly mid-management meeting with executive team - review previous month, forecast next three, explore what worked or didn't and why stuck. Conduct 2-hour MBD training.

Weekly executive team meeting — 60 - 90 minutes

Sales meeting

Marketing meeting

Operations meeting

R&D/New Business Development meeting

Finance/Accounting meeting

Employee Quarterly/Annual Theme Meeting(s)

Daily Huddles

When will everyone else in firm have weekly/daily meetings?

2006 Calendar

January 2006

Su	Mo	Tu	We	Th	Fr	Sa
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Daily Meeting Structure

Focus

Top 1 Priority & Bottleneck

Quick Daily Agenda - 5 to 15 minutes:

2-5 minutes - What's Up. Specifics about activities, meetings, accomplishments, noteworthy news from customers, etc.

2-5 minutes - Daily measurements/indicators — day before and goal today.

2-5 minutes - Where are you stuck? Where's the bottleneck? Who's run into a roadblock. What can be done about it? Bite-sized chunks!!

(Optional) Review a core ideology.

Stand-up, don't sit-down, for meeting.

By phone if only option.

When is your Daily Meeting going to be? _____

Who is going to attend? _____

Will it be a conference call or stand up meeting? _____

Whose office? _____

If needing to use a conference bridge, we suggest freeconference.com or raindance.com. We also recommend using a reminder service like iping.com.

Monday, March 29, 1999



Pyramid Today



Published Monday through Friday (except holidays). Distribution NLT 5:00 p.m.

Publisher: Barb Olson

Deadline for Entries: Tuesday through Friday: 3 p.m. the day before. Monday Deadline: Friday @ 3 p.m.

QUALITY OPPORTUNITIES - TOM FISHER

Date	Initiator	Investigator	Description
03/25/99	Roberts	Fisher	Barcol needs to be set better for 6" and 12" trenches....
03/25/99	Dorfi	Sampson	Burned out lights need to be replaced
03/25/99	W Gundaker	Sampson	Exhaust neck on muffler broke off. If not fixed muffler will soon fall off truck.
03/25/99	P Beck	P Beck	Thermwood CNC

PLANT PERFORMANCE - JAY LEIPHEIMER

		Monday 3/22/99		Tuesday 3/23/99		Wednesday 3/24/99		Thursday 3/25/99		Friday 3/26/99		Saturday 3/27/99		Week end 3/21/99
		P l a n	Actual	P l a n	Actual	P l a n	Actual	P l a n	Actual	P l a n	Actual	P l a n	Actual	
Trenches	Molded Cycles	3 6	14	3 6	32	3 6	21	3 6	12	3 6		0		72
	Finish Parts		31		26		26		25					291
	Scrap Parts		0		0		0		0					3
	Non- Conform		21%		39%		33%		8%					158%
	Sales		\$4120		\$3640		\$3629		\$3034					\$19653
	Hours		0.0		0.0		0.0		0.0		0.0		0.0	52.0
PWC	Molded Parts	2 0	16	2 0	17	2 0	15	2 0	9	2 0		0		59
	Finish Parts		0		0		3		8		0			0
	Scrap Parts		0		0		0		0		1			1
	Non- Conform		100%		100%		100%		100%		100%		100%	100%
	Sales		\$		\$		\$825		\$2200		\$		\$	\$
	Hours		101.0		97.0		111.0		110.0		0.0		0.0	221.0
Small Parts	Molded Parts		14		12		33		36					166
	Finished Parts		51		64									44
Mop Sinks	Molded Parts													
	Finished /Boxed													

AREA CHAMPIONS FOR MARCH (Area Champions are responsible for clean-up and housekeeping.)

VEC CELL	M. ZABOROSKI	FINISHING/CNC	DAVE GERMANO	SMALL PARTS	JEAN POTASE
FLO THRU	RICK ROBERTS	CUSTOMS	G. RHOADES	DETAILING	BRIAN SINGER
MIX PLANT	JOHN WHALEN	MAT CUTTING	TRACEY BILLBE	MOLD REPAIR	BILL HALLER
YEAR OF PLANT	JUSTIN BARNES	ENGINEERING	MARK BURNS		

Visitors - Michaelene

3/29 @8:00 AM ANDREW SHERMAN, VERNE HARNISH AND JEFF VAN SLOUN TO VISIT PYRAMID
 3/30 FORD WILL VISIT PYRAMID
 4/6 OWENS CORNING WILL VISIT PYRAMID



Travel - Michaelene

MEETINGS - MICHAELENE

Thursday

One-on-One with CEO
 8 AM Renee Rossi, Human Resources
 9 AM Bob McCollum, Engineering
 10 AM Jay Leipheimer, Manufacturing
 11 AM David Aquaro, Administration
 12 PM Shiraz Sidi, Technology
 1 PM Gary Eaton, Business Development

Thursday

Operating Directors @ 4 PM
 (Gene, Bob, David, Jay, Shiraz, Renee)

Friday

Technical Directors @ 8 AM
 (Shiraz, Jim L, Bill C, Jim M, Tom, Bettie)

Friday

Safety Committee @ 10:00 AM
 (Tom B, Bill, Todd, Garold, Erik, John, Renee)

March 31 @ 8:15 AM
 Manufacturing Meeting

April 1 @ 8:15 AM
 TQM Planning Meeting

VACATIONS AND ABSENCES - RESPONSIBLE DIRECTOR

DATE	NAME	REQUEST
3/29-4/2	David A	vacation
4/1	Mark B	birthday
4/1	Bettie N	out at 3:45
4/2	Ken G	vacation
4/2	Phil B	personal day
4/2	Bernice S	vacation
4/2	Marty S	vacation
4/2	Mark B	vacation
4/2	Sue D	½ day vac
4/2	Corey T	birthday
4/2-5	Tom F	vacation

4/5-9	Renee	vacation
4/5-9	Ricky H	vacation
4/7	Bettie N	out at 3:45
4/16	Mike R	vacation
4/19-20	Casey M	vacation
4/23	Phil B	personal day
5/28-6/1	Marty S	vacation
6/11	Tom B	vacation
7/6-9	Tom B	vacation
7/10-18	Doug H	vacation

Weekly Meeting Structure

Weekly Meeting

Now that you are starting to collect all this data, it's very helpful to set a time each week when you can meet to talk about the data. It may seem impossible at first, but once the habit is created and the meeting is structured properly, most people will look forward to the meeting and find they can't function properly without it. In fact, some companies have employees in a huddle of some kind on a DAILY basis. These employee team meetings are THE major building block for implementing the rest of the ideas you'll learn in the Master of Business Dynamics series.

To make these meetings productive and useful, I suggest the following specific agenda. I also recommend you back it up against a critical time deadline, like lunch or 5pm or 8am. This will cause the meeting to end on time. The suggested agenda:

5 minutes -- Good News. Go around the group and have everyone share a SPECIFIC good news story, personal and business, from the past week. It's a way to counter the negativity of these meetings, since they are mainly focused on addressing challenges, and helps people begin to see the good, not just the bad. It's also a great way to get to know each other better and to give each other a pat on the back. Maybe awkward at first, but make sure everyone participates.

5 - 10 minutes -- The Numbers. Go over Smart Numbers, Critical Number, and everyone's individual or team weekly measures of productivity. Don't get hung-up in conversation. Just report the numbers. It's best if every team graphs the weekly measurements as they are shared in the meeting. It helps people see trends in the data.

10 minutes -- Customer & Employee Data. Go over the hassle logs. Again, don't get hung-up in conversation. Just review if there are any recurring issues or concerns that the team or its customers are facing day in and day out. Choose one to get to the root cause of and assign a person or small group to explore.

10 - 30 minutes -- Collective Intelligence. Open conversation around a "rock." Use the collective intelligence of the team to drill on a big issue. Have the person with accountability for a "rock" make a presentation on how they are addressing it.

One Phrase Closes — go around the room and let everyone say a word or phrase that represents how they feel at that moment about the meeting.

Keep a log of *who* said they would do *what when*. Sample log in Appendix.

This 30 to 60 minutes each week, if effective, will help make everyone's job easier and more productive. If it's not, reexamine how the meeting is being run and what is being discussed but don't quit this crucial rhythm.

----- Forwarded by Andrew Macdonald/EHP on 06/14/99 12:48 PM

Andrew Macdonald
06/03/99 07:57 AM

To: Senior Staff
cc:
Subject: Commitments

Thanks for getting these in on time!

Chris

- 1) Data enter the payroll information needed for the timecard merge into the Lotus Staff database (info for each employee). Done
- 2) Call ADP to set up new direct deposit schedule Done.
- 3) Begin working with Keyna on creating spreadsheets to help predict what each employees bi-weekly pay. These spreadsheets will help illustrate exactly what the difference will be so employees can plan. In process. This is also part of this week's commit

For 6/3 thru 6/9

- 1) Finish working on the vacation and benefits spreadsheets. This information is needed for the roll-out meetings on 6/15 so employees will understand the changes to the payroll system.
- 2) Sit with Keyna while I process the 6/15 payroll to review the process with her so she will be prepared to eventually assume the majority of the payroll processing duties.
- 3) Calculate the May leave balance by 6/3 for Finance.

Dale

I was not able to complete my commitment from last week. I plan by 6/17 to have the analysis of the Peoples Gas positives which is my commitment from last week.

David

Looking Back

- Hezlep will meet with PetSmart and 2 other Phoenix-area prospects
Result: PetSmart meeting went great; no other appointments made
- Kirtz should get decision from Dominick's
Result: Introduced in Monday's meeting as "the provider of this new program"
- Robert Liberman will come back to finish Act! installation and set-up
Result: Scheduled for Wednesday afternoon

Next Week

- Assess our willingness to respond to Baltimore-area EAP RFP for 19,000 ee's
- Assure Hezlep follows through with Randstad requests for pricing options
- Make Donna & Donna laptops Act! for Notes accessible and return by Thursday

IS

Last week's commitment update;

- Complete Walgreen's reporting needs -DONE
- Complete Rite Aid FTP reporting need - DONE
- Implement Modified SBCL download - UNDERSTESTING WITH NEW DFWP SYSTEM
- Testing of new DFWP system - UNDERWAY
- Complete Kelly fax form system - DONE
- Complete Window NT installation on new Gateways - DONE

Next weeks:

- Get DFWP training environment ready
- Complete workstation inventory
- Evaluate Autofax/IVR system upgrade/reliability needs

Jane

- Month end close out
- MHC client manual billing
- MHC client billing update
- Month end financial report

Nina

- Prepare new system training draft
- Complete draft letter to MHC clients
- Outline specs for MHC SBN brochures and packets

Sally

Update on my commitments for the week ending 5/19/99

- (1) Complete action steps from survey - MOST COMPLETE
- (2) Complete contact with all MeriStar properties - DONE
- (3) Complete recommendations for Top MHC accounts - DONE
- (4) Complete prototype Drug Reference Guide and distribute to senior staff - DONE
- (5) Complete 2 client info sheets - DONE

Here are my "teams" commitments for the week of 6/3/99:

- (1) Complete customer IS needs
- (2) Complete MHC action items for top 3 clients
- (3) Prepare a final MeriStar roll-out report
- (4) Develop introductory letter for Implementation Process

Meeting Rhythm Examples

Others Meeting Weekly and Daily

We feel strongly that every employee should be in some kind of daily and weekly meeting with their team, even if it's by telephone for those working in the field.

On the following pages are three articles, the first about the **Ritz-Carlton** Hotels, one of the finest hotel chains in the world. Even though their people work in a 7-days-a-week, 24-hours-a-day business, every day all employees around the world gather in some kind of daily shift meeting for 10 minutes. The article discusses what they talk about.

The second article outlines why and how one of the hottest software companies, **Marimba**, holds a weekly one hour meeting for its 40 employees. From high tech to low tech, from big to small, a well-organized daily or weekly huddle is critical.

The last article is about **Microsoft's** use of daily meetings.

Fast Company

This is the text-only, printer-friendly version of 'The Ritz Puts on Stand-Up Meetings'
Its permanent web address is : <http://www.fastcompany.com/online/17/minm.html>)

The Ritz Puts on Stand-Up Meetings

The Ritz-Carlton chain is the only hotel company to receive the coveted Malcolm Baldrige National Quality Award. Here's a look at methods they use to guide their success.

by Cathy Olofson; illustrations by Ed Fotheringham; from FC issue 17, page 62; (C) September 1998

M.I.N.M.: The Daily Lineup

Who: Leonardo Inghilleri, Senior VP, HR, the Ritz-Carlton Hotel Co.

Email: leonardo.inghilleri@ritzcarlton.com

URL: www.ritzcarlton.com

Players: 75 to 80 members of the corporate team

Frequency: Every day at 9 a.m.

Purpose: "To remind us of why we came to work that day."

Why I Never Miss It: "Those of us at corporate headquarters aren't above the law. It establishes an emotional tie with the rest of the company."

Nobody understands perfection like the Ritz-Carlton. The Atlanta-based chain is the only hotel company to receive the coveted Malcolm Baldrige National Quality Award. Every one of its nearly 16,000 employees undergoes 120 hours of rigorous customer-service training. Maintaining such standards at 34 hotels around the world is a major challenge, says Leonardo Inghilleri. "We tell our employees to move heaven and earth to satisfy a customer," he says. "We have to equip them to do that - every day."

That's where the Ritz's daily lineup comes in. Every morning at precisely 9 a.m., about 80 of the company's top executives gather for a 10-minute stand-up meeting in the hallway outside the office of President and COO Horst Schulze. Just as important, within 24 hours, at every hotel from Boston to Bali, the rest of the company's employees get the same concentrated dose of the Ritz credo at their daily shift meetings.

Guiding Principle

Fast focus. "The meeting is part training, part operations, part philosophy - all conducted with drill-like efficiency. We work in a 7-days-a-week, 24-hours-a-day business, and our customers are diverse. Employees need to know how to think on their feet to solve a problem."

Best Practice

One meeting, one issue. "We prepare a monthly calendar of lineup topics - ranging from the opening of a new hotel in Dubai to meeting-planner programs - and email them weekly to each hotel. For one critical moment every day, the entire organization is aligned behind the same issue."

Dress Code

Formal. "One of our service basics is the importance of immaculate attire."

Talking Stick

"The lineup is run by a volunteer facilitator. The meeting is split into three parts. First, we introduce the topic of the week. Second, we revisit one of our 'customer-service basics.' Finally, we run through operational issues that are specific to each department: anything from the specials on the menu to an upcoming meeting with an investor. Ten minutes after the meeting begins, everyone is back at work."
Cathy Olofson cathyo@channel1.com is a writer and editor based in Cambridge, Massachusetts.

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This is the text-only, printer-friendly version of 'How Marimba Keeps In Step'
Its permanent web address is : <http://www.fastcompany.com/online/09/minm9.html>)

How Marimba Keeps In Step

Meeting I Never Miss

by Matt Golberg; illustrations by MaryAnne Lloyd; from FC issue 9, page 34; (C) June 1997

Who: Kim Polese, polese@marimba.com

Company: Marimba, <http://www.marimba.com>

Title: President and CEO

MINM: All-Hands Meeting

Frequency: Every Tuesday at 11 AM

Purpose: To get the entire staff up to date on the latest developments -- from sales and hiring to parties we're planning; to give everybody face time and a voice to discuss their concerns.

Why I Never Miss It: It's my chance to learn from the entire staff.

When Kim Polese, 35, left Sun Microsystems in 1996 to found software company Marimba, she insisted on taking one thing along -- the "All-Hands Meeting." Polese says she never willingly skipped the weekly ritual during her seven years at Sun for fear of "missing huge shifts in strategy or some major drama." Marimba's All-Hands Meeting combines real-time change with an exuberant communal energy that keeps its 40 young employees locked on the goal of outpacing the pack of push-technology competitors.

Guiding Principle

Don't waste people's time -- it's irritating, disrespectful, and wastes money.

Best Practice

Be prepared. Don't allow excessive digressions. And end early if you've covered everything. There comes a point in the meeting when we all dive into discussions about company strategy -- but we don't go too far. After a few minutes, I'll call a time-out and take the topic online for later discussion.

Talking Stick

Everybody speaks up -- there are no real protocols. I give a general status report and various people talk about particular issues -- upcoming deals in Japan, our order status. Then I talk about staffing -- there's always someone new here. To close, I ask if anyone else has anything they want to say, and someone always does. The All-Hands meeting always ends on a high note.

Setting

A big conference room with a bunch of floppy chairs -- people just fling themselves down.

Dress Code

Ultracasual: cut-off shorts and T-shirts. Sales people, of course, wear suits.

Audio/Visual

I take action items down in my notebook.

Energy Source

If it's someone's birthday, we'll have cake.

Postgame

The meeting takes place right before lunch so people get together to eat and discuss things that got cut off during the All Hands.

Most Memorable

The most dramatic All Hands was at FirstPerson, a Sun spin-off. We were all expecting to hear that we'd be going in one direction. What we got was a complete reversal. Jobs changed then and there, and the company was repositioned in real time.

Matt Goldberg is an editor for Tripod (<http://www.tripod.com>) in New York City.

Fast Company

This is the text-only, printer-friendly version of 'Microsoft Knows How to Operate - Fast'
Its permanent web address is : <http://www.fastcompany.com/online/14/minm.html>)

Microsoft Knows How to Operate - Fast

For one of the hardest-driving companies in the world's fastest-paced industry, there's no question that business is war.

by Matt Goldberg; illustrations by Eric Palma; from FC issue 14, page 76
(C) April 1998

Meeting I Never Miss: The Triage Meeting

Who: Kathleen Hebert, General Manager, Microsoft Project

Email: kathleen@microsoft.com

URL: www.microsoft.com

Players: Six functional managers

Frequency: Seven evenings a week during the last two months of a development cycle.

Purpose: "To prioritize and eliminate roadblocks quickly in the face of tight shipping deadlines.

Why I Never Miss It: "It enables us to deal with tons of issues at a feverish pace - without sacrificing quality.

For one of the hardest-driving companies in the world's fastest-paced industry, there's no question that business is war. But while the world focuses on the open combat between Microsoft and its competitors, the software giant's legions of programmers, planners, and testers are engaged in another battle - against bugs. As general manager of Microsoft's \$220 million project-management software business, Kathleen Hebert leads about 100 workers in this unending fight. Her secret weapon? The "triage" meeting. In the final months of a development cycle, Hebert and her division's six functional "leads" meet nightly to sort through the complex tangle of glitches that inevitably plague each release of Microsoft Project. The object? Ruthless priority-setting and immediate action. In triage, "issues are decided in a very unambiguous way and quickly communicated to the team," says Hebert.

Guiding Principle

Balance of power. "We bring in all perspectives - technological, business, customer - and constantly ask ourselves, 'Is this the hill we want to die on?' The trade-offs immediately become clear."

Best Practice

Velocity of information. "Triage is about the immediate conversion of decisions into action. The leads close issues and set priorities quickly, so developers can keep writing code."

Setting

Microsoft office. "We cram into a standard-issue office. People sit on the floor or lean against the wall."

Dress Code

Shoes optional.

Energy Source

A different snack every time.

Talking Stick

Structured informality. "The triage meeting mirrors Microsoft's culture as a whole. People jump in with their opinions - usually passionately - and then groups 'negotiate' to a decision. The structure comes from the program manager, who moves the group through the bugs posted in our 'Raid' database, in order of priority. Each decision is posted immediately in the database so the team can get to work on it, and then we move on to the next issue."

Matt Goldberg mattyg@tripod.com is editing Tripod's Tools for Life, forthcoming this fall from Hyperion.

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Fast Company

This is the text-only, printer-friendly version of 'This Company Counts Its Cards Every Day'
Its permanent web address is : <http://www.fastcompany.com/online/31/minm.html>)

This Company Counts Its Cards Every Day

Meeting I Never Miss

by **Cathy Olofson**; illustrations by **Randall Enos**; from **FC issue 31, page 62**;
(C) January:February 2000

M.I.N.M.: Black Jack

Who: George S. Katsarakes, EVP and COO, TII Industries Inc.

URL: www.tii-industries.com

Email: gkatsarakes@earthlink.net

Players: More than 70 people from TII's headquarters and its international facilities, with at least one representative from every department in attendance

Frequency: Every morning at 9:09 ET

Why I Never Miss It: "It's my daily opportunity to check in on the company and its employees."

The daily Black Jack meeting at TII Industries is not about gambling -- anything but. The midsize company, which makes lightning- and surge-protection systems for the telecom industry, takes no chances when it comes to making sure that its customers and 1,000 employees are happy. So, every morning, more than 70 key leaders and managers of various TII facilities and departments -- from the Caribbean to China to headquarters in Copiague, New York -- have a conference call to check on the firm's well-being.

According to executive vice president and COO George S. Katsarakes, 62, who is not only the meeting's leader but also its creator, the goal is to make sure that no critical issues -- from an employee injury to a missed delivery -- slip through the cracks. "By including so many people, we get a full report," he says. "And we create a sense of group accountability." Why the name Black Jack? Says Katsarakes: "The meeting can't exceed 21 minutes. If it does, we lose."

Guiding Principle

Act fast. "The idea is to act on critical company developments within 24 hours of when they occur. Holding the meeting live, via conference call, helps create a sense of urgency."

Best Practice

No problem solving allowed. "We keep the meeting focused and short by restricting problem solving to offline discussions. Typically, these conversations happen right after Black Jack. The expectation is that any problem brought up during the meeting will be addressed by the next day's meeting."

Talking Stick

"We keep to the same script every day. I ask three questions. First: Did anybody get hurt anywhere? Second: Are all of our customers happy? Sales and customer-service departments from different facilities report on any new problems -- from late shipments to customer complaints -- as well as on issues that have been resolved in the past 24 hours. Third: Are there any other hot issues -- good or bad -- at any of our facilities? We make sure that all of these new issues have been assigned to the person in the best position to address them."

Pregame

"Before each meeting, we email everyone two reports. One is a Black Jack report, which includes company-performance information: completed customer shipments and sales figures. The other is a status report detailing progress made on hot issues raised at the previous meeting."

Fast Company

This is the text-only, printer-friendly version of 'So Many Meetings, So Little Time'
Its permanent web address is : <http://www.fastcompany.com/online/31/wyp.html>)

So Many Meetings, So Little Time

What's Your Problem?

by Cathy Olofson; photographs by Karen Moskowitz; from FC issue 31, page 48; (C) January:February 2000

Who

Gordon Mangione, 34, product-unit manager at Microsoft Exchange Group, where he leads the development team.

What's Your Problem?

"Daily meetings are a valuable tool for keeping projects on track. But as the number of participants grows -- our team includes about 60 key managers -- we face a dilemma: How do we ensure real-time interaction, keep everyone informed, and maintain cohesiveness -- without tying up the whole team?"

Tell Me about It

"Our war-team meetings are critical. Teams come together, review daily builds, and identify any developments from the past 24 hours. We haven't found an 'enabling technology' that works better than face-to-face conversation. But when meetings turn into standing-room -- only affairs, the disadvantages are overwhelming."

What's Your Solution?

"A hybrid meeting, part physical and part virtual. We still hold the daily meeting in our conference room, but now just 20 people sit in the room. The other 40 'attend' from their offices.

"Three technologies make these meetings work. Video cameras and microphones in our conference room and on everyone's PC allow 'virtual' and 'physical' participants to see and hear one another. A large-screen TV captures presentations, which we broadcast to the desktops. Every PC is connected via chat and instant-messaging technologies, so people can pass notes.

"We've also embraced the concept of selective attention. The virtual participants typically continue to work as they monitor the meeting in the background. That way, people can take notes or contribute at the most relevant moments."

Cathy Olofson (cathyo@channel1.com) is a writer and editor based in Belmont, Massachusetts. Contact Gordon Mangione by email (gordm@microsoft.com).

Weekly Data
&
Measures

Daily/Weekly Measures – Key Points

Highly recommend that everyone have a white board hanging in their office, cubicle, or workspace. Everyone should be tracking some kind of weekly measurement.

Best if graphical — it has a much greater impact on people if they see their weekly measurements on a large graph. Better if they have to plot the numbers themselves.



It's best if the company has one or two "critical numbers" around which to align the company.

A critical number represents a key weakness in the company, that if corrected, will fix a lot of other problems. It comes from your root cause analysis.

The executive team should also have a handful of "smart numbers" that give them insight into how the company is likely to do in the future.

The ability to predict is a key leadership function. A "smart" number is typically some kind of off beat measure or ratio that gives the executive insight into future performance of the firm and aligns with the strategic anchors.

Every person or team should have some kind of weekly metric that aligns with the critical numbers.

The key term is "alignment" or what Jack Stack, author of the *Great Game of Business*, calls "line of sight." Can every employee see how what they're doing impacts the entire firm.

Make your measurements visible

Like the United Way barometer, place your measurements, preferably in some graphical form, on large charts where the individual, team or company can see the results. We highly suggest every office employee have some kind of whiteboard in their cubicle or office on which to graph their progress.

Foreward Forecasting is critical

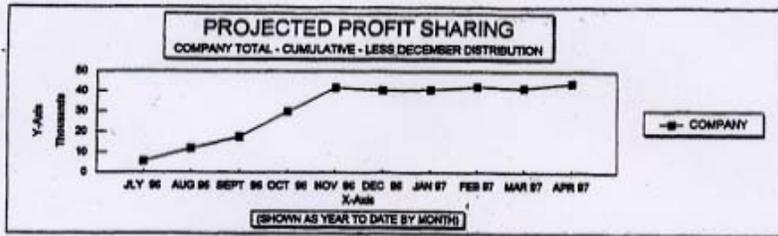
It's important that everyone sees measurement as more than documenting the past. It's as simple as getting your frontline people to both plot how they did last week and make an educated guess at how well they'll do next week. Every graph should have a projection line against which the weekly measures can be compared.

Make it Weekly

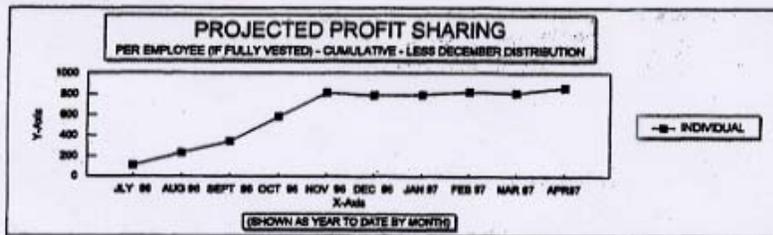
ABL Electronics passed out a sheet to every employee letting them know how they were doing **weekly** in the profit sharing plan. Sample on next page.

**ABL ELECTRONICS CORP
WEEKLY REPORT (YEAR BEGINNING JULY 1, 1996)
WEEK ENDING APRIL 4, 1997**

CONFIDENTIAL



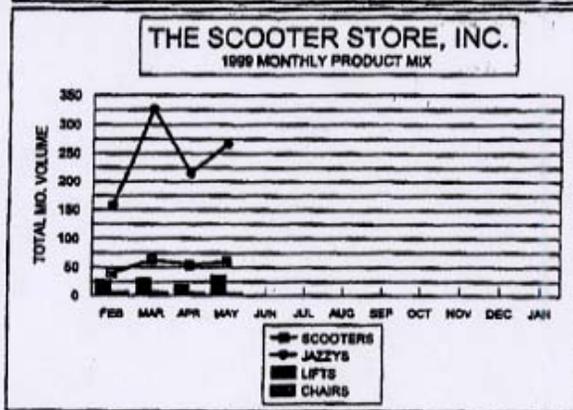
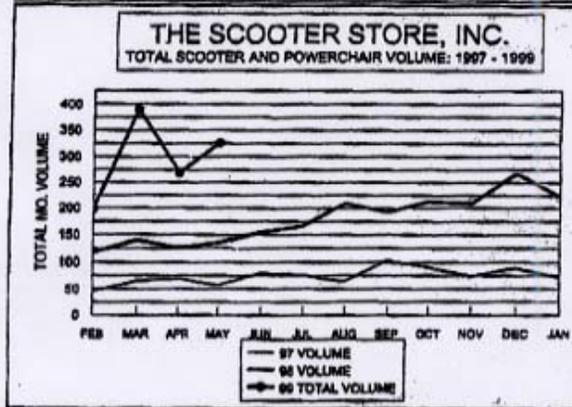
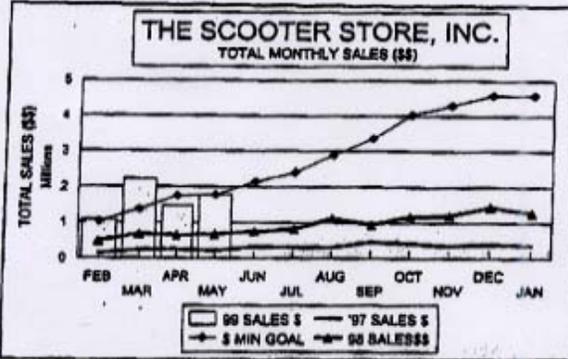
COMPANY	JULY 96	AUG 96	SEPT 96	OCT 96	NOV 96	DEC 96	JAN 97	FEB 97	MAR 97	APR 97
	\$5,500	\$11,800	\$17,596	\$29,771	\$41,577	\$40,428	\$40,654	\$42,085	\$41,471	\$43,833



INDIVIDUAL	JULY 96	AUG 96	SEPT 96	OCT 96	NOV 96	DEC 96	JAN 97	FEB 97	MAR 97	APR 97
	\$108	\$231	\$345	\$584	\$815	\$793	\$797	\$825	\$813	\$859

Profit sharing is distributed following the end of the fiscal year, usually in late fall. Eligible employees must be employed at the time of distribution to receive a profit sharing bonus. The company reserves the right to amend or discontinue the profit sharing bonus without prior notice.

****PLEASE NOTE THAT THE DECEMBER DISTRIBUTION AMOUNT HAS BEEN**
DEDUCTED FROM THE CUMULATIVE PROJECTED PROFIT SHARING AMOUNT.**



4/1999

11:00:35 AM

STORES MONTHLY VOL.123

Weekly Measures Worksheet

Smart Numbers

1. Choose at least one key measurement ratio for each business activity that gives you some insight into how that area of the business is doing moving forward:

Selling — (sales and marketing)

Making and/or Buying (operations and R&D)—

Keeping Good Records (receivables, inventory, etc) —



2. What is your Critical Number? It's the one or two areas of the business that need to be brought into line immediately. By doing so, drastic results will be realized and lots of other side issues will resolve themselves.

3. What are the measurements for your five or six key quarterly initiatives/rocks?

Situation Room

Draw a layout of your situation room. Where will it be? Post a large map of territories covered. List your core ideologies and purpose. Display your SMART numbers large and graphically. Who has the accountability for doing this?

HINT: If you don't have room for a separate situation room and you don't want visitors seeing your information, you can get a "A-framed" easel on wheels for around \$300 that has a white board on one side and a cork board on the other. You can use the white board for general discussions and mount all your maps, graphs, and lists on the cork-board side.

Keeping and Growing People

Dehassling the Organization

Log everytime you, an associate, or customer is hassled — where you spent a minute or more doing something that shouldn't have had to be done, should have been done right the first time, is a complaint, suggestion, idea, concern, or recurring problem.

Your log of issues and cost in money or time:

Examples of hassles or issues: a computer program is causing problems, a customer has requested something you don't do or have, a shipment or deadline was missed, you receive a report you don't need or read.

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Dehassling the Organization

*Close the
loop!*

Hints in making this work:

1. If you get a long list (my first client collected 1784 logged items in a two week period), explain to everyone that we can't fix everything tomorrow. Choose a couple you can act on immediately and/or choose a couple that will give a big payoff — probably an issue that was on many lists.
2. If you only get a few, don't worry. Just do something about the ones you did receive and make sure everyone knows. Once they see you acting on the lists, they'll be more enthusiastic to log the information.
3. In all cases, compile the logs and give the list to everyone — even if it has 1784 items on it. Do not summarize. People want to see their issue on the list, so just list the raw information.
4. The key is closing the loop. Let people know at a company meeting, in the newsletter, on a bulletin board, etc. what issues you're addressing and any issues you've solved.
5. You might have to start out rewarding people for submitting issues. One way is to buy a roll of raffle tickets and give out a raffle ticket for each issue submitted. Have a drawing once a week and give away small prizes. This will prime the pump.
6. It really helps to automate this process. An email box where people can submit issues and a way to track the progress on or status of each issue is helpful. You can get as sophisticated as you like.
7. A great way to involve the middle management of the firm is to have a group of them form a "continuous improvement" or "process improvement" team to stay on top of collecting and acting on the hassle lists.



3I Program

A simple process for getting systematic feedback is to establish a 3I program. Have your middle management submit 3 ideas every month for improving revenue or reducing costs. Pay \$20 for each idea that is implemented. Give feedback as to why if you don't decide to implement.

The 3I (Three Idea) Memo Program for Idea Generation

By Jimmy Calano, Founder and Former CEO, CareerTrack

1. Objective of the Program and Process

- To generate a *steady* stream of high-quality, usable ideas from all functional areas and levels within your organization
- Each idea submitted should offer a specific way to make money, save money or do something more efficiently
- In plain talk, the 3I program is a mandated suggestion box with a guaranteed, senior-level feedback mechanism

2. Main Criterion for Successful Execution

- CEO (or most senior-level executive in division) *must* commit time and attention to the program
- Must hold others accountable for monthly submissions of 3I memos (having an administrative assistant log and track all expected submissions keeps everyone honest)
- Schedule approx. three hours per month to read, ponder and comment on every idea submitted
- Talk up the program at company-wide (or division-wide) meetings, recognize exceptional ideas, hail contributors, and just plain make a big deal of the importance of the program

3. Who Should Contribute

- At middle to senior management and specialist levels, the 3I program should be non-voluntary (given their compensation, it's more than reasonable to expect these individuals to contribute profit-boasting ideas on an on-going basis)
- Specifically, *require* VPs, directors, dept. heads, and technical specialists to participate
- Make it optional for front-liners and lower-level specialists, but encourage them to contribute ideas (especially the ambitious ones)
- Allow managers to request and screen submissions from their staffs, and then submit the choice ideas (with each contributor's name associated, of course)

4. What 3I Memos Should Look Like

- Each contributor should submit three ideas on one side of a sheet of paper (or one computer screen) max
- Each idea should be stated as a headline, with 50-100 words of explanatory text following
- Allow space below each idea for the reviewer (generally the CEO) to respond with comments

5. Frequency of Memos and Quantity of Ideas

- Ultimately, the ideal frequency and quantity of submissions depends on the company size, number of employees, and maturity of the organization
- For Gazelle-size companies (\$5-200 million), requiring one 3I memo per month is probably just right, and since it's a rare employee that has more than three ideas worthy of consideration to offer per month, three ideas per memo works well
- If you require 25 individuals to hand in three ideas monthly, you can count on 75 mostly high-potential conceptions every 30 days

6. Ideal Sources for Ideas

- Talking to customers, clients and co-workers
- Recognizing inefficiencies (things that bother you on a regular basis)
- Discovering incremental improvements to systems and processes (obvious and not-so-obvious)
- Spotting opportunities (new products, enhancements to existing products, etc.)
- Reading books, magazines, tapes, and journals; attending trade shows and seminars
- Holding private "what if" brainstorming sessions with yourself

7. Procedural Tips for Contributors

- Throughout the month, as idea possibilities occur to you, make short notes on slips of paper and toss them into a “3I” file you’ll create
- Sort through them at the end of the month, determine the most likely-to-be-adopted ideas and then write them up
- It shouldn’t take more than 30 minutes to crank out a 3I memo
- Make identifying potential 3Is part of your everyday “thinking and being”

8. Give Feedback

- Message to the CEO: providing timely and constructive feedback is critical to this program – it will literally succeed or fail depending upon the extent to which you do this; therefore...
- *Reject gently* – explain exactly *why* an idea is not likely to work (don’t just write, “won’t work;” instead, explain how it was tried before and what went wrong, give a quick cost/benefit analysis, or present the limiting factors that make the idea impractical)
- *Ask smart questions* – if you need more info to evaluate an idea, pose probing queries that will make the contributor “think it through” (vs. you doing the thinking for the person)
- *Praise generously* – if you get a killer idea, lay on the acknowledgement and adulation -- *thick*
- *Return quickly* – return each 3I memo within one to two weeks of receiving it (always give back 3I memos – with your thoughtful comments -- before the next round of submissions is due)

9. Publish the Most Promising Ideas

- This communiqué is designed to 1) disseminate the ideas you want implemented ASAP (or at least considered), 2) showcase the praise-worthy contributors, and 3) generally reinforce the importance of the 3I program
- Determine the cream of the crop, which could be the top 10, 15 or 20 highest-potential ideas
- Reprint the original ideas as submitted along with your effusive praise (be sure to include the name of the contributor in **bold type**)
- Title this memo “The Top XX Ideas from the [month] Batch”
- Circulate it via email or hard copy to everyone in the organization

10. Reward Winning (i.e., *Published*) Ideas

- Offer just enough of a monetary reward that your employees will take the program seriously and continue to submit ideas month after month (without having to be prodded)
- \$20 per published idea seems incentive enough to get folks to write ‘em up and turn ‘em in
- Consider a more generous reward for the top 20 or so best-of-year ideas (\$500+ per winner will certainly provide ample year-long motivation to keep the ideation flowing)

11. Convert the Prime Ideas to Action

- Without meaningful follow through, this program will quickly be viewed as a waste of time
- When a no-brainer (or merely a promising) idea is recognized by the reviewer as actionable, it should be expediently converted into a stand alone document that conveys the next steps, complete with players involved, resources needed, timelines, etc.
- The reviewer should clearly state in his/her response who is expected to champion the idea (it may not be the one who conceived of the idea)
- If an idea is complex, It may make sense to request that a white paper, detailed memo, or planning document be drafted and routed to the individuals who will be affected
- Track and Evaluate All Published Ideas
- Create a database spreadsheet for all winning ideas, with columns for the idea synopsis, the original 3I memo date, the contributor, the champion, and the status; also, assign a discrete master number to each idea (for easier tracking)
- In the status column, label each idea as “D” for done, “IP” for in progress, “NP” for no progress or “A” for abandoned – with this coding system, you can tell at a glance where each idea stands
- Once per quarter, update this database and review it with middle and senior managers to insure that the ideas are being carried through to their natural completion

Hassle Log Examples

Hassle Log Section Examples

It's important that the process of collecting hassles becomes an ongoing process within the firm. On the following pages are samples of hassle logs developed and used by previous participating firms in the MBD. The first is a summary report of a log EHP, a leading drug testing management firm, uses to track client hassles. Every client hassle is logged using a code number, seen to the far left in the gray box. We've written in the type of hassle associated with each code number. These hassles are then assigned to someone who has accountability for looking into the root cause and getting it resolved with the client. The summary report is used to identify trends and patterns in the hassles so the problem solving tools you're about to learn can be put to use. Also included is a page from EHP's monthly newsletter that communicates to employees the number of Customer Complaints, Internal Defects, and Good Ideas logged and recognition of those that have solved the hassles.

The second sample log is from McKinney Lumber. In addition to the report, they post each hassle on banners that hang in their training/lunch room. Each hassle stays up on the wall until it is solved, keeping them in sight and in mind.

Client Problem Reports Categorized by Code & Subcode

Submitted	Accountable	Status
STS Services		
8/21/97 <u>15</u>	Andrew Macdon	Complete <u>0</u>
13 Phone Reports		
1/8/98	Home Depot 2560 Robert E Petty	Complete
3/27/98 <u>2</u>	Michigan Cap, Occu Health Nina M Franco	Withdrawn <u>2</u>
14 Billing		
6/10/98 <u>1</u>	Peoples Gas Nina M Franco	Complete <u>1</u>
16 Reports		
12/9/97 <u>1</u>	Truly Nolen Robert E Petty	Complete <u>1</u>
18 Lab		
1/19/98	Bostik Nina M Franco	Complete
8/27/97	Cross country Nina M Franco	Complete
1/23/98 <u>3</u>	Warner Management Nina M Franco	Complete <u>3</u>
20 DISA		
2/10/98 <u>1</u>	DISA Robert E Petty	Complete <u>1</u>
3 Autofax		
2/24/98 <u>1</u>	ATLANTIC PROFESSIONAL E Nina M Franco	Complete <u>1</u>
4 DOT reports		
3/6/98 <u>1</u>	Lynden Robert E Petty	Open <u>1</u>
9 Turnaround Time		
5/7/98	Dragone Bros. Inc. Nina M Franco	Complete
5/27/98	fletcher's acct # 50042051 Nina M Franco	Complete
4/7/98	George Washington U. Hospit Nina M Franco	Complete



Hats Off!



Recognizing
Employee
Ideas,
Initiatives &
Achievements

Vol. 1998 No. 5 May 20, 1998



Opportunities For Improvement

April did not exactly bring showers of entries into the OPPORTUNITIES FOR IMPROVEMENT DATABASE. We dropped to 53 entries in April, or almost half the March totals. Perhaps that's what happens when our brains produce such a bumper crop - they need to rest up - or maybe it was just all that depressing rain. Hopefully, we'll see more activity in May as the sunshine perks us all up.

Last month's total included 9 Good Ideas, 17 Customer Complaints and 27 Internal Defects. Our top idea women, DANIELLE HESTAND and ANGELA TOWNSEND, each submitted two; AHMED KANNA reported six client problems; and JANE SMITH and DR. PAT AUSMAN each turned in five internal defects.

One of ANGELA TOWNSEND'S ideas earned her \$25. Angela developed a Document Transmittal Form to help track documents that are passed around for editing and review by numerous people.

Both of DANIELLE HESTAND's proposals struck gold. Danielle suggests making the ability to search by communicator name, fax number, IVR ID or some other variable a feature of the MRO system. This will save DFWP staff time and trouble by allowing them to better narrow their searches. Her second idea was to add a prompt in the IVR that reminds staffers NOT to

(continued on Page 2)



HANDS AND STARS

April also saw a decline in the number of HANDS AND STARS to EHP employees. In fact, April's total of 57 Hands and Stars was almost one quarter less than March's figure of 72. If this trend continues, Miss Manners may have to be brought in for a seminar on Thank You Notes, and she'll probably insist on fine stationery, envelopes and stamps. Our way is so much easier!

On the bright side, 28 EHPers did receive electronic thank yous from coworkers and were, no doubt, happy to get them! Seven of those landed in DANIELLE HESTAND's mailbox, four went to LISA DIAZ, and DR. FERGIE REID, MONICA OBOAGWINA, JULIA ALQUIJAY, VERONICA HARRIS and LISA DUTZMAN, each received three.

On the giving end, 17 of us took time to send a Hand or Star to a colleague to recognize a job well done. Again, our top giver

(continued on Page 2)

Hassle List

No.	Description of Hassle	Department Submitted By	Date Submitted	Disposition and/or Assignment of Hassle	Disposition Date
62.	Having to hold vendor invoices due to lack of documentation such as signed delivery tickets.	Accounting - A/P	8/15/97	Being addressed through LISA. Assigned to Mike and Joe.	1/26/98
63.	Bundles not stacked right.	Movers & Makers	8/15/97	Sent out for more information.	1/26/98
64.	Not enough cross-outs in bundles.	Movers & Makers	8/15/97	Sent out for more information.	1/26/98
65.	People don't clean concrete by the shed after using the pressure washer.	Maintenance	8/15/97	Rick to check with Bob for more information. Assigned to Rick.	1/26/98
69.	Too much paper work for a direct shipped order.	Accounting/Sales	8/15/97	LGB will study for future solution. LISA should help.	1/26/98
76.	Need better identification of "good" and "bad" wood.	Sawmill	8/15/97	Need a written specification to properly identify wood. LGB will develop.	1/26/98
80.	Ash collection system at the power plant needs to be updated to prevent potential roof and/or loader fires.	Maintenance	10/15/97	This is a Hassle! Assigned to Rick Anderson to pursue. Equipment has been ordered to solve this problem per Rick.	10/20/97
91.	Executive management is difficult to reach at times when decisions need to be made. Need a system of communication including pagers for everyone in Executive management.	Darren Richardson	10/27/97	This is a Hassle! Assigned to Mike to develop a policy with special pager codes.	11/24/97 12/1/97
96.	The roof over the bandsaws in dept. 13 leaks severely. This presents a major safety hazard due to various electrical cords in the area as well as the possibility of someone slipping down.	BP Team	1/12/98	This is a hassle. We will study on this one to determine best way to solve.	1/12/98

Mick Ryan

23/98

Problem-Solving Guidelines

You might note that these guidelines are similar to those also found in conflict-resolution, decision-making, and problem-solving courses.

RELEVANCY — does the issue really matter, is it of top importance or is there a customer affected by the hassle. Here you are looking for a pattern of recurring hassles. You can't solve every hassle right away, so you want to look at those that are costing customers and employees the most time or money.

BE SPECIFIC — look back over your hassle lists. Did you write in generalities or list specifics. Some people will list as a hassle communications problems, or interruptions, or having to answer the same questions over and over. However, you can't begin to address these issues without knowing the who, what, when, where, how, and why of these hassles. Being specific also means being careful when using the words "always, never, and all the time." In staff meetings, push people to give specifics..

ADDRESS THE ROOT of the issue and not just the symptoms. Let's say you've identified a specific communications problem -- in most cases, the standard response is "send out a memo." Rarely does this get to the root of the problem -- instead, it serves as a quick fix. One of the best ways to get to the root of the problem is using the "5 Whys" technique. Ask "why" several times until you get to the root cause.

FOCUS ON THE WHAT, not the WHO — you don't want to turn your search into a finger pointing or blame game. Besides, 95% of the time, it's a process problem, not a people problem. However, what if all the WHATS keep leading to the same WHO. Maybe you've waited too long and the person has to be let go. But you should still ask "what did we do wrong that caused this person to fail?" Maybe your hiring or training process needs improved. If you don't get to the root of the WHAT, you'll keep making the same WHO mistakes.

INVOLVE ALL THOSE AFFECTED — rather than run around getting ten explanations from ten people, get them all in the same room to give a truer picture of the entire problem. Getting everyone in the room together also helps to minimize suboptimization where fixing a problem in one part of the organization causes greater problems elsewhere.

NEVER BACKSTAB — never talk negative about anyone without that person being present. The only exception is if you need to seek the advice of someone before confronting the individual. In this case, you still need to bring them into the conversation as soon as possible. This guideline has its roots in such principles as the right to face your accuser and to be present when being judged. Besides, when you talk negative about someone to another person, they have to then wonder if you are talking negative about them behind their back. If you can be successful in implementing this rule the level of trust and openness in your organization will improve immensely. And by having the other person present, everyone tends to follow the first four guidelines more closely.

Customer & Employee Data

Ask, listen, and involve — the tools

1. Periodic/regular formal surveys.
2. Focus groups.
3. Customer comment and complaint analysis - hassle logs.
4. Send executives and employees out to meet with customers - same four or five questions..
5. Bring customers to your location. Advisory board.
6. Call a couple customers each week. Have lunch with an employee each week. Ask the same questions of everyone, usually focused around key initiatives.

Hints on using these tools

1. Use several of the tools and gather data frequently, monthly at a minimum.
2. Base data gathering on statistically sound methods. Choose a few customers and employees each week randomly. This is better than surveying all of them just once a year. Will give you some data each week.
3. Involve all your employees in data gathering to get them closer to the customer.

Sample of Wild Oats survey and
Jack Stack's employee morale survey
on next pages.

EMPLOYEE JOB SATISFACTION SURVEY

On a five point scale, where “1” is strongly disagree, and “5” is strongly agree, how satisfied are you with your place of employment as a place to work? Choose any number between one and five to indicate how satisfied you are. Indicate your answers to questions 2-15 on a separate page.

1. Please circle length of service:
0-3 mos. 3 mos.- 1 yr. 1 yr – 3 yrs 3 yrs – 5 yrs Over 5 yrs
2. Does your supervisor or someone at work seem to care about you as a person?
3. Do you know what is expected of you at work?
4. In the last six months, have you received recognition or praise for good work?
5. At work, do your opinions seem to count?
6. In the last six months, has someone at work talked to you about your personal development?
7. Are your associates (fellow employees) committed to doing quality work?
8. Do you have the materials and equipment you need to do your work right?
9. From your most objective viewpoint, have you been compensated fairly this last year?
10. Do you feel the company is acting in your best interest for long-term job security?
11. Do you feel you have the opportunity to become a leader in this company?
12. Is your company family-friendly?
13. Does your management do what is necessary to make your company a safe place to work?
14. Has a supervisor ever asked you to do something unethical or dishonest at work?
15. I am actively seeking employment outside this company

WILD OATS STAFF SURVEY

This survey has been created so that you can anonymously relate your experiences as a staff member of Wild Oats. We will be using the numerical portion to come up with a store "Happiness Index." Which will tell us if morals are giddy or suicidal. This feedback will help us create a better working environment for everyone. Please do your best to complete this survey in an honest and open manner and with as much detail and explanation as possible.

Please rate your responses by circling the number that most closely describes your experience. Feel free to use the back of these sheets for additional comments.

1. How happy are you with your job overall?

Not happy at all

Ecstatic

1 2 3 4 5 6 7 8 9 10

Any comments or suggestions?

2. How do you feel about your benefits at Wild Oats?

Terrible

Great

1 2 3 4 5 6 7 8 9 10

Any comments or suggestions?

3. How do you feel about the pay levels at Wild Oats as compared to similar employers?

Worse than most
most

Better than

1 2 3 4 5 6 7 8 9 10

Any comments or suggestions?

4. How do you feel about the employee review system at Wild Oats?

Hate it
1 2 3 4 5 6 7 8 9 10 Love it

Any comments or suggestions?

5. How is the overall morale in your store?

Wonderful
1 2 3 4 5 6 7 8 9 10 Awful

Any comments or suggestions?

6. How do you feel about the responsibilities of your job?

Too Little
1 2 3 4 5 6 7 8 9 10 Too much

Any comments or suggestions?

7. How effective is your store manager?

Very poorly
1 2 3 4 5 6 7 8 9 10 Very well

Any comments or suggestions?

8. How effective is department manager?

Remarkably bad
1 2 3 4 5 6 7 8 9 10 Terrific

Any comments or suggestions?

9. Why do you come to work everyday?

Have to
1 2 3 4 5 6 7 8 9 Want to
10

Any comments or suggestions?

10. How does Wild Oats compare to your previous employers?

Worse
1 2 3 4 5 6 7 8 9 Same
10 Much better

Any comments or suggestions?

11. What department do you work in? (optional)

12. How long have you worked for Wild Oats?

13. How do you feel about the training and orientation program you experienced when you started? Do you feel you understand the procedures, policies, and responsibilities that are part of your job? How would you change things?

14. What do you like least about your job and/or the company? Please explain.

15. What do you like most about your job and/or the company? Please explain.

16. What would you change if you were owner?

Customer & Employee Data

Hassle/3I Data

Who has accountability?

Who should be on review team?

How will you distribute and track hassle/3I list?

Customer Delight

Who has accountability?

What are the four or five most important things you do to delight customers? How will you measure?

Employee Morale

Who has accountability?

Design the form while you're here.

Dictionary of Terms

Gazelles One-Page Strategic Planner Definitions

Strategic Planning Term	Definitions
1. Opportunities (to exceed Plan)	<i>What are the “Top 5 and First of 5” most promising and potentially profitable Opportunities available for your organization to actively and aggressively pursue? Select a timeframe that best suits your situation: either in the next 3-12 months (low-hanging fruit), or a period spanning the next 3-24 months.</i>
2. Threats (to making Plan)/ Brutal Facts	<i>What are the “Top 5 and First of 5” most dangerous and potentially devastating Threats or Brutal Facts facing you and your organization? The timeframe should be immediate to within the next 12-24 months, and should include Threats over which you have some degree of control in countering.</i>
3. Core Values and Beliefs	<p><i>The “Should’s” and “Shouldn’t’s” that guide your organization’s Decisions, Attitudes, Behaviors and Performance. Should be 5-10 Commandments upon which your Vision for the future is built. It will be the basis for Selection, Performance Review Evaluations, Promotion, and Retention of Key Players going forward. Answer these questions:</i></p> <ul style="list-style-type: none"> ➤ <i>How do we conduct our business?</i> ➤ <i>What makes up our unique culture?</i> <p><i>When your values are clear, all your decisions are easier.</i></p>
4. Purpose	<p><i>Ask the questions: “Why are we doing what we are doing?”</i></p> <p><i>“What is the reason we are in the business we are in?” “What is our Passion for the business we’re in?” What’s our Higher Reason for being in this specific business?”</i></p>
5. Actions	<i>What specific Actions do we need to take in the months and years ahead to best allow us to fulfill and achieve our Purpose and our Core Values and Beliefs?</i>

6. BHAG	<i>From Jim Collins – Your “Big, Hairy, Audacious Goal.” Should be: 10-25 Years out; Would make your organization Lofty and Legendary; Challenges you to Greatness; <u>and</u> must drive your Business Fundamentals. This is something that may take some time to figure out, so do not rush this process.</i>
7. Targets (3-5 Years)	<i>Where do you want your organization to be 3-5 Years from now, in terms of Revenues, Profitability and Market Value, at a calendar point that you select?</i>
8. Sand Box	<i>Defines three areas specifically and answers three Questions: 1.) What is your Geographic Market? 2.) What are your Product and/or Service Lines? And 3.) What are your Distribution Channels for your Products and/or Services?</i>
Strategic Planning Term	Definitions
9. Key Thrusts/Capabilities (3-5 year – Focus)	<i>What 5 specific Moves or Actions must you and your organization take, or what Talents must you apply, in measurable terms, prioritized and stated as “Top 5 and First of 5” Goals to meet or exceed your 3-5 Year Targets?</i>
10. Smart Numbers	<i>What off-beat measure or ratio will best provide insights into future performance that aligns with your Strategic Anchors and Financial Performance Goals? It should be unique to your organization’s business and your functional business practices, and should align with moving you towards your 3-5 Year Targets. The ability to predict is a key leadership function. (Example: Ratio or sales against same week, prior year to growth rate of the market.)</i>
11. Brand Promise	<i>To identify your organization’s Brand Promise, ask yourself these Questions: 1.) “What specific Need can we best satisfy for our Customers – Better than any of our Competitors?” and 2.) “What is our absolute Value-Added Proposition or Market Differentiator?”</i>

<p>12. Goals (1 Year)</p>	<p><i>Where do you want your organization to be 1 Year from now, in terms of Revenues, Profitability, Company's increased value, Gross Margins, Cash, Accounts Receivables Days outstanding, Inventory Days, Revenue per Employee, specific clients markets, and market share? - Generally at a year-end calendar point that you select – so you can make <u>substantial</u> progress towards your 3-5 Year Targets.</i></p>
<p>13. Key Initiatives –One Year Focus (Similar to Thrusts)</p>	<p><i>What 5 specific Moves or Actions must you and your organization take, or what Talents must you apply, in measurable terms, to meet or exceed your 1- Year Goals? These are your Annual Priorities, stated as “Top 5 and First of 5” Goals in the current Fiscal or Calendar Year.</i></p>
<p>14. Annual Critical #'s</p>	<p><i>1 or 2 meaningful, quantifiable and crucial indicators of success for your organization for the current Fiscal or Calendar Year; Generally, one is selected from the Balance Sheet and one is selected from the Income Statement. For example: Cash on Hand or gross profit.</i></p>
<p>15. Actions (Quarter)</p>	<p><i>Where do you want your organization to be 1 Quarter from now, in terms of Revenues, Profitability, Market Value, Gross Margins, Cash, Accounts Receivables Days outstanding, Inventory Days, and Revenue per Employee? - generally at the next Quarter-end calendar point that you select – so you can make <u>substantial, incremental</u> progress towards your Annual Goals and your 3-5 Year Targets.</i></p>
<p>Strategic Planning Term</p>	<p>Definitions</p>
<p>16. Rocks</p>	<p><i>Your Rocks are you company's quarterly Action Items that are of the highest priority. There should be no more than 5 for the company and no more than 3 for an individual. Rocks are the action items that will be most responsible for achieving your quarterly and annual goals. For each rock, an individual or a team is designated to “drive it home.”</i></p>

<p>17. Quarterly Critical #'s</p>	<p><i>1 or 2 meaningful, quantifiable and crucial indicators of success for your organization for the current or upcoming Fiscal or Calendar Quarter; Generally, one is selected from the Balance Sheet and one is selected from the Income Statement. These are the numbers that have the greatest impact on what you are doing and where you want to go.</i></p>
<p>18. Theme (Qtr./Annual)</p>	<p><i>Establish a Theme to properly address, frame, and focus everyone's energy and attention on The Most Significant Performance or Result Area affecting either Revenue, Cash, Profit or Productivity in either the next Year or the next Quarter. This is generally built around an appealing, creative Theme or timely Event. Establish a Reward that is fun and meaningful. Plan a celebration to mark your achievement of the Theme Goal.</i></p>
<p>19. Theme Name</p>	<p><i>What will you call your Theme? How will you effectively frame your Theme so it captures the imagination and gets the commitment levels of the people in your organization?</i></p> <p><i>Examples: Cash is King <u>or</u> Embrace the Process <u>or</u> Good to Great <u>or</u> Pedal to the Metal <u>or</u> Back to Basics.</i></p>
<p>20. Scoreboard Design</p>	<p><i>In what unique, creative and appealing ways can you communicate the measured and monitored progress and success (or lack thereof) of performance in your organization, and the achievement of your Theme Goals?</i></p>
<p>21. Celebration/Reward</p>	<p><i>In what unique, creative and appealing ways can you celebrate the measured and monitored progress and success (or lack thereof) of performance in your organization, and the achievement of your Theme Goals? Make your rewards fun, meaningful, and memorable.</i></p>
<p>22. Your Accountability</p>	<p><i>To advance the Plan, with YOU being the "Who": "Who" will be doing "What?" And "By When" will the commitments be met? Be very specific, measurable and clear on what commitments each person is making to advance the Plan. This must be in writing.</i></p>