

Values Make the Performance Difference

If you don't think core values can lift a company, think again. Or better yet, take the time to hear what Ann Rhoades says on the subject. Rhoades spoke at the NAHC/PDHCA Private Duty Home Care Leadership Summit in Scottsdale, AZ last month. A human resources guru, Rhoades has helped companies like Southwest Airlines, Jet Blue, and DoubleTree Hotels wow customers by winning the hearts and minds of their own employees.

Rhoades is known for taking a creative approach to creating cultures around fun and for blending cultures in merger situations. At Doubletree Hotels, later Promus Hotel Corporation, she engendered a service culture aimed at producing outstanding service for guests. Rhoades ran the People Department at Southwest Airlines, using that opportunity to solidify the airline's ability for attracting and retaining the best people in the business (even as compensation rates lagged those offered by other carriers). Most recently, Rhoades built JetBlue Airways Corporation's People Team in New York. Her experience, accomplishments and expertise make Rhoades an outstanding resource to organizations, and she serves on the boards of JetBlue Airways Corporation, P.F. Chang's China Bistro, Restoration Hardware, Accion New Mexico, and Executive Council, Brigham & Women's Hospital/Harvard Medical School.

In addressing a Private Duty crowd, Rhoades made her commitment to home and community-based care clear, sharing stories of what these services have meant within her own family. Now Rhoades is making a great

contribution to revitalizing the workforce and culture of the nation's hospitals. She serves on patient safety and quality task forces at the Texas Medical Institute of Technology, which is involved in setting metrics used in pay-for-performance programs across the country. She is co-founder of CareLeaders Corporation, a company dedicated to helping hospitals across the country attain a new level of performance.

Rhoades stressed that organizations should not only adopt a core set of values, but put them into practice. "Outstanding organizations are value-based," Rhoades said. Too often, value concepts are captured in wall posters or coffee mug slogans, but not put into daily practice.

The job starts at the top. "Leaders behave in a certain way," Rhoades said, providing the role models for others in the enterprise to gain inspiration—if not to flat out emulate. Taking a poke at firms that cut salary budgets while paying out large bonuses to executives, Rhoades said

Southwest Airlines Executive Board Chairman, Herb Kelleher, promised to share any salary cut with employees. Such a move has not been necessary in 35 years, she said.

Respected leaders respond to situations quickly and forcefully, Rhoades explained. After the terrorist attacks on September 11, 2001, Rhoades said Kelleher immediately anticipated the devastating effect on the airline industry, and announced he would cut his salary to \$1 dollar until the situation recovered. After staff members were shot and killed at a Starbucks store in Washington, DC, company Chairman Howard Schultz spent several



*Renowned human resources guru
Ann Rhoades*

days at the outlet, comforting employees and visiting the victims' families. Schultz decided that all profits from that DC store would be donated to victims' rights and violence prevention organizations.

Leadership behavior can become contagious. "When you hear about caring opportunities, do caring things," Rhoades said. At JetBlue, she related, company officers responded en masse at 6 am during a New York snow storm to help the airline's operation cope at JFK Airport with delayed passengers and snow removal.

Not every action needs to be so dramatic. On the contrary, Rhoades said a commitment to values can be achieved by doing the little things consistently. Small gestures can include the business leader talking to all employees, visiting their offices and facilities, and writing personal notes. Rhoades said leaders making a commitment to go on field visits should make certain those visits are widely communicated and never changed.

Building a company based on values needs leaders who ride to the sound of the battle. Organizations intent on winning, however, must steel themselves to field a winning team. To Rhoades, this means doing everything possible to attract and retain "A players" and to dump "C players."

"Go for fewer, better people," Rhoades said, noting that firms should hire for values and fire for values. "Hold out for A players. C players take down the organization." She said great employees want to work with other great employees, and so those on the A-team can be a valuable recruitment source. At Doubletree Hotels, for instance, Rhoades said top performing housekeepers were a terrific resource for recruiting still other top performing housekeepers. C players, on the contrary, have no enthusiasm, passion, or technical skills. "Cut your losses. Organizations need great people. Go get them."

Getting the A-team in place will take some careful thought. "Past behavior predicts future behavior," Rhoades said, so define what that behavior should be. Interview questions should be crafted to yield insights into a prospective worker's behavior. Southwest Airlines conducts 30 interviews for every person hired, Rhoades said. She indicated that great employees will be willing to break rules if it means satisfying customers. "Use common sense, not the rule book," she said.

Rhoades also said A-team employees should never be allowed to quit the company. She said companies should

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always work to figure out why the A player is leaving and determine what it will take to turn that decision around. If the employee does leave, Rhoades said, start a campaign to re-recruit them.

Retaining the A-team has several value-based components. Rhoades said high performing employees want the opportunity to solve problems, not have decisions handed down from above. She said JetBlue and Southwest Airlines have saved millions of dollars by involving pilots in the decision-making process.

A-team members also want to know the score. "Explain the numbers," Rhoades said, "by helping employees to understand key business indicators and their impact on the bottom line."

Employees may also know the score, and their views are worth exploring. Active listening is the key. In addition to spending days in the field, Rhoades suggested conducting new hire roundtables and lunches for once productive, but suddenly disengaged workers.

Hire for Values Care Questions Include

- How did you handle a patient who continuously required extra attention from you?
- Describe a situation when a patient needed something more than the care you provide. What did you say or do for the patient? How did the patient respond?
- Can you think of a time when a co-worker had a personal situation that affected the performance of the team? What was your reaction?