

The A, B, and Community of Great Companies

By Brad Casper

A speech adaptation of the “Best Companies to Work For,” presented at the Best Place to Work Awards Banquet December 7, 2006.

In thinking of what words of wisdom or anecdotes I could impart, I considered many options such as the use of sports analogies or the “Importance of Diversity” or “How to Build your Corporate Employment Brand” or “What We’re up to at Dial Today.” However, I decided to give my own thoughts on what makes a great company. What are some of the critical ingredients to be a company that people want to work for year-in and year-out?

I have been fortunate enough in my career to work for three companies that know something about that: General Electric (GE), Procter and Gamble (P&G) and now Henkel, which owns Dial. The first two are probably pretty familiar to you – the third perhaps less so. However, within the following pages not only will you become more familiar with all three companies, you will understand the shared qualities that make all three great companies.

I worked for GE for 3 years and then P&G for 16½ years, and there are characteristics and cultural values in both of these companies that are fairly legendary and frequently chronicled. Of course, each company is listed among the Top 100 Companies to work for; the World’s Most Admired Companies, Fortune 25 Companies, Built to Last, Good to Great, etc. Perhaps coincidentally (perhaps not) the CEO’s of P&G and GE appear on the cover of Fortune magazine this week.

So what distinguishes P&G and GE, and therefore what is my personal yardstick, for measuring greatness?

Well, let me begin with something that is perhaps the ultimate measure of a great company to work for:

A. Corporate Sustainability – This is the ability to reinvent, morph, and respond or anticipate change in ways that keep the company vital and growing consistently year after year. In other words, the vision, strategies and operating practices that enable a company to sustain itself in good times and bad. Today P&G, GE and Henkel are all over 100 years old.

In the Fortune article that I referenced before, Jeff Immelt, CEO of GE, coined a term that I think captures this key ingredient. He called it “Ambidextrous Leadership” or growth + cost

control and achieving sustained excellence at both. As that beer commercial says, “Brilliant!” We all know you can’t cost save yourselves to long-term prosperity, so cost control alone is insufficient. Private or public, a company must grow to sustain itself. That’s my first criteria for being a great employer.

B. Vision, Value and Principles – My second criteria or ingredient deals with the often silent hand of leadership – that is, vision, values, and principles that anchor a company’s “True North” direction.

GE and Procter, as well as my own company Dial/Henkel, are very deliberate in articulating, publishing and integrating these core principles and values into everything – business cards, websites, in-office materials, performance reviews and training plans. Great employers live and breathe these clearly articulated ideals. They almost always convey far more than being in business for profit or shareholder value.

For example, prior to being acquired by Henkel, Dial’s Cultural Contract was known by each employee:

- Treat everyone with dignity and respect
- Open and honest
- Develop and leverage abilities and perspectives
- And 5 – 6 more

Henkel has its own 10 values which help govern behaviors without bulky policy books:

- Be customer driven
- Excellence in quality
- Embrace change
- Corporate social responsibility, etc...

In an era where Big Business has been scorned, Sarbanes-Oxley is prevalent, Enron, WorldCom, Tyco and now unethical treatment of stock options grab headlines – real values and principles must be a factor in any employer being viewed as best-in-class. These companies continually are recognized as being ethical, honest, open, transparent, and values-driven.

C. People First – The third must-have ingredient for Employer of the Year, is a “People First” mentality. This, of course, is the basis by which most “Best Companies” are differentiated. I break this all-encompassing criteria down further into the following:

- **Tier 1:** Price of Entry – personal welfare, strong salary, benefits and employee welfare programs. These don’t need to be best-in-class. They need to be competitive and progressive. Statistics show that most people quit their boss, not their companies. And salary/pay is rarely the #1 reason why attrition happens.

Belief in People is Key to Success – through words and actions *Respect for the Individual.*

- **Tier 2:** Professional and Personal Growth:
 - Promote from within
 - Training/coaching/mentoring
 - Tuition reimbursement
 - Job rotation/sharing
 - Performance reviews/feedback:

Ex. GE’s Crotonville, P&G’s Leadership Institute, Henkel’s Global Academy, “Leaders create more leaders.”

- **Tier 3:** A Culture of Inclusiveness
 - Diversity matters – values, leverages, promotes it
 - Feel part of something bigger...
 - Blur distinctions of rank – parking spaces
 - Access to top management
 - Building a sense of community
 - Critical role of Communication

Henkel prides itself in being a family-oriented company, in fact, in Germany it is the most celebrated family-friendly company. Dial has long had inclusiveness as a hallmark in its treatment of employees including:

- Diversity – Affinity Groups
- Communications Excellence
 - * Dial Today intranet site
 - * Monthly all-employee meetings

- * Annual offsite to review OGSM
- * Visible postings – Choices, Vision, Symbols
- * Town Halls
- * Breakfast with Brad
- * “Customer Lunch Program”
- * Surveys

“To communicate is risky... to not communicate is riskier”.

Information is power and the gain you get from empowering your associates more than offsets the risk of informing your competitors”

- Sam Walton

- **Tier 4:** Build Affinity Through Fun and Engagement.

Ex. Sun’s Suite, Dodge Theatre, Dial Day, Take Your Child to Work, Holiday Open House, “We Together.”

In conclusion, by doing these things

Corporate Sustainability through Ambidextrous Leadership

Vision, Values and Principles

People First Mentality

Tier 1 – Personal Welfare

Tier 2 – Personal Growth

Tier 3 – Inclusiveness

Tier 4 – Affinity

well you’ll be a winner over time, even if you don’t fill out the annual application or buy the table.