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INSIGHT REPORT

Creating and Sustaining a Customer-Centric Culture

FIVE CASE STUDIES IN EMPLOYEE-ENGAGING TRANSFORMATION

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EXECUTIVE SUMMARY

Temkin Group defines culture as *how employees think, believe, and act*, and if an organization wants to differentiate its customer experience, it must address each one of these areas. However, culture change is not easy. Culture change efforts are often impeded by common pitfalls, such as ignoring the existing culture or becoming impatient at the pace of change. To make this effort smoother, Temkin Group recommends adopting an approach we call *Employee-Engaging Transformation* (EET), which consists of five practices: Vision Translation, Persistent Leadership, Middle Management Activation, Grassroots Mobilization, and Captivating Communications. In this report, we've compiled case studies of how four organizations—Hagerty, Hilton Garden Inn, Oxford Properties, Safelite AutoGlass, and Transamerica—apply these EET practices to create and sustain their customer-centric cultures. To help your company discuss its goals around culture, use Temkin Group's Cultural Planning Map.

CUSTOMER EXPERIENCE SUCCESS REQUIRES A STRONG CULTURE

Culture is a critical ingredient to ongoing customer experience success. While companies can redesign individual interactions, a customer's ultimate experience with a company is a reflection of its culture and operating processes.

What is culture? Culture frames what employees do, even when no one is looking. Rather than attempting to prescribe certain employee behaviors and put mechanisms in place to control them, organizations are more likely to succeed if they create a culture that encourages employees to act in concert with the organization's objectives. Leadership expert Arthur F. Carmazzi captured the value of creating this type of culture when he said:[1]

> "*The ability to do more than expected does not come from influencing others to do something they are not committed to, but rather to nurture a culture that motivates and even excites individuals to do what is required for the benefit of all.*"

Temkin Group describes culture as *how employees think, believe, and act* (see Figure 1). Keep in mind that culture:

- **Is as much about individuals as it is the organization.** When it comes to culture, it is both about the company as a single entity and about employees as individuals who bring their own needs, interests, and motivations to the workplace. Ultimately, success lies in aligning each individual with the organization's goals and letting go of those who do not adjust.
- **Appeals to people both rationally and emotionally.** Any effort to induce a change in the mindset and behavior of employees cannot rely solely on presenting them with

[1] Arthur F. Carmazzi, The Colored Brain Communication Field Manual (CreateSpace Independent Publishing, 2009), 76

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research findings or financial projections. Successful companies also build commitment by touching employees' hearts and appealing to shared values, intrinsic rewards, and the impact the new culture will have on customers and fellow employees.

- **Includes things that are both seen and unseen.** While employee behaviors are easily observed, culture is also made up of tacit assumptions about what the company really values or how work actually gets done. Changing how employees think, believe, and act must take into account what messages are being implicitly communicated by how processes are defined, how performances are measured, and how employees are promoted.

Common Pitfalls Impede Culture Change Efforts

Even when organizations recognize the importance of culture and understand the need to move their culture in a new direction, they often still fall short in their efforts to change because they:

- **Focus too much on tactics and not enough on behaviors.** Too often companies jump straight into defining communication plans or preparing for rollout events without identifying the critical behaviors that will bring the desired culture to life. Culture change requires a compelling statement that defines what the company will look like in the future, which includes a language that describes the new behaviors required to be truly customer-centric and explains how these new behaviors differ from current behaviors.
- **Ignore the existing culture.** Unless the organization is brand new, it already has a culture in place. The first step to changing a culture is to understand the existing culture, where it's helping the organization become more customer-centric and where it's holding it back. This understanding allows the company to get explicit about how the future state will be different from today's state.
- **Target efforts too broadly.** Many small efforts that are scattered across the organization won't get the traction needed to transform the culture. Instead, to move culture in the desired direction, a company needs to act only where it is most committed to doing things differently and then make a few highly visible changes to those areas. These focused initiatives are powerful symbols for changing employee beliefs because they actually see things being done in new ways.
- **Become impatient at pace of change.** Culture is very slow to move. Impatient leaders may try to speed things up by introducing even more changes or may lose confidence in the current plan and shift direction. The result? Confused employees who are no longer sure why they are changing, what success looks like, or how they are supposed to act. Even when the company needs course corrections, leaders should introduce them to the rest of the organization carefully.
- **Neglect to reinforce culture over time.** Instead of shifting focus to the next strategic challenge, it's important for companies to continue to help people to stick to their new behavior changes over time. To ensure employees see the successes that result from their actions, companies should incorporate both feedback loops and celebrations to reinforce culturally-aligned behaviors at individual, team, and company levels.

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CHANGE CULTURE USING EMPLOYEE-ENGAGING TRANSFORMATION

Culture change is not easy, as it requires a different view of organizational change. That's why Temkin Group introduced an approach called *Employee-Engaging Transformation* (EET) (see Figure 2).[2] We define EET as:

> *Aligning employee attitudes and behaviors with the organization's desire to change.*

To succeed with EET, organizations must master five practices:

- **Vision Translation: Connect Employees with the Vision.** The organization clearly defines and conveys not only what the future state is, but why moving away from the current state is imperative for the organization, its employees, and its customers.
- **Persistent Leadership: Attack Ongoing Obstacles.** Leaders realize that change is a long-term journey and commit to working together until the organization has fully embedded the transformation into its systems and processes.
- **Middle Management Activation: Enlist Key Influencers.** Middle managers are invested in the transformation and understand their unique role in supporting their employees' change journeys.
- **Grassroots Mobilization: Empower Employees to Change.** Frontline employees operate in an environment where they both help to shape and are enabled to deliver the change.
- **Captivating Communications: Share Impactful, Informative Messages.** The organization shares information about the change through a variety of means that balance both the practical and the inspirational elements for each target audience.

CASE STUDIES IN CULTURE CHANGE

To understand how organizations approach transforming their culture to be more customer-focused, we interviewed both individuals who are shaping the customer-centric culture inside their organizations and companies that help firms design and execute culture change efforts.[3]

In their pursuit of successful culture change, we found that companies often combined the EET practices in different ways. To provide a sense of these differences, we have outlined the culture efforts of five organizations (see Figure 3):

1. **Hagerty:** Cultivating culture based on a shared passion
2. **Hilton Garden Inn:** Keeping promises through an aligned culture

[2] See Temkin Group Insight Report "Introducing Employee-Engaging Transformation" (February 2014).

[3] Companies interviewed for this report include: Andrew Riese Consulting, Blue Cross Blue Shield of Michigan, Capital One, CultureUniversity.com/Timothy Kuppler, Dawna MacLean Consulting, Farmers Insurance, Hagerty Insurance, Hilton Garden Inn, Hewlett-Packard, Human Synergistics, PeopleMetrics, Oxford Properties, Quality Ironworks, The Culture Blueprint/Robert Richman, Root, Safelite AutoGlass, Senn Delaney, and Transamerica.

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3. **Oxford Properties:** Co-creating their CX Journey to fulfill a higher purpose
4. **Safelite AutoGlass:** Navigating a culture journey powered by its people
5. **Transamerica:** Building a culture that connects employees and customers

Hagerty: Cultivating Culture Based on a Shared Passion

Hagerty is the leading insurance provider for collector cars and classic boats in the world. It not only offers a variety of insurance products for these items, it also provides roadside assistance and hobby information resources to its customers in the U.S., Canada, and the U.K. Hagerty's company culture reflects the founding family's love of the hobby that built the business, which makes the organization about much more than just insurance—its vision is to impact every collectible vehicle owner in the world in a positive and useful way.

Hagerty's culture is grounded in that enthusiasm and passion for classic cars, making the office feel more like a car club than an insurance company. And its approach has been successful. The company placed sixth on Fortune's Great Places to Work list among medium-sized companies in 2014.

The Hagerty Way consists of a set of aspirational maxims that define exactly how employees should live its culture. These maxims include sayings like, *"We take care of each other first,"* and, *"We focus on doing the right things the right way."* Kate Hogan, Vice President of Corporate Training and Development, shared more on how the culture came to be:

> *"You can immediately see and feel the investments the family makes in the employees—from the benefit program, to the time spent on sharing information and training, to the facilities and resources people are using. All of this is created because this is the kind of work environment we want to be in every day."*

In order to embrace and connect its culture to the organization, Hagerty has focused on capitalizing on its unique combination of business and hobby through efforts like:

- **Refining values into cultural aspirations.** Today the company's culture is defined by a set of maxims that make up *The Hagerty Way*, a reinvention of the company's original core values. The process of evolving the culture to its current state started by bringing together a cross-section of employees to provide insight into the employee and customer experience. Hagerty then distilled these insights into the set of seven maxim statements. When the company was ready to introduce The Hagerty Way, its CEO, McKeel Hagerty, led the entire program in its headquarters, with simulcasts to remote locations. He spoke to why it was important as a company to move forward with an evolving culture, to what each maxim was, and to what each one meant to him personally. Following the rollout, Hagerty held an employee contest where individuals or teams could submit a video highlighting any combination of the maxims and how exactly they applied to their jobs. After 30 days, the company shared around the video submissions, and employees voted on their favorites. Hagerty celebrated the winners at the next company-wide quarterly meeting. This entire process helped create a broader understanding of the specific behaviors required by each of the maxims. The company continuously reinforces the maxims in numerous ways, such as an online recognition program that allows employees to recognize each other for

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demonstrating one of the maxims. Employees who are recognized accumulate points that turn into monetary rewards on an annual basis.

- **Infusing learning with both the business and the passion.** Hagerty also made the maxims a central part of employee training to help all employees understand how their work impacts bigger business outcomes. A session entitled *Engage and Connect – The Hagerty Way* breaks down each maxim into what it looks like when working with fellow employees, with clients, and with business partners. Employees also attend *Hagerty University*, which includes a variety of training programs on the fundamentals of the business—cars—because no matter which role an employee plays, it is critical that she understands the classic vehicle owner and the hobby he is passionate about in order to make the culture come to life for customers. Courses include "Car Basics," "Engine Guts and Glam," and "Collector and the Car," during which actual customers bring their cars to Hagerty's headquarters to showcase them in a series of 30-minute workshops with employees. Leaders also benefit from training programs like *Coaching for Engagement* and *Leadership Exchange*, which is a monthly forum where leaders come together to discuss a pre-identified leadership topic. Their discussion focuses on how that leadership topic correlates to Hagerty's people and culture, its connection to the bigger picture, and the leaders' own best practices and specific behaviors on how to bring the topic to life.
- **Maintaining a focus on the near- and long-term.** One important way that Hagerty continues to engage employees in its culture is by maintaining a cadence of *Quarterly Rollouts* and monthly updates. The centerpiece of the Quarterly Rollouts is the company's *One Page Plan*—the company's version of a strategic plan—that includes *The Hagerty Way* maxims along with the company's primary long-term goal, 3- to 5-year objectives, annual milestones, and a series of metrics measuring progress (see Figure 4). This plan is shared with every employee, so that all 700 employees understand what the company's top priorities are. This knowledge not only enables them to focus their own daily efforts, but it also helps them better understand the collective culture and its importance. At each rollout, the CEO discusses the progress the company has made and the obstacles impacting yearly milestones, while other executives talk about the metrics that they are responsible for. Each month, Hagerty updates the plan and the metrics for the entire organization, including detailed updates on customer and employee scores and operational and financial measures. Constant and consistent communication connects employees to the company's shared vision.
- **Fostering internal and external connections.** Because Hagerty understands how important connections are to a thriving culture, it works to foster stronger interactions both between leaders and employees and between employees and customers. Internally, Hagerty's company-wide book club gives all employees the opportunity to engage in an online forum and discuss a selected book each quarter. Additionally, a set of 15-20 employees (selected by their department leaders) joins a casual in-person discussion of the book with both the CEO and the executive who selected the book. The subjects of these books span everything from leadership to personal well-being, and during the online and in-person discussions, employees talk about how the book applies to their lives and their work. Externally, The Hagerty employee-customer connection comes together in its annual *Collector of the Year* program. Employees—who get to know Hagerty's customers and their car through regular interactions—

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nominate the customer, the car, and the story to their respective leader. If the story passes the first review, it is showcased to all employees via the company's intranet. Each month employees vote on their favorite story. At the end of the year, employees select the Collector of the Year. The employee who submitted the initial nomination makes the call to the winner, who gets a plaque and a banner signed by all of Hagerty's employees. The employee personally delivers these to the winner so that he or she can meet the customer—and their car—in person. The entire event is made into a video so that all employees have a chance to experience the employee's and customer's moment together.

Hilton Garden Inn: Keeping Promises Through an Aligned Culture

Hilton Garden Inn, one of the hotel brands in the Hilton Worldwide family, consists of over 600 hotels in 22 countries. As a brand within a portfolio of brands, its culture efforts start at the top with the Hilton Worldwide vision, mission, and values, which cascade to the individual brands for them to align.

At the very heart of Hilton Garden Inn's customer experience and culture lies its Guest Satisfaction Promise, which states: *"At Hilton Garden Inn, we promise to do whatever it takes to ensure you're satisfied, or you don't pay. You can count on us. Guaranteed.™"* Lynn Smith, Director of Culture and Communications for the Hilton Garden Inn brand explained the role culture plays in helping team members keep that promise:

> *"Because of the importance of the guest experience, we want to make sure we're providing an engaging workplace for our team members. Our goal is to have a culture that stimulates a focus on our guests and keeps employees focused on our key goals as an organization and a brand. In order to head in the same direction, we want all of our team members to know those goals and be inspired by our culture."*

Hilton Garden Inn sustains its brand-aligned culture through a careful process that includes:

- **Helping employees embrace brand promises with training.** To ensure all Hilton Garden Inn team members engage with guests in ways that live up to the hotel's *Guest Satisfaction Promise*, the brand developed a multi-faceted training program that includes videos, a board game, and role-playing. Hotel general managers were provided materials and participated in webinars that prepared them to deliver the training back at their hotels (see Figure 5). One unique element of this training was the use of actual team members to act out different service interactions. The company held a casting call for past winners of its *Spirit of the Garden* award. These past winners sent in video submissions and participated in interviews, and then the company selected a few of them as "actors" to depict the five most common scenarios in which a guest promise might be broken. These actors also shared their own problem resolution experiences.
- **Crafting a memorable, relatable culture statement.** To make sure that employees remain headed in the right direction, Hilton Garden Inn spent 18 months re-evaluating how it described itself—identifying and refining the words it wanted guests and employees to use when they talked about the brand. This reevaluation resulted in statements like *"Be hospitable"* and *"Do everything with integrity."* Focus groups made up of both employees and guests helped Hilton Garden Inn derive a set of pillars that

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simplified these statements, converting them into a set of easily remembered words describing how everyone in the organization should behave. The company also developed a *culture statement* that exemplified the guest promise: *"You can count on us."* Early on, the company faced the challenge of translating its culture statement and pillars into different languages for its global employees. Recognizing that people learn best in their primary language, Hilton Garden Inn worked with local employees around the world to ensure that the translations captured the essence of the culture and brand correctly.

- **Cascading the culture throughout the organization.** Once senior leaders were aligned with the pillars and the new culture statement, the brand began to share them with team members. The company first shared the new language with internal brand employees, before moving on to general managers and sales leaders at their conference. At the conference, Hilton Garden Inn introduced the brand values, culture statement, and pillars to the attendees, who were then interviewed on video to capture what "*You can count on us*" meant to them. The company started including the new brand values, culture statement, and pillars in internal communications, with a special emphasis on what team members could count on from the brand and what the brand in turn needed from hotel team members. Hilton Garden Inn continues to keep these values at the forefront of employee consciousness by highlighting them on a rotating monthly basis, complete with stories that feature team members living those values. At regional owner meetings, the company reinforces the culture by showing videos of actual owners sharing both what the culture statement means to them and how they showcase the culture in their hotel experiences—whether it be through hotel team members interacting with guests or team members interacting with each other. Lastly, the hotel chain immediately incorporated the new culture statement into other training programs, such as new hire orientation and sales and service training sessions.
- **Encouraging team members to personalize their commitments.** Hilton Garden Inn was very purposeful in how it communicated the culture statement and other information broadly, deliberately minimizing the amount of detail in its explanations. Hilton Garden Inn did this to allow its team members to individualize and internalize the pillars and culture statement, rather than just describing what they looked and sounded like. Everyone was challenged to make a personal commitment to living the culture statement, and attendees at events—such as general manager regional meetings and conferences, owner meetings, or sales training—completed a *"You can count on me" Commitment*, often posting their personal statement on a commitment wall. And while the company recognizes individual team members for living their culture commitments by highlighting them in internal stories, it also recognizes the hotel teams that embody these values. Senior leaders actively play a part in recognizing the hotels that exemplify the spirit of the culture by placing phone calls and sending personalized letters to celebrate the property's collective performance.
- **Collaborating with managers to monitor and improve performance.** Hilton Garden Inn monitors how well its culture is doing—both from the customer and employee perspective—through guest and team member surveys, social media and online reviews, and other research activities. Each hotel gets its own results, which include data showing how guests' awareness of the brand promise impacts their loyalty and how great employee performances that are brought about by the strong team culture

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and effective training ultimately impact on revenue and loyalty. Hotel managers play an active role both in ensuring that the feedback process works for them and in defining solutions to guest issues. Managers are not only trained on the measurement analytics, but also on how to resolve and prevent guest or employee issues revealed through the monitoring processes. To help managers deal with guest problems, Hilton Garden Inn captures and shares best practices gathered from its top performing hotels. The company also holds reviews with managers to understand their concerns and what specifically would help them perform better. Owners also help the company pinpoint where performance improvement efforts should be focused. The company additionally shares trends and risks with owners, actively seeking their input on the top risks and barriers to success. Owners and managers regularly participate in the co-creation of culture initiatives prior to mass rollouts, which helps to proactively overcome any potential resistance.

Oxford Properties: Co-Creating Their CX Journey to Fulfill a Higher Purpose

Oxford Properties owns and manages $34 billion real estate portfolio across Canada, the U.S., and Europe on behalf of the Ontario Municipal Employees Retirement Savings (OMERS), one of Canada's largest pension plans. Oxford understands the power of exceptional customer interactions to deliver business results and thus set out to instill customer service excellence in everything it does through *The Oxford Commitment* (see Figure 6).

We spoke to Roger Pugsley, Director, Service Excellence Programs, who shared how Oxford has initiated a number of programs to help its employees fulfill this customer service commitment:

- **Enlisting site leaders as owners.** While the CEO and other executives play a key role in sharing and reinforcing Oxford's culture, it is the site leaders who "own" customer service excellence (CSE) at each site. To ensure that site leaders were aligned in their roles, Oxford held a Site Leader CSE Conference that focused on service excellence and its impact on the bottom line. Site leaders learned about the drivers of the company's primary CX measurement—Net Promoter® Score (NPS®)[4]—and they left the day with a personal commitment plan. Following the conference, each site leader went back and engaged his or her team by hosting a workshop at their location to vet and co-design their final customer service excellence commitment together. Site leaders received facilitation guides covering what to do before, during, and after the sessions with their teams, and they also received ongoing support from the enterprise CSE team. An intranet-based, online community continues to support this rollout. This online community contains informational guides on all of the CSE programs, whiteboard style videos capturing real CSE stories from Oxford properties, and customer survey results. The company also created *The Oxford Way* video, which features real Oxford employees, to capture the essence of *The Oxford Commitment*.
- **Encouraging employee conversations about what matters most.** To empower its teams to consistently deliver on *The Oxford Commitment*, the company sought input from employees about which topics would best help them deliver excellent customer experiences. This gave birth to the *Dialogue Series*, which consists of guided, interactive conversations designed to get employees to think, learn, ask, and share

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their points of view. Site leaders co-facilitate the series sessions with an outside professional, who helps ensure things stay on track. The sessions are limited to twenty individuals, so multiple sessions are held at each site to engage all direct and third-party employees. At these sessions, participants discuss the topic, talk about the roadblocks that exist, and share their ideas for how to make things better, all of which ultimately results in a set of actionable recommendations. So far, the company has held over 600 sessions across the organization on topics that range from "Trust and Empowerment" to "Understanding and Anticipating Customers' Needs" and "Challenging Interactions." Oxford takes the action-oriented outputs of the series that move forward at its different sites and turns them into *Site Initiatives We Love*, which are identified and shared across the organization. Oxford has also created a set of eLearning modules for each topic covered in the Dialogue Series. Employees who join the company later can catch up on the topics already covered by reviewing the materials and discussing them with their boss or site leader.

- **Empowering employees to make it right for customers.** Feedback from the *Dialogue Series* prompted Oxford to co-design with its employees a new *employee empowerment program*, which enables employees to spend up to $500 to take care of a customer in seven different scenarios. To determine which scenarios to include in the program, and to write and design the necessary materials, Oxford recruited a cross-functional team made up of executives, general managers, site concierges, operations, and site security personnel. Once the program was ready to be announced to employees, the company first engaged Site Leaders through a series of conference calls, and then the Site Leaders introduced the program to their employees. The enterprise Customer Service Excellence team set up an intranet site explaining the program and made themselves available for meetings and conference calls to answer any questions and ensure that employees understood exactly what the company was asking them to do and how to use the funds through this program. Employees can now "make the right decision as if they were the customer" by asking themselves what they would expect from Oxford if they were in the customer's position, knowing that the management team has made the commitment to support employees' decisions. After an employee uses funds through the program, they meet with their manager to discuss the case. And employees can also always pull their manager into the situation if they are not comfortable making a decision.
- **Reinforcing desired behaviors from the bottom-up.** Oxford emphasizes the behaviors it wants to see from its employees through a variety of programs designed to reinforce its culture. At the center of these efforts is its *oPositive* intranet site. Here employees can submit, share, and celebrate customer success stories on a platform that allows for "likes" and comments. oPositive stories get used in site meetings and other sessions to emphasize what *The Oxford Commitment* looks like in action. oPositive also provides source content for *Site Initiatives We Love* to generate best practice sharing around site-initiated programs that have been designed and implemented. *Taking Ownership* is another online program that enables peer recognition. Any employee can give a fellow Oxford employee $100 or a day off in recognition of a performance that goes above and beyond. To recognize third-party employees, some sites have created their own programs, such as *Caught in the Act*. And in line with its existing performance bonus culture, Oxford has linked the company's NPS® score to compensation, accounting for up to 20% of an employee's bonus.

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Safelite AutoGlass: Navigating a Culture Journey Powered by its People

Safelite AutoGlass began as a single store in Wichita, Kansas in 1947 and has since grown to become the largest auto repair and replacement glass provider in the U.S., serving more than 5 million customers annually. Safelite employs more than 12,000 individuals, including 6,000 technicians and repair specialists and 2,000 call center representatives, who are located across four call centers and more than 5,000 MobileGlassShops™ and repair facilities.

In 2008, President and CEO Tom Feeney set a goal to double business in four years through a *People First* approach, believing that happy employees would lead to delighted customers. As the end of those four years approached, Safelite wanted to continue to build on its *People First* successes, so in 2012, it committed to shifting its culture to become *People Powered, Customer Driven* (see Figure 7). We spoke with Tom Feeney and Natalie Crede, Senior VP of People & Leadership Development, and they revealed the genesis of their culture and the deliberate positioning of their work:

> *"Our work started by building the understanding of why culture is important and the critical part it plays in how we treat our customers and grow our business. It was very important that everyone knew that this was not a 'program' or a 'phase,' but that the leaders of the organization were anchored in the belief that this was a journey. We have been able to trace that over time. There hasn't been a deviation of our messaging. We have been very careful with the shift we made in 2012 to use consistent language and obsessively communicate that this is an evolution of the journey we began in 2008 and that will continue into the future."*

Safelite is carrying out its culture journey from *People First* to *People Powered, Customer Driven* by:

- **Setting leaders up to succeed.** From the beginning of the *People First*, Safelite knew that to get the culture it wanted, it needed to hold its leaders responsible for engaging associates. The philosophy underlying Safelite's approach to involving leaders was to "teach before we turned." This meant making sure all leaders not only understood the new performance metrics around employee engagement and customer loyalty, but also understood how they needed to adapt their personal behaviors to succeed. To reach the company's top 300 leaders, Safelite started introducing this approach at its national leadership meetings. This allowed the company to get everyone in the same room at the same time to hear the CEO's message the same way. Following that introduction, over a thousand leaders participated in the company's custom-designed *People First Leadership Development* series to prepare them to support this employee-focused philosophy. The training included a leadership assessment and 75 e-learning courses aimed at building the leaders' skills in Safelite's core competencies (see Figure 8). The company also started a *Coaching for Performance* workshop, which introduces its coaching model and helps managers develop skills to use with their employees. In addition, Safelite uses assessment tools to collect feedback from associates regarding leaders' coaching skills. Furthermore, Safelite specifically lists "coaching" as part of the company's core competencies, and these core competencies are included as part of leaders' performance reviews.
- **Designing communications to be consistent and authentic.** At Safelite, leaders focus obsessively on the language they use in all forms of communication, whether it is hard copy print, the intranet, or video messages. They use purposeful language that

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reinforces the company's culture and connects the dots between the customer experience and its culture. To ensure that employees hear consistent messages—regardless of which leader the message comes from—Safelite aligned its corporate culture vocabulary with its top priorities, emphasizing that messages should be authentic and consistent from the top down. Following the national leadership meetings where Safelite introduced its new approach, the company instructed all attendees first to hold their own market-level meetings with employees in order to share the information they just learned and then to reinforce key messages on an ongoing basis. To help leaders present these updates to the field, Safelite provides them with a toolkit that includes materials like talking points about how employees can play a part in moving Safelite towards its goals. The company's communication team complements these leaders' efforts with videos, live and pre-recorded webinars, text messages, and visual displays in high-traffic areas in offices. The communication team also distributes information on *People Powered, Customer Driven* efforts using more traditional tactics, such as newsletters for associates and field technicians.

- **Holding everyone accountable to clearly defined expectations.** Safelite supports its culture efforts by putting in place mechanisms for accountability. The company started by identifying the core competencies that define the knowledge, skills, and behaviors required by each level of employee to deliver its desired results. For example, one of these competencies is to "*Have Passion for Creating Customer Delight*." All associates receive a "Roadmap" brochure describing the competencies and expectations by level. Monthly e-learning courses are available to all employees to develop their understanding of the core competencies. Safelite also either realigned or built new reward and recognition programs to support its target customer experience. One such program is the *Excellence in Service* program, which recognizes any employee who delights a customer by giving them a personalized letter from the CEO along with points that can be used towards a gift of their choice. The employees who receive the most Excellence in Service awards become part of the Hall of Fame, and their photos are displayed in the corporate headquarters' lobby. Another program, the *Wall of Fame Award*, is a financial recognition program for top performers who are selected by their peers. In addition to rewarding the high achievers, Safelite also holds boot camps for those employees whose performances are not where they need to be. These sessions concentrate on encouraging the right behaviors and are led by top-performing employees, who work with lagging employees to re-educate them and reset performance expectations.
- **Using stories to create emotional ties with employees.** Safelite knew the critical importance of staying focused on the positives and successes throughout its culture journey. One way the company accomplished this is through its *Greatness in Action* stories, which are crafted to make a positive emotional connection with employees. The company started these stories early on in its journey as a way to highlight the changes the leaders were making to showcase how their behavior was changing to align with the culture. Now, these stories bubble up from across the organization—from *Excellence in Action* recognition winners to leaders sending nominations of their own team members—and end up in the hands of the communication team. Some of these stories are captured on video, highlighting employee/customer interactions, and others are published in internal communications. All stories are shared on the company's online resource center, so employees can review them on-demand.

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Safelite has found that the more it shows Greatness in Action across the company, the more it hears about other examples.

- **Introducing tangible reminders to stay the course.** Safelite uses various tangible artifacts to make its culture real. All Safelite leaders receive *culture coins*, styled after the military coins that leaders would provide to their troops after major battles as a token of acknowledgement and gratitude. Safelite has used two coins in their culture journey so far—one to mark the start in 2008 with *People First* and a second in 2012 to commemorate the continuation of the journey with *People Powered, Customer Driven*. Safelite asks leaders to keep the coin on them at all times as a physical reminder of the journey they are on. Leaders also receive a small card with the Safelite pledge of leadership and are encouraged to say the pledge every day to build a sense of teamwork and almost cult-like commitment to their collective culture efforts.

Transamerica: Building a Culture That Connects Employees and Customers

Transamerica is a global financial services company that provides insurance, investments, and other offerings to more than 27 million customers. Founded over 100 years ago, Transamerica is committed to helping each of its customers build a solid financial foundation and fulfilling its promise to "make your tomorrow everything you plan for."

Transamerica's culture efforts focus on both employees and customers by empowering and engaging employees and, at the same time, making it clear to employees how their efforts positively affect customers' lives. We spoke with Rich King, Director of Customer Experience for the Investments & Retirement Division, who shared how Transamerica deliberately shapes its culture so that employees can make a difference in their customers' eyes:

> *"We're building a culture that ensures our employees truly understand the lives of our customers, those who use our products. We want employees to use that understanding to not only say and do the right things, but also be mindful how they make our customers feel."*

Transamerica has combined a number of approaches to elevate its customer experience and further strengthen its customer-focused culture, including:

- **Using customers to enhance employee understanding.** Employees gain a deeper understanding of Transamerica's customers through its *Real People, Real Stories* program. For this program, Transamerica interviewed customers to learn about their real goals for working with the company and then shared these stories with employees through short videos. These videos help employees tie their work directly to the end customer. To keep these stories top-of-mind with employees, Transamerica created desktop displays and photo galleries in offices with pictures of the customers featured in the videos. When an employee scans one of the pictures with a special smart phone application, the video associated with that customer launches and plays.
- **Communicating from the top down.** Employees at Transamerica don't just hear about the customer experience from customers, they also hear about it from leaders. To help employees understand "why" customer experience is important, Transamerica uses top-down communication—starting with the President/CEO and cascading down through other leaders. Leaders deliver core messages about the desired culture using presentations and quarterly updates, and these messages are

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then reinforced by a community page managed by the CX team on the company's intranet. Employees are trained to care about customer experience early as Transamerica has embedded an introduction to its culture in its new hire orientation.

- **Challenging employees to personalize how they serve customers.** During one of the President/CEO's roadshows, he spoke almost exclusively on the importance of customer experience to Transamerica. He ended his talk by introducing the notion that every employee wears a nametag reading, "Hello, my name is … My role serving the customer is …" and challenged people to define their own role in serving the customer. This became known as *Mark's Challenge*, and the company set up an online site where employees from all functions could post their own personal introductions and declare their role in serving customers. The site also generated nametags that employees could print and display in their workspace.
- **Using real customer scenarios to propel learning.** To help improve customer interactions, Transamerica uses a variety of tactics including a *customer listening program* and *ER Sessions.* The listening program uses online modules or call shadowing to expose non-call center employees to both the agents and the customers calling in. Meanwhile, the company has modeled ER Sessions after teaching hospitals, where doctors, nurses, and residents discuss the lessons they learned from each patient or procedure. Transamerica bases its ER Sessions on a customer complaint or issue, and these sessions include a facilitated debrief, small group discussions with role-play scenarios, and a brainstorming session on how to prevent the issue or handle the situation better in the future.

SET YOUR SIGHTS ON CULTURAL FOCUS AND INTENSITY

Every organization's culture is somewhat different, but we've found that all cultures share some common characteristics. We describe those elements as:

- **Cultural Focus.** Every organization has one element of its efforts that, when push comes to shove, trumps all the other elements. This is the company's cultural focus can span from being profit-centric, where generating profits comes first, to being customer-centric, where customers come first, or mission-centric, where fulfilling the company's mission comes first, among many others (see Figure 9). When it comes to delivering a great customer experience, Temkin Group's research has found that CX Leaders are more likely to be either customer-centric or mission-centric.
- **Cultural Intensity.** To what degree do all of your employees think, believe, and act in the same way. At the low end of the intensity scale, the culture is almost non-existent as few employees share common values. At the high end of the scale, the alignment around values is almost cult-like.

What's Your Cultural Ambition?

To help companies discuss their goals around culture, we've created a cultural planning map (see Figures 10 and 11). Here's how to use this tool:

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- **Determine your cultural intensity and focus.** Use the short assessment to identify your cultural intensity score and pick the description that best describes your cultural focus.
- **Map current position.** Place an "X" in the position of your company's current culture in location based on your perception of its cultural focus and cultural intensity.
- **Map future ambition.** Place a "Y" in the position that you'd like to see your company's culture become in the next three years. And draw an arrow from "X" to "Y."
- **Share your maps.** Have your peers go through the same exercise and share your outputs. Use this process to gain alignment around your ambitions.
- **Develop plans.** Establish a set of plans around the five areas of *Employing-Engaging Transformation* that will help you reach your cultural objectives.

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Impacting How Employees Think, Believe, and Act
Examples from Hilton Garden Inn, Hagerty, and Oxford Properties

Think *Employees need to be intellectually bought-in and understand the customer experience vision and why it is important to the company*	When the leaders of Hilton Garden Inn introduced the brand's new brand pillars and culture statement, it began a cascading communication effort that encompassed internal employees, hotel owners, hotel general managers and sales leaders, and hotel team members. These messages were reinforced by inviting general managers and sales leaders to record videos sharing what the culture statement meant to them. Attendees at events like owner meetings and training sessions were also invited to post their own personal *"You Can Count on Me"* commitment on a "commitment wall" to share how they will live the culture.
Believe *Employees need to see that leaders are truly committed to what is important to the company*	When Hagerty was ready to share the new maxims that define its culture, it started with its CEO, McKeel Hagerty. Mr. Hagerty facilitated the entire launch meeting held at the company headquarters and simulcast to its other locations. He personally spoke to why the company's culture was important for its future and what each maxim meant to him. Mr. Hagerty and the company's other leaders continue to steer the company's culture through *Quarterly Rollouts*, company-wide meetings for reviewing Hagerty's its *One Page Plan*. The plan incorporates the maxims along with the company's short-term and long-term goals and metrics measuring progress.
Act *Employees need to adjust their behaviors to align with what is important to the company*	To help employees adjust their behaviors to deliver on its customer service commitment, Oxford Properties created the *Dialogue Series,* based on feedback from employees. The series consists of guided, interactive conversations around the topics employees believe will help them best deliver excellent customer experiences. The series content is also converted into online learning sessions for continuous education. Oxford's *Taking Ownership* program lets employees recognize each other for a performance that goes above and beyond with either $100 or up to one day off from work.

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Employee-Engaging Transformation is Different From Today's CX Change Efforts

Employee-
Engaging
Transformation

Aligning employee attitudes and behaviors with the organization's desire to change.

	Today's CX Change Efforts	Employee-Engaging Transformation
Executive mindset	Short-term change	Long-term sustainability
Change efforts	Mandated top down	Designed top down and refined bottom-up
Role of employees	Conformance	Involvement
Planning metaphor	Command and control	Political campaign
Focus of change	Processes and rules	Actions and behaviors of people
Change activities	Make changes and move on	Change, refine, and reinforce
Key areas of leverage	Front line employees	Middle managers
Primary focus of communications	What's changing	Why change is important

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Figure 2

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How Case Study Companies Demonstrate the Five Practices of EET in Their Culture Change Efforts

	Vision Translation	Persistent Leadership	Middle Management Activation	Grassroots Mobilization	Captivating Communications
Hagerty Insurance	Employees created videos of what new culture meant in their roles	*One Page Plan* balances short and long term goals; shared with all employees	*Leadership Forum* brings together managers to share best practices	Training programs reinforce both business skills and customer passion	*Collector of the Year* contest engages all employees in customers' stories
Hilton Garden Inn	Team members make personal commitments to live culture statement	Owners and GMs play active role in cascading culture messages	Uses hotel managers to deliver brand and culture training to team members	Interactive culture training program uses video, games, and role-play	Carefully translated culture statement so meaningful to intl. employees
Oxford Properties	*Dialogue Series* allows employees to explore key culture topics and make suggestions	Leaders support investments in employee training and empowerment programs	Site leaders enlisted and trained as owners of *The Oxford Commitment*	Employee-designed *Empowerment Program* lets them spend up to $500 to make it right	*oPositive* intranet site captures employee success stories, recognition, and feedback
Safelite AutoGlass	Competency model translates culture into knowledge, skills, actions	*Culture Coins* and leadership pledge are tangible reminders of culture journey	1,000+ leaders and managers trained on what it would take for success	*Excellence in Service* recognizes culturally-aligned employees	*Greatness in Action* stories share examples of positive employee behaviors
Transamerica	CEO challenged every employee to define how their role serves the customer	Leaders have active role in top-down messaging across the company	Managers and employees use *ER Sessions* to debrief & role play real customer issues	*Customer Listening Program* gives non-call center employees exposure to calls	*Real People, Real Stories* program captures customers on video sharing their real goals

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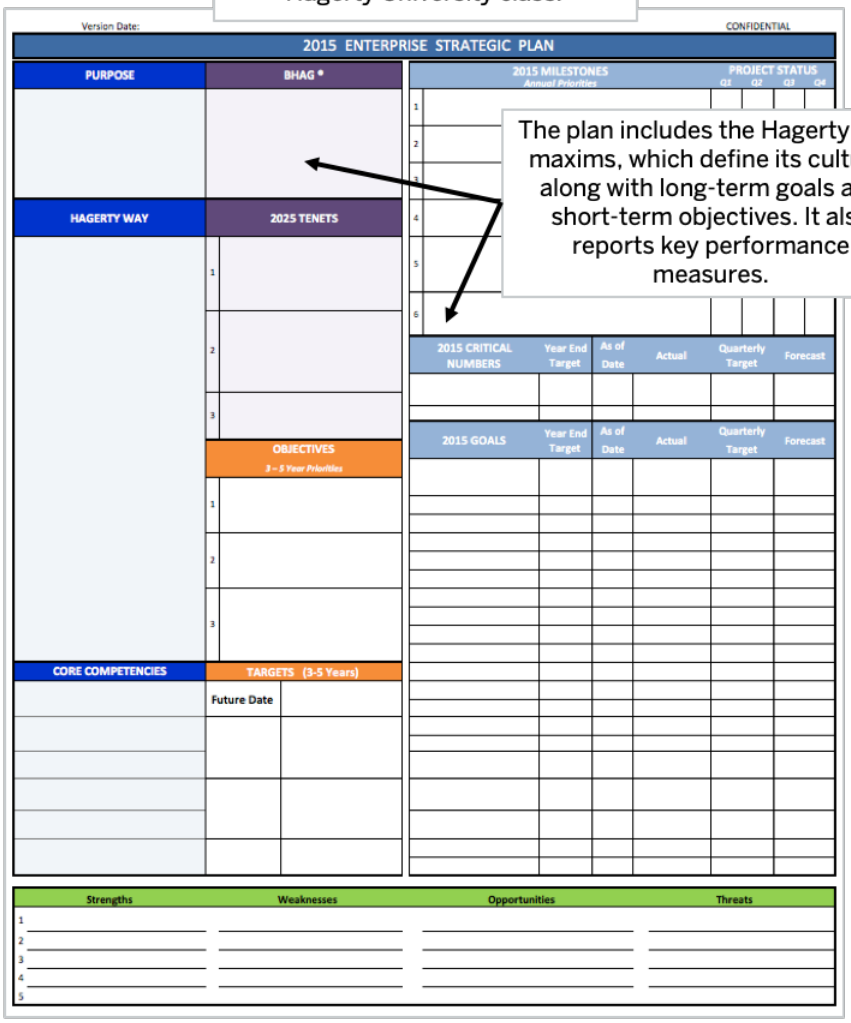
Hagerty Insurance One Page Plan

The content in the plan is reviewed in-depth at all company *quarterly roll-outs* by the CEO, as well as during new hire orientation and Hagerty University class.



The plan includes the Hagerty Way maxims, which define its culture, along with long-term goals and short-term objectives. It also reports key performance measures.

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Figure 4

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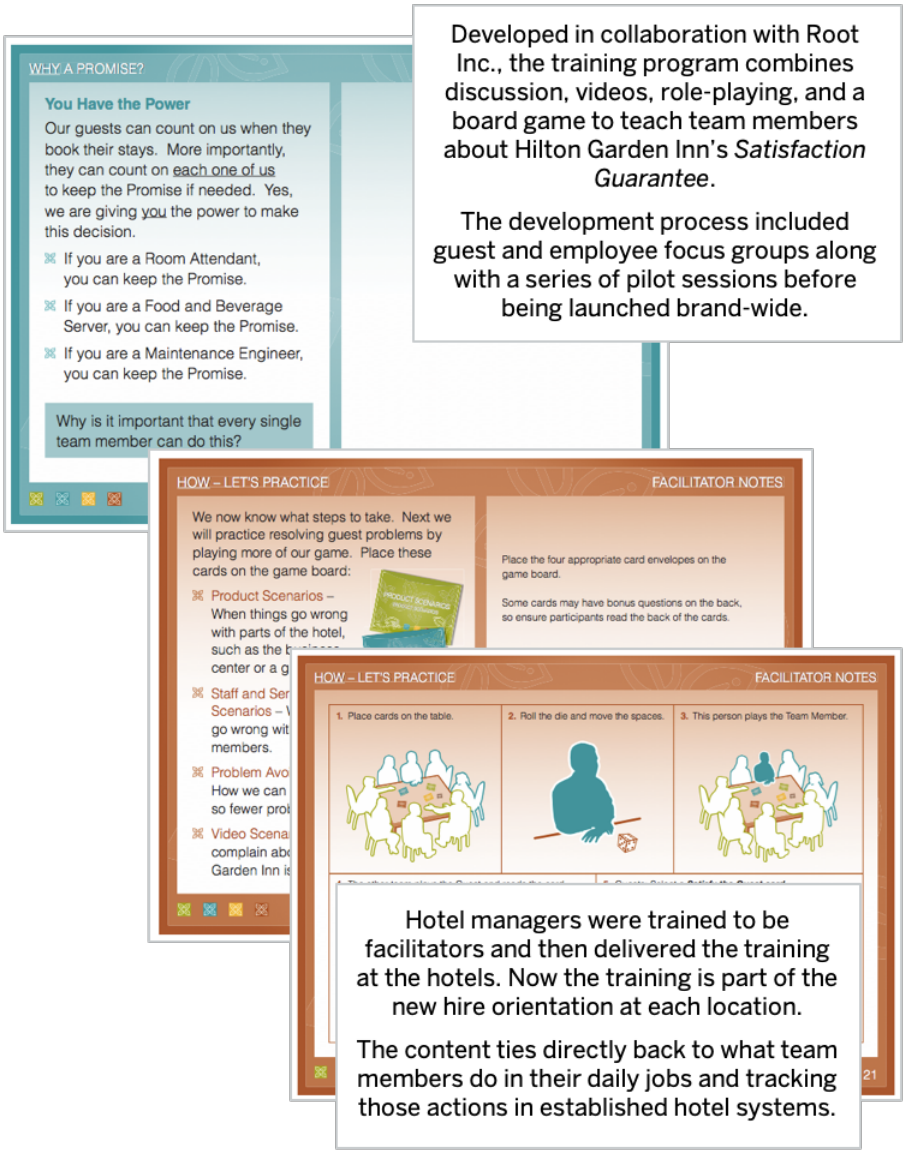
Hilton Garden Inn's Guest Promise Training



Developed in collaboration with Root Inc., the training program combines discussion, videos, role-playing, and a board game to teach team members about Hilton Garden Inn's *Satisfaction Guarantee*.

The development process included guest and employee focus groups along with a series of pilot sessions before being launched brand-wide.

Hotel managers were trained to be facilitators and then delivered the training at the hotels. Now the training is part of the new hire orientation at each location.

The content ties directly back to what team members do in their daily jobs and tracking those actions in established hotel systems.

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Figure 5

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The Oxford Commitment

Four Defining Behaviors of Oxford's Culture

1. We stay flexible and are in touch with the needs of our employees, customers, partners, and stakeholders. We relate to people as individuals and are united under a "winning culture."
2. We remain humble and hardworking. We know we must earn people's respect in every interaction, every day.
3. We provide a safe environment for people to take risks and to foster empowerment, innovation, and leadership.
4. We are empathetic and responsive to our customers' needs; and build teams around people who have customer service in their DNA.

Customer Service Commitments

- **We consistently deliver a world class experience.** We focus on hiring and developing the best people for every job; people who learn, live, and breathe the culture and brand of the organization. That means every one of us delivers exceptional service in everything we do.
- **We earn your respect in every interaction, every day.** Relationships are our most important asset. We go above and beyond to protect and grow them by anticipating needs, being honest and considerate, and valuing customers as genuine partners.
- **We empower our teams to deliver effective solutions fast.** We know problems happen. We listen; we are accessible, creative, and responsive with our solutions; and we act with urgency to make the right decisions.
- **We take great pride in leading the industry.** For over 50 years we have earned our place as leader through innovation, service excellence, and an unrivaled focus on customers. We are committed to that tradition of leadership and to a passion for excellence.
- **We work with purpose.** As OMERS real estate investment entity, we work in the name of 400,000 plus pensioners. We raise the bar in everything we do to deliver on the pension promise and to provide a competitive edge for all of our business partners.

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Figure 6

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Safelite AutoGlass Customer Driven Model

Being CUSTOMER DRIVEN

Objective: Achieve ***extraordinary results*** by looking at our business through the ***eyes of our customers***, making it ***easy for them to do business with us*** and ensuring ***their experience is memorable.***

Listen **–** seek to understand customer pain points and learn through their experiences.

Focus **–** deploy resources where they deliver the greatest mutual business value.

Delight **– create loyal customers that will become brand advocates and our super promoters.**

Create **– implement solutions for our customers that differentiate us from our competitors making us The Natural Choice.**

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Figure 7

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Safelite AutoGlass's People Pledge and Leadership Development Program

The "People Pledge"

You'll experience great leadership. We strive for great leadership. You'll be treated with respect. You'll often be asked for your opinions and involved in decisions that affect your work. You'll understand the big picture and your role in it. You'll receive coaching and guidance to help you reach your full potential and you'll be recognized for your hard work in delivering extraordinary results.

We focus on you first. Concentrating on our people is a key part of our business strategy. You'll have the tools, information and resources to position you for success, along with support and opportunity for a rewarding and fulfilling career.

We hire top talent...that includes you. Having great people is what sets us apart from the rest. You'll work with smart people every day who will inspire you to be at your best. By bringing your ideas and applying your skills, you'll have endless opportunities to grow both personally and professionally.

You'll work in a caring culture. At Safelite, we've got a strong set of values and a big heart...for our people, our customers, our environment and the communities in which we live and work. We strive for a culture that will inspire you to achieve...not because you have to, but because you want to.

Safelite AutoGlass: People Powered Leadership Development Series

- Based on its People Powered philosophy: drive business performance by putting people first and having an obsessive focus on having great people (through leadership, focus, talent, and caring)
- 1,000+ leaders participated in a development series that included 75 e-learning courses on Safelite's core competencies, with topics such as "Creating Engagement" and "Coaching for Performance"
- Reinforced with the People Powered Leadership Award, which honors leaders who live up to the People Powered philosophy
- People Powered concepts were also integrated into a talent management platform that supported performance evaluations, succession planning, recognition, and more

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Figure 8

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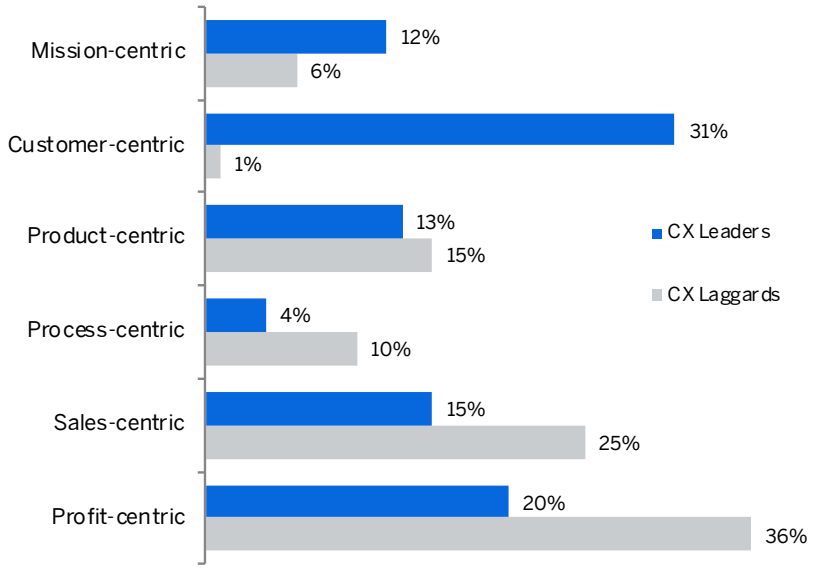
Six Areas of Culture Focus

- **Mission-centric:** Fulfilling our mission comes first
- **Customer-centric:** Our customers come first
- **Product-centric:** Product features and capabilities come first
- **Process-centric:** Process efficiency comes first
- **Sales-centric:** Generating sales comes first
- **Profit-centric:** Generating profits comes first

CX Leaders Are More Customer- and Mission-Centric



Base: 199 organizations with $500 million or more in annual revenues.
100 companies that have above average CX maturity and
99 companies that have below average CX maturity
Source: Temkin Group Q1 2015 CX Management Survey
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Figure 9

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Determine Your Cultural Intensity and Cultural Focus

To what degree do these statements describe your organization?

1 = Not at all 2 = Minimally 3 = Moderately 4 = Considerably 5 = Completely

Our organization has a well-defined set of core values and beliefs.	
Senior executives act consistently with the company's core values and beliefs.	
Leaders and managers across the company reinforce the company's core values and beliefs.	
Employees across the organization embrace the company's core values and beliefs.	
TOTAL: Cultural Intensity Score	

Interpreting Cultural Intensity Score

< 10 **Negligible:** Few employees share the company's core values and beliefs.

11-14 **Intermittent:** A few groups of employees share the company's core values and beliefs and adapt their behaviors to fall in line with those beliefs.

15-17 **Pervasive:** Most employees share the company's core values and beliefs and their actions are noticeably aligned with those beliefs.

18-20 **Embedded:** Almost all employees share a strong commitment to the company's core values and beliefs and their actions are aligned with those beliefs. People who don't share those beliefs don't last very long within the organization.

Pick the Description That Best Describes Your Cultural Focus

Select the statement below that best describes your executive team's top priority

- ☐ *Process efficiency comes first* (Process-Centric)
- ☐ *Fulfilling our mission comes first* (Mission-Centric)
- ☐ *Product features and capabilities come first* (Product-Centric)
- ☐ *Generating sales comes first* (Sales-Centric)
- ☐ *Generating profits come first* (Profit-Centric)
- ☐ *Our customers come first* (Customer-Centric)

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Figure 10

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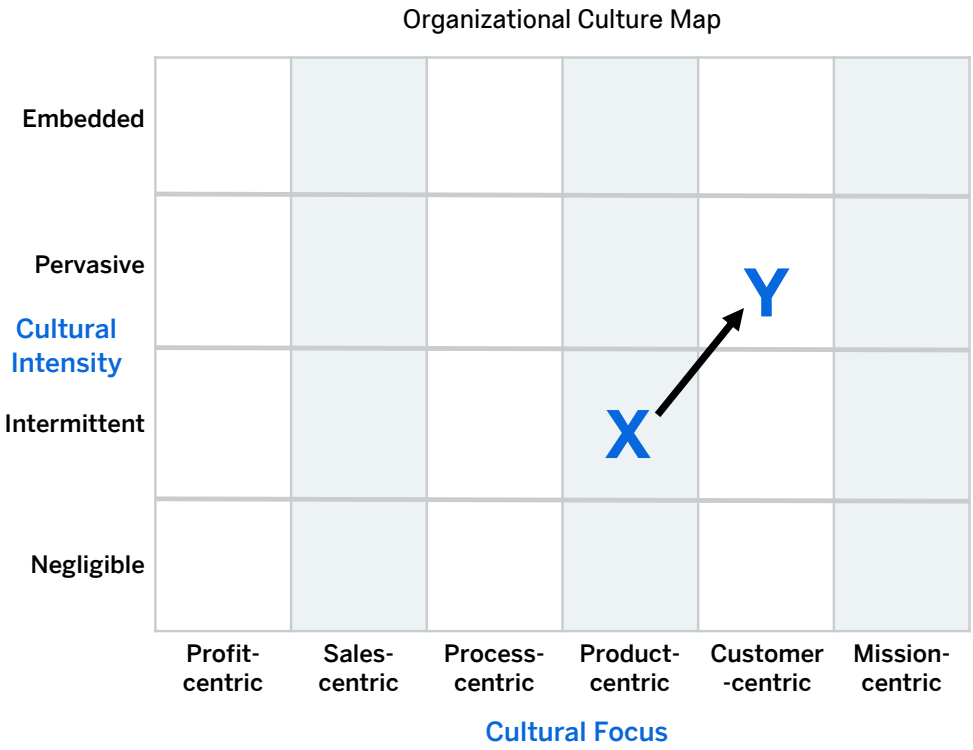
Map Your Cultural Ambition



Using the Organizational Culture Map:

- Put an "X" in the box that corresponds to your company's current cultural intensity and cultural focus.
- Put an "Y" in the box that corresponds to where you'd like your organization to be in 3 years
- Share maps with other people and discuss what it will take to go from "X" to "Y"

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