Building a Healthy Company

Lesson 3-1: Introduction & Values/Culture

Discussion Guide – Confidentiality Reminder One Word Check-in

Update - Personal, Business, Leadership

"For what does it profit a man to gain the whole world and forfeit his soul?" Mark 8:36 (ESV)



Whether you work for a large publicly traded company or you own a business, everyone can take leadership in building a healthy company. Welcome to our lesson series, "Building a Healthy Company." In this lesson series we aim to equip you with the tools to build a healthier company at your workplace. Our desire is to enter into a dialogue where we can explore together how we might improve our current work environment.

We will study seven aspects of companies that define its health. These are also things that make staff and customers loyal to a company.

- Values/Culture
- Compelling Vision/Purpose
- Healthy Leadership Culture
- Healthy Teams

- Customer Focus
- Strong Finances
- Innovation/Entrepreneurship

At the core of every organization is its values and culture. The written values of an organization define how its people should think and behave. While writing the values down is an essential step, the reality is that the company's leadership often defines the culture. Rarely do the words on paper match the leader's actions. If they do match, the results can be powerful.

The story of ServiceMaster provides us with a case study of how a change in cultural values changed everything about the company. ServiceMaster provided janitorial services, and the CEO based its values and culture on Biblical principles. ServiceMaster continually invested in its staff and treated the people who performed these "invisible" services with dignity and respect. ServiceMaster's values and culture also boosted its bottom line, as the company was valued at \$6 billion. ServiceMaster's values were the following (see page two for additional information):

- 1. To honor God in all we do
- 2. To help people develop

- 3. To pursue excellence
- 4. To grow profitably

After 2000, leadership at ServiceMaster changed and the CEO shifted focus towards financial performance. Eventually, ServiceMaster was acquired by a venture capital firm and profitability became the sole pursuit. As a result of these changes in values and culture, the company's valuation, staff satisfaction and customer loyalty decreased significantly.

Shared Experiences:

- What are your thoughts about the values of ServiceMaster? What was different about the organization?
- Can someone share the values that define your organization? How are these communicated and reinforced?
- Share an experience that you have had with an organization where its actions were in conflict with their stated values.
- Can someone share a time where you decided to honor God in the way you made business decisions? What was the result?

Bottom line: The values of a company, as reinforced by its leadership, can determine the success of a company. The best companies operate on Biblical principles. Do not focus on profit first; instead, prioritize valuing people and providing excellent service, and profit will follow.

One Word Check-out

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Dig Deeper

Want to learn more?

- Video: <u>Bill Pollard Pioneer Tribute</u> by Al Erisman, author of "The ServiceMaster Story, Navigating the Tension between People and Profit"
- Video: <u>Biblical Truths to Build a Company On</u> by C. William Pollard (short version), "Biblical Wisdom for the Business World" at Biola University
- Video: Implementing Biblical Principles in the Workplace by C. William Pollard (long version), "Biblical Wisdom for the Business World" at Biola University
- Video: <u>Finding God in Business</u> by Dr. Dallas Willard, "Leadership Lecture Series Biblical Wisdom for the Business World"
- Article: How to Create a People-First Company Culture by Peggy Shell, Inc.
- Video: Faith and Work by Timothy Keller, "Every Good Endeavor: Connecting Your Work to God's Work"
- Book: The Soul of the Firm by C. William Pollard, CEO of ServiceMaster

The ServiceMaster story

Additional information from <u>The ServiceMaster Story, Navigating the Tension between People and Profit</u> by Al Erisman

Up to the year 2000, ServiceMaster's business was using ordinary people to accomplish extraordinary results in serving its customers. It believed in honoring God and honoring the dignity of its frontline workers. They wanted to help people *be* before they helped people *do*. The company had to use low-cost labor for the services provided, but it wanted to help people grow. The company had a goal of promoting 20 percent of their frontline workers to leadership positions.

ServiceMaster was led by five different leaders that had a consistent and compelling view of what the company should be. Each of these CEOs nurtured the following CEO so that they fully understood the values of the organization and could articulate and defend it to anyone, whether a frontline worker or an analyst on Wall Street. As part of the orientation of new leaders and managers, the company required each person to spend a couple of months doing frontline work, such as mopping floors. Leaders experienced firsthand how their staff were treated by their customers. Erisman tells the story of a person with an MBA working as a frontline worker:

The hospital was opening a new wing, and I was helping to prepare the birthing suites. I was on my hands and knees cleaning baseboards. An excited group of nurses walked through. As they walked by, I looked up and said "hello," and no one responded. The reality was, no one cared or thought I was worth acknowledging.

ServiceMaster built an amazing company despite how their workers were treated by their customers. The company was honored by Fortune magazine as the number one service company in the United States. It was recognized as one of the twenty most respected companies in the world by the Financial Times. Harvard Business school twice did case studies on the company.

Focusing our efforts on "honoring God in all that we do" leads to a much better company, not because God will reward us for making His name known, but because Biblical principles provide timeless and universal wisdom. Today we may look at the values of ServiceMaster and say it is not realistic or affordable to invest in staff like this; however, the story of this company teaches us that we can't afford not to.