



Crystal Clear

Leaders must tie the paycheck to purpose for growth. **BY JOHN P. PALEN**

BIZ BRIEFING

CRYSTAL D
 Headquarters: St. Paul
 Inception: 1995
 Employees: 50
 Description: recognition awards
 Website: crystal-d.com

LEADER PROFILE

CHUCK DAHLGREN
 Title: CEO
 Age: 59
 First job: Farmer
 Education: BS - Moorhead State
 Family: Married, three daughters, three grandchildren

IMAGINE ATTENDING YOUR COMPANY'S ANNUAL rewards and recognition ceremony. More than half of the employees are personally recognized for specific accomplishments. Imagine that people take this so seriously that they are competing to achieve excellence every day. When recognized, the award recipients shed actual tears of joy and appreciation.

Doesn't sound like your company? You're not alone. Many leaders with whom I have worked have been clueless about their culture. Far too often, culture is a dysfunctional environment where people are frustrated, exhausted or unhappy. Leaders aren't always aware of how they influence and define the corporate culture because they haven't paid attention to its development along with business development. Yet the two actually go hand-in-hand.

There are healthy business environments where the people are collaborative, aligned, productive, respectful and happy. To get there, leaders need to actively participate in defining the "rules of engagement" with their people. If they don't, they risk the loss of top talent and the profits that go with them.

Chuck Dahlgren, CEO of Crystal D, a manufacturer of

« Above:
 Chuck Dahlgren,
 Crystal D CEO

high-end recognition awards mostly made of crystal, has created a winning culture over the past six years—with profound results. "For my first 12 years in business, I had no formal methodology," Dahlgren admits. "I just expected employees to work hard and be loyal. Absenteeism, quality and turnover was an ongoing struggle."

Being in the rewards and recognition business, Dahlgren knew he needed to get his employees more emotionally attached to what they were doing and how they were doing it. In January 2005, he and senior management integrated new strategic planning practices involving the company's core purpose, mission and values.

They defined their core purpose: To turn emotions into memories. They also created five core values: integrity, quality, respect, commitment and passion. These core values represented a way of being for all employees to understand and embrace.

"Through reading and training, we decided we wanted to become more of a servant leader based on a coaching culture. We knew there had to be an emotional attachment to our purpose," Dahlgren adds.

The company also created a formal recognition program. Employees nominate a champion for each of the five core values. Management reviews and approves each nomination to assure authenticity. To foster participation and commitment, the company conducts monthly gift card drawings for people submitting nominations. "Wow" champions are recognized quarterly and annual champions are announced at the yearly employee recognition event. A grand champion is ultimately selected who best encompasses all five core values for the year.

In addition, winners receive custom DVDs highlighted with praise from fellow workers, and have their photos hung in company hallways. They get reserved parking spaces for the year and participate in key leadership teams and meetings.

Crystal D also celebrates birthdays and work anniversaries. They have an annual summer steak barbecue in addition to the annual recognition ceremony.

"We have to keep this program in front of people, and top of mind on a daily basis," Dahlgren says. "Sometimes new employees think we're crazy. It can take a year for some to figure it out."

What distinguishes this program from others? First, Crystal D makes a significant investment in its workers through its internal marketing budget. Second, they tie day-to-day management and communication to the core values, so front-line managers must be completely committed.

The investment has clearly paid off. From 2005 to 2010, (after the company's cultural shift and during the recession), Crystal D has achieved nearly 100% growth. Other benefits include improved margin, retention and productivity. There is high energy and positive morale in the environment that employees and customers can see and feel.

If you suspect the culture of your company is affecting retention, customer service and growth, it's time to claim your responsibility by transforming it. Involve and invest in your people just as you do in your business. Connect their paychecks to purpose and imagine the results. *mb*



« John P. Palen is CEO of Allied Executives (jppalen@alliedexecutives.com) and works with CEOs, business owners and executive leaders on leadership development and business performance improvement through peer groups, coaching and educational workshops. alliedexecutives.com

We'll take big steps to help your small business grow.



Personal | Business | Real Estate | Investments | Insurance

Whether you're just starting a small business or expanding to take advantage of new opportunities, Hiway Federal Credit Union (Hiway) is committed to understanding your business and taking steps to help your business grow. We provide a full line of business products and services, along with expert advice from our knowledgeable staff.

HIWAY
FEDERAL CREDIT UNION
With You on the Road of Life

651.291.1515 | 800.899.LOAN | hiway.org

For more information on cost-effective business solutions, call or visit us online.



MEETING ALL YOUR BUSINESS NEEDS

When your team needs to get away and get down to business, you need a space that energizes thinking and sparks creativity. For more than a century, the destination of choice for business meetings and other events has been the St. James Hotel in Red Wing, Minnesota.

MAKE YOUR MEETINGS MEMORABLE

With 13 distinct meeting and event rooms, superb banquet facilities and state-of-the-art technology capabilities, we are positive that we have the space that best suits your group's needs. Our goal is to make your event not just a success but a memorable experience.



Guarantee that your next business meeting is an event you will never forget. Call 651-385-5547 to talk with an event coordinator today.
406 MAIN ST., RED WING, MN 55066

800-252-1875
WWW.ST-JAMES-HOTEL.COM



ST. JAMES HOTEL
EST. 1875