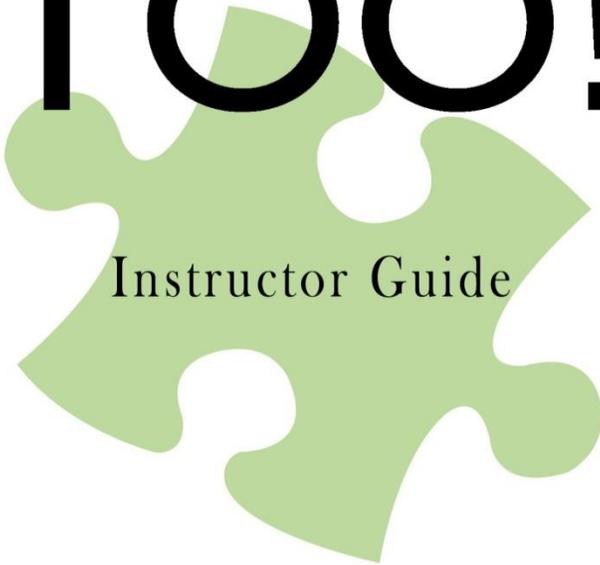




IT'S MY COMPANY TOO!



Instructor Guide



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(NOTE: Only the Overview, Forewords, Introduction and Chapter One are currently available online. For Chapters Two through Nine, please email kthompso@depaul.edu)



Overview of the Purpose of the Book

Recent research has shown how customer satisfaction and the resulting financial gains from repeat, loyal business stem from *emotional engagement* within employee-customer interactions. Yet, organizations that are focused on excellence and high performance go beyond employee engagement to what we have identified as *employee entanglement*. At first blush, entanglement means being caught in a difficult and complicated situation from which it is a challenge to escape, and that does not sound like something an employee would want to voluntarily enter, let alone something an ethical leader would want to create. However, let's look at the concept in a slightly different way.

At the core of entanglement is tension, which is the condition of being stretched or strained, a state of mental unrest that seeks resolution and reduction of the psychological and physiological stresses that arise from the tension. Would anyone disagree that the mental challenges one faces in today's rapidly changing environment are tension-filled?

We assert that *entanglement can be a positive force* within organizations, driving individuals, teams, and organizations to achieve better results because of the tension between the existing state, the knowledge that things can always be better, and the desire to make things better. At the root of entanglement rests the tension between the present and the desired future, between what is and what could be, coupled with the realization that change occurs in the vacuum between the past and the future along with the collective efforts of dedicated people joined by common values, purposes, or goals.

Comparing employee engagement and employee entanglement is analogous to noting the difference between college athletes and Olympians. Carrying over this analogy to for-profit and not-for-profit organizations, the "college athlete" is certainly a valued employee; however, the "Olympian" is someone who could change the future of the organization. The average college athlete may be a high performer who is engaged, but chances are he has his sights set on a variety of other things. Of course, part of his focus is on his training and his teammates, but he is also concerned about classes, assignments, his social life, his future—assuming it is not in sports—and so on. The Olympian, on the other hand, has a much narrower focus. She is far more tuned into achieving success at her sport, so her every action is concentrated on attaining her highest level of performance. She wants—no, she needs—to be the best, and all aspects of



her life (her diet, her sleep, her training, her family support, her work choices) are entwined in her efforts to be the very best.

Just as the Olympian interlaces all aspects of her life into her quest for gold (perfection in her chosen sport), an entangled employee does so for the success of his or her organization and the perfection of his or her own performance. Each decision, both within the workplace and outside it, becomes organization-focused.

Entangled employees are like Olympians. They see each encounter with a customer (client, patient, student) or other key stakeholder (employer, coworker, board member, owner, supplier, the larger community) as possibly their only opportunity to make a positive impression; they don't wait for second chances. They interlace all aspects of life with their quest for personal and organizational gold. Each decision in the workplace and outside it is focused on gaining the best possible result. Where an Olympian asks, "Will this action improve my skills and better position my team to win?" the entangled employee asks, "Is this action my best, and will it improve my organization, achieve our goals, and position us for success?"

The above paragraphs were pulled from the introduction chapter of *It's My Company Too*, and in essence, are the basis of the book. Each chapter of the book focuses on a single organization that demonstrates the ability to create an entangled workforce. Additionally, each chapter uncovers a different element of the essential components needed to create an entangled workforce environment.

We tie each chapter to specific behavioral or operational management approaches guiding readers to the basic understandings of what it takes to create and sustain an entangled employee workforce. We use the following model to connect the elements to the theory:





The final chapter brings each of the puzzle pieces together to provide clarity and to draw attention to the importance that each piece must work together in order to build an entangled culture. What we will give you first is a brief summary of each chapter, before the remainder of this instructor guide delves further into each concept and explains in greater detail the relevant evidence-based concepts that apply.



To supplement your lectures, we have included learning goals, discussion questions, PowerPoint slides, and YouTube videos sites. We believe this book to be an excellent supportive source for courses in management, leadership, organizational behavior, along with any course where there is a systematic focus on structural and behavioral dimensions and how they can build a high-performance, customer-focused work environment.

Foreword and Foreword Backstory – We recommend assigning this brief section. Organizational Behavior expert, Past-President of the Academy of Management, Editor of two journals, Dr. Fred Luthans gives an academic perspective to the contents of *It's My Company Too!*. Furthermore, *Inc. Magazine* editor and author of *Small Giants: Companies that Choose to be Great instead of Big*, Bo Burlingham sets up the premise and importance of the book with the Foreword Backstory. Each provides a different perspective on the importance of employee-focus and the need to create the structural and behavioral dimensions to build a high performance, customer-focused work environment.

Introduction – Going Beyond Engagement to get Remarkable Results – This chapter provides the background for understanding entanglement and the choice of organizations for each chapter. We introduce the model used to connect topics in this section.

Chapter 1 - Having Leaders Who Do Extraordinary Things: *Springfield Remanufacturing Corporation* – This chapter focuses on trust-building leadership behaviors, open book management, and the elements of the “Great Game of Business.” The leadership of Jack Stack is reviewed and how he saved this company through igniting the engagement of its workforce.

Chapter 2 – Building an Ethical Organization: *Integrated Project Management* – This chapter focuses on the importance of developing and maintaining an ethical organization. It uncovers IPM’s path to creating an organizational culture that supports employee trust in the organization and by doing so, a significant client base that also appreciates and trusts in the company.

Chapter 3 – Focusing All the Human Capital: *Midway USA* – Larry Potterfield, founder and CEO of Midway USA is a big supporter of the Baldrige Criteria as a means to create a high performance and customer-focused work environment. Through values, mission, and



vision statements, organization outcome metrics, an effective strategic plan, and aligned process performance goals that address everything down to individual performance goals, Midway USA has thrived in a highly competitive online and phone-in market.

Chapter 4 – Using Processes to Guide Performance: *Tarlton Corporation* – In a complex work environment like the heavily unionized construction management industry, where the general contractor depends on subcontractors (which can include competitors) to do much of the work, processes become irreplaceable tools to manage projects, align individual behaviors, develop timelines, and set performance standards.

Chapter 5 – Increasing an Individual's Self-Efficacy: *North Lawndale Employment Network and Sweet Beginnings* – We pause from talking about employees in this chapter to focus on building self-efficacy of formerly incarcerated individuals. This chapter aims to demonstrate the importance of building self-efficacy, which would include individuals in the workforce. North Lawndale Employment Network and Sweet Beginnings have a unique program that has dramatically reduced recidivism rates in the North Lawndale community by training and building individual self-efficacy to support successful job reentry. Self-efficacy is just as important in building an engaged workforce.

Chapter 6 – Giving Employee Freedom and Responsibility within a Culture of Discipline: *Tasty Catering* – Many leaders have difficulty supporting employees' use of discretionary thinking and action for fear an employee will make the wrong decision. This chapter demonstrates how organizational values, trust, and culture support an environment where all employees can exhibit the freedom and responsibility to think and act on their own due to having a culture of individual discipline. Tasty Catering's leaders have built such a strong, value-driven culture that any one employee would challenge another, leader or otherwise, if he felt that person was not following the values of the organization.

Chapter 7 – Hardwiring Discretionary Thinking and Actions: *Mike's Carwash* – How do you motivate part-time high school and college students in multiple remote locations in multiple states far from corporate headquarters? That is the challenge the leadership of Mike's Carwash faced and successfully tackled by hiring for attitude, training employees,



setting goals, and reinforcing practices to hardwire the culture and improve employee engagement to delight customers.

Chapter 8 – Guiding the Transformation to Remarkable Performance: *Advocate Good Samaritan Hospital* –Advocate Good Samaritan is a recent National Baldrige Award Recipient and a State of Illinois Gold Level Performance Award Recipient with over 3,000 employees and volunteers. The transformation process that created highly engaged and entangled employees was central to their effort in becoming a benchmark of clinical outcomes, patient and physician satisfaction, and operational excellence. That transformation is the centerpiece of this chapter.

Chapter 9 – The Synergy and Magnetism of an Entangled Culture – The closing chapter brings all eight concepts together in the puzzle piece model. Because each of the eight studied organizations are entangled, we demonstrate how connecting all eight concepts together can transform an organization to be as productive, efficient, happy, and high-performing.

Chapter-by-Chapter Materials

The following chapter overviews cover:

1. A detailed narrative of the chapter
2. Learning goals and competencies
3. Connection to specific evidenced-based research supporting the concept
4. Suggested discussion questions with ideas of how to lead the discussion
5. Class engagement ideas
6. Videos to support the concepts and the website of the organization used in each chapter



Foreword, Forward: The Backstory, & Introduction Chapter ~*Going Beyond Engagement to Get Remarkable Results*~

Chapter Summary

The Foreword, Forward: The Backstory, and Introduction chapters provide the background for understanding the concept of entanglement and the choice of studied organizations. In this section, we introduce the model presented throughout *It's My Company Too*, a series of nine puzzle pieces, each with a component to organizational entanglement.

Understanding entanglement: When heard, the term *entanglement* means being caught in a difficult and complicated situation, a situation in which it is a challenge to escape. It goes without saying that most leaders and employees would prefer to disassociate their work environment with the term entanglement given the negative connotation. However, let's look at the concept in a different light.

At the core of entanglement is tension: the condition of being stretched or strained, a state of mental unrest that seeks resolution and reduction of the psychological and physiological stresses that arise from the tension. Would anyone disagree that the mental challenges one faces in today's rapidly changing environment are tension-filled?

To recap from the Overview Purpose as well as from *It's My Company Too*, here is a brief excerpt from the book:

We assert that *entanglement can be a positive force* within organizations, driving individuals, teams, and organizations to achieve better results because of the tension between the existing state, the knowledge that things can always be better, and the desire to make things better. At the root of entanglement rests the tension between the present and the desired future, between what is and what could be, coupled with the realization that change occurs in the vacuum between the past and the future along with the collective efforts of dedicated people joined by common values, purposes, or goals.



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The elements of entanglement involve eight critical elements:

7. Having leaders who do extraordinary things
8. Building an ethical organization
9. Focusing all the human capital



10. Using processes to guide performance
11. Increasing an individual's self-efficacy
12. Giving employees freedom and responsibility within a culture of discipline
13. Hardwiring discretionary thinking and actions
14. Guiding the transformation process to remarkable performance

Throughout *It's My Company Too*, these critical factors are and will continue to be critical conversation discussion points about organizational survival and success. We've found that blending these eight elements creates a special synergy and magnetism within entangled organizations that gives rise to employee loyalty, engagement, and satisfaction—measures of success akin to financial success—customer loyalty, engagement and satisfaction—measures of market share and value—and the effective and efficient use of resources.

Employees are key to meeting financial and customer satisfaction goals. That makes the difference between an engaged and entangled workforce all the more crucial and that much more of a competitive advantage for any organization able to make the leap.

Learning Goals & Competencies

1. I will have good operating understanding of the notion of entanglement and how it relates to engagement. Additionally, I will be able to provide an example and explain the difference between the two concepts.
2. I will be able to define the eight elements associated with entanglement outlined in each chapter. I will be able to define the elements and indicate how they relate to building an entangled organizational culture. As part of my answer, I will be able to give an example that demonstrates the specific variable of each.
3. I will be able to give examples of how to build pride in the organization, and I will be able to give examples of how to build an entangled culture. I will be able to give examples of structural and behavioral dimensions that will increase both internal entanglement and an external



favorable image for each of the major stakeholders of an organization (i.e. investors, customers, suppliers, community).

4. I will be able to understand and determine the difference in perspectives presented in the two Forewords (Dr. Fred Luthans, professor at the University of Nebraska, and Bo Burlingham, Editor, author and business leader) on the value of entanglement and how it might be used in each setting.

Connection to Specific Evidenced-Based Research Supporting Chapter Concepts

More specific components related to specific chapters will also play a large role; however, the overall philosophy of *It's My Company Too!* hinges on three concepts: the Baldrige criteria, engaged employees, and positive psychological capital. Additionally, chapter nine will link items together and will further provide evidence-based research supporting entanglement; therefore we will only casually address them at this point.

1. **The Baldrige Criteria** – this is developed in 1987 and is managed by the Baldrige Board of Overseers. It uses a process that searches for evidence differentiating between benchmark organizations and good organizations. The criteria are reviewed every even numbered year and revisions are published every odd numbered year. We integrate the Baldrige criteria in separate chapters to be discussed in greater depth in chapter nine. See the Baldrige criteria book resources under current publications in this chapter, particularly the core values and leadership criteria (cat. 1.1) and workforce focus (cat. 5.1 and 5.2).
2. **Engaged Employees** – the Gallup organization has published research demonstrating the connection between engaged employees and engaged customers. These customers are more loyal, purchase more, and support the organization in a much more active fashion than just satisfied customers. For more information on this topic, see John H. Fleming, Curt Coffman, and James K. Harter, “Manage Your Human Sigma,” *Harvard Business Review* 83, no. 7/8 (July–August 2005): 107–114.
3. **Positive Psychological Capital** – this is a central concept that promotes the kind of culture needed to build engagement and then entanglement. Further explanation can be found in: Fred Luthans, Carolyn M. Youssef, and Bruce J. Avolio, *Psychological Capital* (Oxford: Oxford University Press, 2007).



Suggested Discussion Questions with Answers

1. What is the difference between workforce engagement and entanglement? How does engagement differ from job satisfaction or job commitment?
2. What are the key variables needed to create an entangled organization and why are they important?

Class Engagement Ideas

There are several approaches you might use to get the class more engaged in this early stage of the book. Here are some ideas:

1. Have each class member think about and share an instance of how and why he or she was highly engaged or entangled in a job, project, or hobby. What were the reasons for entanglement?
2. Have each student describe major turn-offs that turned him or her actively unengaged in other situations.
3. Have groups create a mind map that lists all the things that improve organizational culture and how they are connected to each other.

Videos

Here are some short clips relating to this chapter and found on the web that you might find helpful.

- <http://www.nist.gov/baldrige/multimedia/index.cfm> - This site provides a list of Baldrige YouTube videos with a brief description of each.
- <http://www.youtube.com/watch?v=BhpuCTwvulQ&NR=1> - This is a video of John Fleming, Chief Scientist at Gallup, talking about Human Sigma and how it influences customer satisfaction.
- http://www.ted.com/talks/martin_seligman_on_the_state_of_psychology.html - This video, by Martin Seligman, a major principal of the concept of positive psychology, traces the evolution of positive psychology.



- <http://www.youtube.com/watch?v=X-hL52sdqmY> - This is a brief interview with Martin Seligman on positive psychology.



Chapter 1 - Having Leaders Who Do Extraordinary Things ~Springfield Remanufacturing Corporation~

Chapter Summary

The chapter title was chosen very carefully. We are not advocating that one has to be an extraordinary *leader* in order to do good things. Rather, one can be a good leader who does extraordinary *things*.

Businessman Jack Stack is a great example of this. His leadership ideas were not the result of an Ivy League education nor did they sprout from under an organization known for exceptional leadership (he worked for International Harvest at the time his revelation hit). However, what Jack did to save the jobs of 119 people in Springfield, Missouri, is truly extraordinary.

This chapter traces the evolution of Springfield Remanufacturing—a company led by Jack Stack—its transition into open book management, and the development of the now-popular Great Game of Business.

Building Trust: The chapter begins with Jack Stack's transfer from the Melrose Park, IL, headquarters to the Missouri branch of his organization. He had already developed a reputation as a "fixer," and the Remanufacturing division was having its share of problems. Jack was tasked with turning the operations into a profit center.

At this time, International Harvest was having severe problems, fighting to stave off bankruptcy. With his marching orders in hand, Jack also took with him a personal philosophy that focused on the importance of the workforce when getting things done. He believed that in order to succeed, he needed to build trust and a partnership between the leadership team and the workforce. So, he began listening to their needs.

The first need was obvious. Springfield, Missouri, gets hot in the summer, and working at a plant with no air conditioning and no fans to move the air was brutal for workers. The workforce asked for fans, and Jack delivered. Then, the workforce asked for refrigerators to keep their lunches cold, and again, Jack delivered. Everyone in the plant knew that Jack was there to reduce expenses and to increase the cash flow and that these new expenditures would not be popular with corporate, but they knew that Jack was taking this risk for them. And so, Jack began to develop their trust.



When the opportunity to purchase the Springfield unit presented itself, Jack sprang. By that time, the workforce had already developed a high level of trust with Jack, so when Jack told them that the company would not survive unless they did quality work and reduced costs, they believed him. And when Jack started the Great Game of Business with them, they embraced it.

The Great Game: The first thing Jack and his leadership team did with the Great Game of Business involved teaching all staff the fundamentals of financial statements (income, balance sheet, funds flow, etc...) and how to create a budget. After that, each team was charged with creating a budget for the area in which they were deemed responsible. The entire group met once a week for “huddles” where each team would report their area’s progress to everyone, to which everyone would either praise good performance or give ideas on how to improve poor performance. If the entire group hit a specific organizational performance goal (such as hitting a certain number for cash flow or profit), they received a stock bonus.

The approach created high employee engagement, sustained efforts, and as a result, saved the company from going bankrupt. Today, the company workforce is larger than 1,000, has a profitable record, and is still going strong. The organization also has multiple SBUs (strategic business units) that reflect Jack’s philosophy of keeping units small so individuals can make a difference.

Learning Goals & Competencies

1. I will be able to understand what behavioral and structural changes that Jack Stack had to make at SRC in order to achieve the same high levels of engagement that he did.
2. I will understand what a mini-game is and how that helps to build confidence for the individual to better take on the larger Game of Business.
3. I will understand the advantages and disadvantages of profit sharing and of an ESOP (Employee Stock Ownership Plan) as a vehicle to motivate employees.
4. Periodic huddles were used as a way to engage employees; I will understand how and why these were central to building engagement and sustaining employee effort.



5. I will understand why a bonus based on organizational outcomes can better sustain effort and cooperation over more personal-based behavioral measures.

Connection to Specific Evidenced-Based Research Supporting Chapter Concepts

The Great Game of Business—the major feature of this chapter—is predicated on three major evidence-based concepts.

Goal Setting – Locke (Edwin A. Locke and Gary Pl Latham, *A theory of Goals Setting and Task Performance*, Prentice Hall, Upple Saddle River, N.J. 1990) and his associates have pioneered extensive research demonstrating that having goals are more effective than not having goals; specific goals are more effective than general goals; and harder goals are more effective than easy goals in improving work-related behaviors. They also found that after goals reach a point where they are perceived as too difficult, then individuals may give up on the goal and reduce efforts.

Reinforcement Theory – Albert Bandura’s work is a main contributor to the importance placed on reinforcing behaviors to obtain sustained effort. Much of his work is summarized in Albert Bandura, *Social Foundations of Thought and Action: A Social-Cognitive View*, Prentice Hall, Upper Saddle River, N.J. 1986. Additionally, B. F. Skinner pioneered reinforcement theory (B.F. Skinner, *Beyond Freedom and Dignity*, Alfred Knopf, N.Y. 1971). When applied to business, leaders practice social reinforcements. They take actions to support particular behaviors within the workforce teams and within the structure of the work itself, acting to give more than just financial rewards and to garner an emotional investment from employees. For more on this topic, please see David Premack, “Reinforcement Theory,” in D. Levine (Ed.) *Nebraska Symposium on Motivation*. Nebraska Press, Lincoln, NE 1965, p. 123-180.

Building Trust – Trust is central in building a foundation for achieving higher commitment from employees. Several research studies support the importance of trust. For example, Edward E. Lawler III, “Empowering Service Employees,” *Sloan Management Review*, Summer, 1995, p. 73; David E. Bowen & Edward E. Lawler III, “The Empowerment of Service Workers: What, Why, How, and When,” *Sloan Management Review*, Spring 1992, pp. 36-39; Oren Harari, “The Trust Factors,” *Management Review*, January 1999, pp. 28-31.



Suggested Discussion Questions with Answers

1. How did Stack create a high performance environment with a highly engaged and entangled workforce?
2. What are the advantages and disadvantages of basing a bonus on overall organizational performance and using ESOP (Employee Stock Ownership Plans) versus a standard dollar amount bonus?

Class Engagement Ideas

1. Have the class run a sample game of the Great Game of Business. To do this, go to the Great Game website, register as a community member and then look through some of the cases. Have teams determine what the organization did and how and why the approach worked. Then discuss some of the potential problems with what the organization is doing.
2. Bring in a simple balance sheet, income statement, and financial ratios and have the class work on strategies for improvement. While this is not the focus of an organizational behavior class, it is an important part of understanding the dynamics of business and what the groups would go through in the Great Game.
3. Divide the class into teams and have half the groups explore their firsthand work experiences where the leader built trust in their relationship. Have the other half share work experiences where the leader violated trust in their relationship. Then bring the groups together to discuss the stories. Create a list of different ways to build trust and different ways to destroy it.

Videos

The Great Game of Business website has several short video clips that talk generally about the concept. If you become a community member (which is free) you can see much of that material.

If you Google “YouTube and the Great Game of Business,” there are four short clips of people discussing the Great Game of Business.



- <http://www.youtube.com/watch?v=noafOdArXRU> - This video focuses on the Great Game as one of the 100 Best Business Books ever written. This video is 3:01 minutes by Jack Covert, co-author of the book:
- <http://www.youtube.com/watch?v=0Ep22uEVKbU> – In this video, Mary Wilder discusses the Great Game in her 2:38 minute video. She is the principal of a design and architectural firm.
- <http://www.youtube.com/watch?v=Do9zeFpBoPI&feature=related> – This video is the SRC story is about 10 minutes long and talks about the Great Game. It is a good review of Springfield Remanufacturing Company's transformation.
- <http://www.youtube.com/user/GreatGameofBusiness/videos?view=0> - This link contains twenty-four different videos all on different aspects of the Great Game.

