

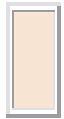
Great Communicators, Great Communication

Great employers understand that it's good business to talk -- and listen -- to their employees.

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One Saturday night several years ago, Adam Goddess was having dinner with friends when he shared some shocking news. "I was working Sundays then," says Goddess, "and I remember telling my friends that I was looking forward to going to work the next day. They were pretty surprised to hear me say that I was going in on Sunday and that I was actually looking forward to it."

Today, Goddess holds a new position but he remains with the same company, the Grand Circle Corp., which has been named to this year's list of the Best Small & Medium Companies to Work for in America. And after nine years with the company, he still looks forward to going to work.

Goddess is not unique. We found similar examples of passionate involvement among employees at many companies on the list.

How do organizations foster that kind of commitment? It's actually pretty simple: Great employers communicate openly and often with their employees and ask for frequent feedback in return. Then they take the next step: They listen and respond to that feedback.

The process is different at every company, but the end result is the same: Employees know they have the ear of management, and management taps into employee expertise when making company decisions.

Open, Courageous Communication

"We help change people's lives" proclaims a banner above the front desk in the offices of the Grand Circle Corp., an international travel company based in Boston. That's a pretty lofty goal, but it's one this company takes seriously. The lives that Grand Circle changes belong to both employees and customers. In addition to arranging "lifechanging" trips to exotic locales for Americans age 50 and older, Grand Circle employees are expected to practice "open and courageous communication" in their dealings with each other and with management.

Grand Circle defines "open and courageous communication" as being willing to ask tough questions, give constructive feedback to others and accept such feedback without defensiveness. It's one of the values the company lives by. (Other core values include teamwork, risk taking, speed, quality and thriving in change.)

Marielle Arguello, a worldwide training manager at Grand Circle, admits the environment is not for everyone. "It's uncomfortable to be open and courageous," she says. In addition to giving and receiving feedback, "you can't just complain. You are expected to make recommendations for solutions" to the problems you identify.

Further, at monthly corporate meetings, Grand Circle employees are expected to bring up "non-discussables" (described by CEO Alan Lewis as "things you don't want to hear") and get answers to their questions from the executive team.

Nothing is off limits.

In 2005, the company missed the financial plan, which meant no bonuses were paid, says Martha Prybylo, senior vice president, people, culture and corporate philanthropy. When associates were given the news, she says, one woman voiced this reaction at the meeting: "That was a dump and run," she told senior management. "Where is the money?" Another employee asked: "Do you guys know how to plan?" Lewis thanked the questioners for their input and essentially promised to do better. In addition to asking hard questions, employees are required to give management a "report card" twice a year. This survey asks

employees to grade the company on how it is meeting its responsibilities to employees, customers, the finances and society (which involves the Grand Circle Foundation, the company's philanthropic arm). "The first year we did that," says Prybylo, "we got a D-plus on the financials."

Since risk taking is a company value, there will inevitably be mistakes and failures—and these too are dealt with openly. At Grand Circle, people are expected to "say we made a mistake and move on," Prybylo says.

For example, the company held an "Irish Wake" after working for a year on an \$8 million computer system. In the end, after numerous complaints, they admitted the new system didn't work, and they scrapped it.

"We brought in a coffin and held a service," says Prybylo. "People filed past and threw their computer manuals into the coffin."

'The Sky's the Limit'

An air of quiet confidence permeates the atmosphere at Atlanta-based Holder Construction Co., where many employees plan to become officers of the company. And they have no doubt that their dreams can come true. "The sky's the limit at Holder," says Whitney Zink, a senior engineer who has been there for four years.

Ryan Byars, a senior engineer in preconstruction, remembers what his boss told him two and a half years ago when he joined the company: "I'm training the folks below me to take my job," his boss said, "so I can go on to do bigger and better things."

Today, Byars says the same thing to job applicants he interviews. "I would love to be an executive in this company," he says, "and I feel I have that opportunity."

Holder Chairman and CEO Tommy Holder says the company relies heavily on employees like Byars—"the people doing the doing." Employees participate regularly on committees that help make company decisions. More than 10 years ago, Holder also initiated forum groups (currently there are 23) that meet regularly to share ideas and best practices. Group leaders are nonexecutives, and a company officer attends the gatherings to serve as a resource and answer questions.

"We've gotten some great suggestions" from employees, Holder says, "and we've implemented a number of them." For example, employees proposed that the company close at 3:30 p.m. on Fridays so they could beat Atlanta's horrific rush hour traffic. The company agreed to give it a try. "What happened," says Holder, "is that people got their work done early," so the new schedule worked well for all concerned.

The company also redesigned its Atlanta headquarters offices to better reflect the way the company does business, says Holder. The extensive use of glass throughout "is symbolic of the openness at Holder," he says. The circular design includes managers' offices—with glass doors and walls—in the inner ring, and workstations near the large windows that line the outer circle of the building.

Holder says communication flows both ways at the company because "I have an obligation to let employees know that there is a [business] plan and we know where we're going." Employees always know about upcoming company projects because new contracts are listed on Holder's intranet.

Employees also know that Holder will stand up for them, says engineer Brad Hutto, who learned that firsthand last year. At the time, he was putting in long hours on a multimillion-dollar project for very difficult clients who often made insulting comments to Hutto and his colleagues about their work, he says.

Tommy Holder talked to the contract company but was unable to resolve the issue to his satisfaction. In the end, says Hutto, Holder "pulled the plug on the contract because they didn't respect Holder employees." Hutto was so impressed by his CEO's response that he can't imagine working anywhere else.

He's also excited to now be working on what he describes as a "once in a lifetime project," one he asked to be a part of.

At Holder, employees say they aren't hesitant to make such requests because they know the company will consider them, make a decision and explain the reasons for that decision. Holder "gives you a chance to

prove yourself," says Katherine Davis, an engineer in interiors who started three years ago as an intern and moved into a fulltime job when she graduated from college last year. "You choose your path—do you want to manage projects or people?— and move up."

Clearly the company has succeeded in communicating its respect for employees. In turn, those employees say they are proud to work for Holder. "I like the way we do business," says Zink.

'Ideas Flow Both Ways'

Lori Richard knows the value of good communication from personal experience. She came to Professional Veterinary Products Ltd. (PVP), in Omaha, Neb., two years ago, after she had "burned out" while working as a certified veterinary technician at a poorly managed veterinary hospital.

Richard chose PVP because she had been a customer of the firm in her previous job and knew how well the company served its veterinary clients. Now she's on the other side of the aisle, working as a new account liaison in PVP's product service and sales department. The communication here is "awesome," she says, "the best I've ever experienced." She likes the fact that "nothing is ever a surprise here."

It wasn't always that way, says Cheryl Miller, vice president of corporate services. Miller joined the company in 1996, becoming PVP's first HR person. Although employees were proud to work there, she says, they had concerns of which senior management was unaware.

So, in 2002, after Miller had gradually added HR staff, PVP conducted its first employee survey -- under the direction of Chris McGonigle, PHR, senior manager of human resources.

There was a sense of "disbelief" among the senior management group when the survey results came in, Miller says, because they revealed a perception among employees that "senior management didn't listen, that they were in an ivory tower."

Miller says McGonigle set up seven volunteer survey focus groups, which worked for two years to "unravel" the results of that first survey. Six groups looked into identified problem areas; the seventh examined ways to build on what employees said the company was doing well.

"Communication was definitely top down when I came," says Miller. "I think it's hard to recognize problems when things are going well," she says, and the culture overall was very positive.

But it's even better now, she says. As a result of the survey, senior management "came down out of the ivory tower" and now makes a point of sharing information with employees in a number of ways.

Employees organize and run quarterly all-employee meetings at which the senior management team answers questions. And "bagels with the boss" meetings give employees an opportunity to meet with the CEO in small groups of six for informal discussions.

"Ideas flow both ways now," says Casey Stevens, who joined the company six years ago as a temp and now works in product service and sales. Stevens has served as a facilitator on two survey focus groups.

Although call centers are notorious for having high turnover, Miller says voluntary turnover at PVP is less than 4 percent. About 40 percent of the people manning the phones to take orders for veterinary products (their customers are animal hospitals and clinics) are veterinary technicians who understand the products they are selling.

Customers who come to their headquarters frequently ask, "How do you get such happy, productive, helpful employees?" says Miller.

Richard has an answer: "I think good communication produces loyalty," she says.

'Striding in The Right Direction'

The MATRIX Resources Inc.'s charter of company values hangs on the lobby walls at the Atlanta headquarters of this IT staffing company, along with the results of the latest "Charter Checkpoint," an employee rating of how well the company is living up to these values. CEO and President Jim Huling says

this "report card on integrity" survey, which is conducted twice a year, draws a phenomenal response rate. "The lowest response we've ever had is 98 percent," Huling says, "and four times, the response was 100 percent."

The "Charter Checkpoint" is just one of many ways MATRIX takes the pulse of the organization, and all the metrics are on public display. For example, each department has a "WIG Scorecard" listing its "Wildly Important Goals" for the year and the percentage of each goal that has been completed at any given time. Employees also rate their managers annually, and customers receive weekly calls from the quality assurance team asking them how satisfied they are with the company's performance that week.

In addition to the frequent surveys, Huling meets quarterly with employee advisory councils -- no mid-level managers are present -- to solicit employee input. And the entire company comes together in town hall meetings at least twice a year to hear from management and ask questions.

Huling knows some people don't feel comfortable asking questions in this public venue, so they also have an employee communication box called "Speak Up." "Every Monday morning," he says, "I start my day by reading the comments in this box." Employees can choose whether they want a private or a public response to their question or concern, and Huling always responds.

Although currently the box averages only one question per week, Huling says it was often full after the dot-com bust in 2000-01. The company was forced to lay off about 50 people then, he says, because IT companies weren't hiring. Nevertheless, "we've never failed to make a profit in 23 years," he says proudly.

Recruiter Greg Ellner, who has been with MATRIX for two years, says, "This is a place where grown-ups come to work. We aren't micromanaged." Working at MATRIX is "a recruiter's dream," he adds, because there is lots of work -- good job orders and good clients -- and a very supportive environment.

Ellner describes that environment as "consultative." Although the recruiters work 100 percent on commission (no base salary) in a production environment, "it's not cutthroat," Ellner says.

"We aren't pressured to close the deal, because it's about making the right deal." Tracy Monroe, a trainer who has been with the company for 10 years, says the people and the values at MATRIX are the No. 1 reason she has stayed.

"MATRIX is always striding in the right direction," Monroe says. "We really do stand behind the values. I've never experienced a time when they missed the boat."

Using Visual Aids

When leaders at Root Learning Inc., a business consulting firm based in Toledo, Ohio, discuss an important issue with employees, they get graphic.

Robin Wooddall-Klein, vice president for shared services, says the company tackles issues that "no one wants to talk about out loud" by drawing on the same visual techniques they use to help clients solve their business problems. Employing metaphor and humor, Root artists produce colorful drawings to illustrate topics of concern—the subjects often discussed "around the watercooler," says Wooddall-Klein. For example, if there is a perception that the CFO's department is a silo, an artist might draw the department surrounded by walls and put a "keep out" sign on the door. Drawings of new issues are emailed to employees in advance of a CEO-facilitated meeting to discuss the topic.

Due to employee perceptions that the organization needed more structure, communication has become more top down this year, says Wooddall-Klein. Nevertheless, employees have plenty of opportunities to express their opinion on any topic that concerns them, at innovation meetings, culture team meetings and monthly all-company meetings, among others.

However, not all communication concerns involve management at this company. Ensuring good communication between employees also is important for Root, which employs an eclectic mix of "right brain" artists and "left brain" businesspeople who jointly help clients address business issues and shape strategy.

JJ Pastore -- a "concepter," or artist, who helps "bring a business issue to life visually" -- says Root has

"minimized the age-old tug-of-war between artists and businesspeople, because we need each other."

For example, many meetings are held in the "brain room," which has two doors: the "left brain" door and the "right brain" door. "Sometimes people make a point of entering through one door and exiting through the other," says Wooddall-Klein.

The collaborative relationship between artists and businesspeople gives Root an advantage in the marketplace, says Pastore. "Otherwise we'd be just another consulting company."

Pastore, who has been at Root for eight years, says the culture is unusual and "contagious." And while consistently engaging employees has pros and cons, he says it is worth the effort.

Because Root employees at all levels have a chance to express their opinions, says Pastore, "we tend to move a little slower than some companies when it comes to [making] some major decisions." But the end result is that "we usually make pretty good and informed decisions."

What Makes You Tick?

The Integer Group-Denver, a marketing and advertising firm, is determined not to get so busy meeting its clients' communication needs that it neglects those of employees. So when employees said they wanted better communication about the business, the company listened. Nancy Svoboda, vice president of HR, says Integer requires managers to meet one-on-one with their staff at least six times a year—and that's a minimum. Svoboda meets individually with her staff every other week. These are not formal, written performance appraisals, she says. Rather, they are opportunities for managers to get to know each individual as a person.

Managers need to know "what makes [the employee] tick," she says. Managers who fail to meet regularly with their employees will be found out, says Svoboda, during annual review time each year. During this intensive six-week period, each manager presents information about each member of his or her team in front of senior management. At that meeting, the manager must be able to discuss each employee in detail and talk about the employee's career plan. "If managers haven't been meeting with their employees," says Svoboda, "we can tell, because they stumble" in these discussions.

Another effective communication vehicle is the monthly "Got a Minute" videos starring Integer's president, Mike Sweeney. In short clips filmed by the production department, Sweeney says he talks briefly about business issues that are "near and dear to my heart."

Account executive Jennine Freiss says Sweeney writes his scripts and then memorizes them so he can "look employees in the eye" during delivery. Freiss, who has been with Integer for two years, handles internal communication and community outreach for the recently formed engagement and collaboration department the company set up in response to a perceived need.

Another communication opportunity occurs when the entire company gathers bimonthly for "Wind Downs," informal sessions for sharing information and asking questions. In addition, frequent roundtable lunches attended by small crossdepartmental groups of employees bring together people who don't normally interact for information sharing and questions.

A Greater Whole

Remember that old saw about employees being their company's "most important asset"? Well, companies that do a great job of communicating with their employees really believe that. And because they value their people, they listen and respond.

As Victoria Latimore, project accountant at Holder Construction Co., puts it, "Leadership is in tune with employees." When employers and employees operate collaboratively -- when they are on the same wavelength -- they can create an organization whose whole is greater than the sum of its parts.

The kind of organization, in fact, where people get excited about coming to work -- even on Sunday.