

OWNERSHIP ADVANTAGE

How We Work Here: Introducing New Employees to Your Culture

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Recently, I was interviewing a member of the senior team of a 100% ESOP company. He had been employed there for eight years. Reflecting a serious commitment to an ownership culture, internal decisions and changes are made relatively slowly because people from all levels participate in the firm's internal problem solving and decision-making processes. To my surprise, this leader told me that although he now appreciated and was committed to the company's way of doing things, it had taken him more than five years (during which time he was often frustrated with slow decision making) to understand why the company did things the way it did. Coming from a military background himself, he was used to having a few senior people make decisions and everyone else falling into line. It was disheartening to think that for five years this person had struggled to understand why the culture was what it was, even though the culture clearly was working in terms of the company's steady growth and success in a very competitive market.

It is a challenge to introduce new employees to a company's culture, especially when that culture is likely to be different from the culture of other work environments. And yet, understanding and connecting to their firm's culture can be one of the important elements that encourage a person's engagement and commitment to the firm.

Orientation programs are a valuable opportunity to connect employees with the company's mission, values, leaders and co-workers. For ESOP companies, an orientation program also can be an opportunity to talk through the opportunities and responsibilities of being an employee owner. It's less about the mechanics of how the ESOP works and more about how and why employee ownership matters in a person's every

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day work experience and in the potential for building long-term wealth.

Among ESOP companies, there are some good examples of programs that have been developed to immerse people more deeply in understanding an ownership culture with their first year of employment.

North Highland Companies

North Highland Companies, is a 100% ESOP consulting firm headquartered in Atlanta, GA with offices in cities across the United States and in other countries. North Highland's founders built the firm

on a set of values they believed would give them a competitive advantage. It has. To ensure that new employees understand the firm culture, the firm devotes significant resources to the onboarding process, called the "First Year Experience." The heart of the program is a two-day retreat for people employed for six to 12 months. The program is called LAPS, an acronym for Leadership, Alignment, Professionalism and Stewardship. It has been largely unchanged for more than 12 years. Most of the course is a discussion with founders and long time employees. Each person attending is assigned a topic from a book, *True Professionalism* by David Maister, to introduce. This is followed by round table discussions covering topics such as honesty, integrity, and understanding client value. The retreat also provides an opportunity for new employees to interact meaningfully with members of the firm's senior leadership team and to build connections with co-workers who are likely to be located in other cities.

A second component of their onboarding process is "Orientation," occurring during the person's first month, and involving two days of basics and an introduction to the firm. The third component, "Foundations," takes place over two days between two and four months of employment and provides more in-depth information about what North Highland does, how they do it, and the basic values they live.

Gardener's Supply

Gardener's Supply, 100% ESOP-owned, is a catalog company that sells gardening supplies, home and garden décor and gifts. They also have two garden centers with complete nurseries in Williston and in Burlington, VT. Gardener's believes its culture is core to its success. Introductions to their culture begin with job applicant interviews, which include discussions of their ESOP from a financial perspective, and of their culture, specifically delineating what is expected of employee owners in terms of participation and behavior. Once people begin work at Gardener's their supervisors are charged with making sure they feel welcomed by doing things such as taking them to lunch, introducing them to others and having flowers delivered to them. Within their first month, new hires meet with the benefits administrator who talks again about culture and norms.

Twice a year Gardener's provides a two and a half-day orientation program. The President/CEO discusses the company history, the COO and a rep-

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representative from their Advisory Committee give an in-depth explanation of how their ESOP works and there are introductions to different departments, and tours of each facility that include everyone spending time on a warehouse line packing boxes of customer orders. In addition, there is a segment that addresses Gardener's core values, called The Soul of AGR (America's Gardening Resource, which is their corporate name). In this segment, a story is told about each of Gardener's ten values and why each is important to the company. Then participants are divided into small groups to discuss how well the company is living each value by giving examples of where they see that value reflected in behavior or practices and/ or where they think the company could do better. These discussions keep company leaders attuned to how well the values are being reinforced.

King Arthur Flour

At King Arthur Flour, a 100% ESOP company in Norwich, VT, within their first three months of employment, people are invited to a one day orientation program in which there are activities designed to facilitate their connection to one another and to the company. The CEO shares the company history and story, members of the senior team discuss what matters to them, company values and expectations for behavior are presented and discussed, and people are introduced to the company's wide range of products. In addition, employee owners recently created the first set of programs in what will become an internal 'university'. One example is that during their first year, new employees, regardless of their functional responsibilities, are expected to take a beginners' bread baking class to personally understand the process of making this core product. The firm makes this investment in new employees because they recognize the importance of embedding new employees in the culture and mission of the company and how those each have contributed to, and will continue to contribute to the company's success.

Each of the ESOP companies described above believes their culture is a core component of their success. Rather than leave it to chance, each company invests time and resources in ensuring that new employees gain a deep understanding of the culture early in their tenure, which is essential to sustaining their culture over time.

Ginny Vanderslice is a member of The ESOP Association's Advisory Committee on Ownership Culture. The author reviewed this article with Committee Chair, Renee M. Rettler, Principal Financial Group, Appleton, WI. For a complete list of Ownership Advantage articles, please visit the Ownership Culture Advisory Committee section of The ESOP Association's website.