

Tom Peters

Re-imagine!
Business Excellence in a
Disruptive Age

Re-imagine Customer Service and Talent

An Enterprise Media Production

PREVIEW VERSION

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Not for Training use.

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Introduction

ABOUT THE TRAINING SERIES:

In the revolutionary training program **In Search of Excellence**, Tom Peters described the approach he and Robert Waterman took to the research behind their best-selling book and video. In the introduction to the program, Peters said, "Looked at another way, [excellence is] nothing less than a 180-degree shift in the way we think about managing and leading. The models and metaphors of the past have been the manager as a cop, as a referee, as a devil's advocate, as a naysayer, as a "pronouncer." The words we found that seem much more appropriate at the excellent companies are the manager/the leader as a cheerleader, as a coach, as a facilitator, as a nurturer of champions. The drumbeat (and the drumbeat that has been so sadly missing) is it all comes from people."

Today, while much has changed in the world of work, much has remained the same. The critical importance of people remains unchanged, yet the way that successful companies march to that beat has shifted. In this new series of training programs entitled **Re-imagine! Business Excellence in a Disruptive Age**, Tom Peters will explore the ways that leading organizations are meeting the new challenges. As each program unfolds, viewers will gain an understanding of what drives success in this "new world of work."

Each program in this series is designed to focus on a set of skills. This program is designed to provide insights into Customer Service, the value of hiring and training great people, and understanding the connection between service and sales.

ABOUT THIS PROGRAM: Great People Deliver Great Customer Service

The Container Store is a unique place. They have achieved legendary status as one of America's best places to work for five years running as highlighted in *Fortune*[®] magazine. At the same time, they are a leader in both customer service and sales. They are a leader in customer service!

How do they do it? At the core, it is because they hire great people. Then they keep these great people by providing extensive training and constant communication. In this case study, you'll learn a number of key lessons:

- Embrace A Big Vision
- Hire Great People
- Communicate Constantly
- Train, Train, Train ... Train All The Time
- Selling and Service Go Together

You will see how The Container Store achieves its tremendous success through hiring great people, training them, and constant communication. Moreover, you will see how you can make customer service the first priority in your organization.

ABOUT THE LEADERS GUIDE/WORKBOOK:

The learning structure for this video and workbook is composed of three parts:

- 1) Learning key concepts
- 2) Reviewing and discussing them in a group
- 3) Applying the concepts to your own organization

ACTION AGENDA - The video presents the key concepts behind dealing with change and responding to competitive pressures.

DISCUSSION - We have provided discussion questions as well as observations for debate to help participants reflect on the core lessons.

APPLICATION - Application exercises are included to allow participants to develop strategies for putting key lessons from the program to work in their own organizations.

Learning from The Container Store

The Story

It's 6 AM. The sun hasn't even risen. And yet, there is a motivated and energized group of employees running through a store. Who are these motivated and energized people? Why are they so happy? What is the secret formula?

The Container Store is not your typical retail store. It is a talent powerhouse - and is one of the top ten "Best Places to Work" according to *Fortune* magazine. More importantly, it is a hugely successful retail chain that has experienced steady and significant growth while maintaining a reputation for outstanding customer service.

When you ask the founders of the Container Store, Kip Tindell and Garrett Boone, to describe the secrets of their success, they speak of the great people they hire. Kip and Garrett define great people as being uncommonly smart, hard working, having great values, and who enjoy being part of a team. They believe that if they hire the right people and spend the necessary amount of time training and developing them with the company's principles then ultimately they will pass on their happiness and spirit to the customers.

At the Container Store, one of the founding principles is that 1 good person = 3 average people, and 1 great person = 3 good people. Using this philosophy, founders Kip and Garrett believe that you can pay great people very well because they will do a terrific job. Moreover, the customer will be delighted at the level of service they receive.

When The Container Store first expanded outside of Dallas, they built a large store in Houston. That store taught Kip Tindell and Garrett Boone many lessons. The store was incredibly successful from day one. The manager, Amy Carovillano, found herself swamped with too much to do and with employees who weren't connected to the culture of The Container Store. In the end, Kip and Garrett realized they needed to bring more than a great store concept to Houston. They needed to teach the culture. In the process, they developed a series of principles that would guide them in their dealings with employees and customers.

The Container Store is committed to building employee trust through constant communication. They communicate everything. Store sales, new products, anticipated sales are just a few examples of what they communicate. The result is a group of employees who understand the company. They know what the company makes in revenue each year and what the future financial goals are.

It is also a given that The Container Store is open to creative advancement within the organization and not married to a specific promotional path for every employee. They will interview employees who have successfully followed different paths. Each individual is different. The employees are excited and "turned on" by different challenges and motivated by their own personal promotional path.

This creativity in promotion allows people to be their best and pursue their interests. The payoff far outweighs the extra effort and attention the managers must give in order to follow and nurture the creativity of their employees.

What is the result? – The Container Store is filled with Great employees who deliver incredible service.

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Key Lessons:

There is no questions that The Container Store believes that its employees are key to the company's customer service and sales success. This strategy has worked for them for the last 25 years. Here's what you can do to turn your organization into a talent powerhouse.

- **First, Embrace Big Visions.** Everyone wants to be inspired. At The Container Store, the vision is huge. They want to be the "best" retailer around. They've embraced a bold and exciting vision that motivates and energizes each and every employee both individually and as a group.
- **Second, Hire Great People.** The Container Store spends an enormous amount of time and effort recruiting, interviewing, and hiring its employees. They passionately believe that motivated and inspired people can contribute more to the company as a whole in a variety of ways. They look for people who have positive attitude and passion. They believe that for most job positions, they can train these positive, motivated people on the specifics of the job. The Container Store is also not afraid to pay these people well. In your organization, you need to invest as much energy into hiring as you do in any other critical business function. That way, you'll have the same positive, motivated people in your organization.
- **Third, Communicate Constantly.** It is hard to imagine how much information is communicated to every Container Store employee. Employees know all the store sales and they understand the corporate strategy and challenges. They are given detailed information on all

aspects of the business. This is time-consuming and difficult, but the payoff is that every employee feels invested in the company's business.

- **Fourth, Train, Train, Train ... Train All The Time.** The Container Store trains more than almost any other retail store on the planet. They provide training on products, corporate culture, and sales. Training happens in formal classroom sessions and in informal Huddles. In the store, trainers also work with their associates in one-on-one sessions. Every opportunity is taken to educate employees.
- And finally, remember that **Selling and Service Go Together.** The Container Store *is* a retail business. They are not afraid to sell products and to call everyone a salesperson. However, they believe that if employees are well-trained and enthusiastic, the sales experience becomes part of a bigger customer service experience. Every employee is focused on meeting the customer's needs. That way, sales and service really do go together.

Re-imagine Customer Service and Talent at The Container Store

Discussion & Reflection Points

The Container Store has developed an exciting vision. They want to be the best retailer in the United States. That doesn't mean the largest retailer. Rather, they want to have the best service and most motivated employees. These big goals motivate and inspire the employees at The Container Store. What is the vision for your organization? Do you reach for big goals? Think about your department, your division, and your entire organization. Do you have a big vision? Does everyone know it? Stand out and declare your vision for everyone. Should this be in the discussion area?

At the Container Store they believe that selling and service go together. Specifically, know your products and how they work; help your customers by explaining the products and finding a solution to their problem and deliver the best service possible. How well do your employees know the products or services? Are your customers' questions always answered? Does everyone think about how they can help meet the customers' needs? What can you do to improve the product knowledge and better meet the customer's needs? List your ideas below:

Training happens all the time at The Container Store. It happens in informal sessions such as morning and midday huddles. It also occurs in more formal groups and one-on-one sessions. Are you taking every advantage of your opportunities to train? Do you include mini training sessions in your meetings? Discuss ways you can informally increase training and education.

Communication is also very important at the Container Store. Everyone in the company is informed of individual store sales. They know the company's strategy. They understand the competitive environment. This gives people real ownership, but it is time consuming and difficult. How much do you communicate with your people? Does everyone understand the goals and strategy? Do they know the sales statistics? Discuss ways you can improve communication by using all your resources: Meetings, e-mail, voice mail, postings, etc. List your ideas below:

One of the core principles of The Container Store is that great people deliver great service. They are always looking for great people – and will often interview people even when they are not hiring. Their great people often first meet The Container Store as customers. Eventually they are recruited to come and work for the company. How do you look for your great people? Are you always searching? Do you look for a positive attitude and passion when you are interviewing employees? Discuss ways you can attract the same level of people for your organization. List the attributes that you think are important in your hiring process:

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Trainer's Notes

This is your guide to use with the video, **Re-imagine Customer Service and Talent at The Container Store**. The program shows how a dedicated focus on hiring, training, and communicating with people can deliver outstanding results. More importantly, it shows how knowledgeable and motivated employees can deliver the best.

This workbook and the accompanying trainer's notes should provide you with additional ideas for creating an educational experience that will focus on how to re-imagine your organization in this new world of work.

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Audiences

A dedication to hiring talented people and a commitment to customer service are the cornerstones of any excellent organization in this competitive world.

Audiences who will find the video particularly useful include:

SENIOR MANAGEMENT: Kip Tindell and Garrett Boone work very hard to communicate, hire and live the principles of The Container Store. This requires commitment, energy and passion from the top. The result is obvious when you walk into a Container Store. Senior Management needs to understand the power of this focus on talent and service.

MANAGEMENT AT ALL LEVELS: The lessons about hiring, training, and communicating with employees are critical to the success of The Container Store. Mid-level managers must understand the importance of these elements and learn how to apply them with their own people. In addition, they should think about how they can transfer these ideas to their own departments.

ORGANIZATION-WIDE TRAINING: The Container Store is a model of great service. Everyone knows about the products – and wants to help customers with their “container” problems. This passion translates into great service and strong sales. Everyone can learn from this passion and commitment by every Container Store employee.

How to Use **Re-imagine Customer Service and Talent at The Container Store**

This video and print package includes a number of elements to help you meet your customer service, sales, and talent goals.

The following is a list of action steps you can take in planning and conducting a course using **Re-imagine Customer Service and Talent at The Container Store**. You may want to modify these items to accommodate time constraints, intended audience needs, and training goals.

Advance Preparations

View the program in advance of the training session at least once and review the key learning points in the program (listed in this workbook).

Arrange to have a VHS videocassette player and a monitor available for this training session. If you have more than 20 people attending, be sure to order at least a 25-inch monitor. Remember to encourage participation. The management issues presented here can trigger energetic responses, questions, and a host of good ideas. Getting everyone involved will help build consensus on the issues and encourage audience members to feel that they share "ownership" of the solution.

- Obtain one guide for each participant.
- Test your equipment in advance and adjust color, sound, etc.
- Bring writing materials for each participant.

Sample Training Session

PRE-SCREENING PREPARATION. Welcome people to the training session and give them an overview of the program. You may want to address the concepts presented in this program in the context of your own organizational goals.

SCREENING. Show **Re-imagine Customer Service and Talent at The Container Store**. You can watch the program in its entirety or focus your training session on one or several specific segments of Tom Peters' presentation.

POST SCREENING DISCUSSION. Use the themes from the program, listed below, as a catalyst for discussion, including:

- Embrace A Big Vision
- Hire Great People
- Communicate Constantly
- Train, Train, Train ... Train All The Time
- Selling and Service Go Together

SECOND SCREENING. You may find it valuable to re-screen the program after discussion.

Exercise 1: Customizing the Agenda

Goals: This Tom Peters profile of The Container Store contains all of the key elements for insuring superior service and motivated people. The goal in this exercise is to use the lessons from The Container Store and customize them to your department, team, and organization.

Materials: The group leaders will need flip charts, black or white boards, or other visual aids intended to help the group follow the agenda and keep track of the discussion.

Purpose: The purpose of this exercise is to take the communication, training and talent ideas that Tom Peters explains and highlight and transform them into an agenda specifically designed for your department, division, or company.

Step One: Watch the Tom Peters program **Re-imagine Customer Service and Talent at The Container Store**.

Step Two: The leader states the purpose of this exercise, and then asks the group to break into small work groups. Each group is provided with a list of the Key lessons in this program:

- Embrace A Big Vision

- Communicate Constantly
- Train, Train, Train ... Train All The Time
- Selling and Service Go Together

- Hire
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Step Three: Each group will then discuss, point by point, how they can insure that the action agenda is achieved at the company. Have the group use the following checklist as a starting point for discussion.

- What am I doing now that supports the key learning points that Tom Peters presents?
- What am I doing now that doesn't support Tom's ideas?
- What should (or can) I be doing better?

List the ideas on a flip chart or use the space below:

Step Four: Have each work group present their findings to the larger group.

Step Five: Combine the recommendations on a master list and discuss how you can implement them in your department.

Exercise 2: Training All The Time

Goal: To brainstorm ideas to develop informal ways to train in addition to your more formal methods.

Description: The Container Store trains all the time. One of the ways they do this is to create informal opportunities to train people. One critical way they do this is their morning and midday “huddles.” They also take advantage of any one-on-one time to train as well.

Materials: People should have pads and papers, and a flip chart or board should be available for listing group ideas.

Step One: Watch the Tom Peters program, **Re-imagine Customer Service and Talent at The Container Store.**

Step Two: Following the screening, break the group up into smaller groups of 5 to 7 people.

Step Three: Give people the following assignment: Kip Tindell and Garrett Boone believe that well-trained employees are critical to delivering great customer service. They also believe that people should take every opportunity to train. Discuss the ways people interact in your company and see if any of

these informal and formal interactions can be turned into training opportunities. In your group, use your own work experiences and share ideas. List all your ideas below or on a flip chart. Try to list the ideas in order of effectiveness.

Step Four: Consider some of the lessons of The Container Store in your discussion. Particularly:

- How can you take advantage of meetings to add in a training element?
- Do you work one on one with people to help them understand key concepts?
 - Do you train in ways that allow salespeople to genuinely help the customer with their problems?
 - Do employees in your company understand the culture and the service philosophy as well as the specific product features?

Step Five: Re-form into the larger group and share your ideas. Try having several teams work on these challenges and propose ideas to address any necessary changes before they become critical issues. Make a master list of these ideas and print it up for all participants.

About Tom Peters

"In no small part, what American corporations have become is what Peters has encouraged them to be." — **The New Yorker**

"Peters is ... the father of the post-modern corporation." — **Los Angeles Times**

"We live in a Tom Peters world." — **Fortune**

Fortune calls Tom Peters the Ur-guru (guru of gurus) of management—and compares him to Ralph Waldo Emerson, Henry David Thoreau, Walt Whitman, and H.L. Mencken. *The Economist* tags him the Uber-guru, and his unconventional views led *BusinessWeek* to describe Tom as "business' best friend and worst nightmare." Tom describes himself as a prince of disorder, champion of bold failures, maestro of zest, professional loudmouth (as a speaker he's "a spitter"—according to Dilbert), corporate cheerleader, lover of markets, capitalist pig, and card-carrying member of the ACLU.

Tom & Bob Waterman co-authored *In Search of Excellence* in 1982; the book was named by NPR (in 1999) as one of the "Top Three Business Books of the Century," and ranked as the "greatest business book of all time" in a poll by Britain's Bloomsbury Publishing (2002).

Tom followed *Search ...* with a string of international bestsellers: *A Passion for Excellence* (1985, with Nancy Austin—which ousted Lee Iacocca from the #1 slot), *Thriving on Chaos* (1987), *Liberation Management* (1992: acclaimed as the "Management Book of the Decade" for the '90s), *The Tom Peters Seminar* (1993), *The Pursuit of WOW!* (1994), and *The Circle of Innovation* (1997).

Tom's series of books on Reinventing Work were published in September 1999:

The Brand You50, The Project50, and The Professional Service Firm50. In October 2003, Tom released a totally new form of the business book, in conjunction with innovative British publisher Dorling Kindersley: *Re-imagine: Business Excellence in a Disruptive Age.*

Two Tom Peters biographies have recently been published: *Corporate Man to Corporate Skunk: The Tom Peters Phenomenon*, by Stuart Crainer; and *Tom Peters: The Bestselling Prophet of the Management Revolution*, by Robert Heller (part of a four-book series of business biographies on Peters, Bill Gates, Peter Drucker, and Warren Buffet).

Tom presents about 80 major seminars each year, has written hundreds of articles for various publications, and serves as Chairman of Tom Peters Company. When he's not on an airplane, Tom and his wife Susan Sargent (and Max and Ben) co-habit a 1,500-acre working farm in Tinmouth, Vermont.

Tom is a graduate of Cornell (B.C.E., M.C.E.) and Stanford (M.B.A., Ph.D.) and holds honorary degrees from several institutions. He served on active duty with the U.S. Navy in Vietnam (a Navy Seabee) and Washington from 1966 to 1970, was a senior White House drug abuse advisor in 1973-74, and worked at McKinsey & Co. from 1974 to 1981, becoming a partner in 1979. Tom is a Fellow of the International Academy of Management, The World Productivity Association, the International Customer Service Association, and the Society for Quality and Participation.