

Continuous Improvement for Remarkable Interactions

PrintingForLess.com

The Story | PrintingForLess.com does more than the competition when it comes to creating a culture of shared ownership and teamwork. This fast-growing, 150-employee printing company near Bozeman, Montana has fully embraced high performance strategies like open book management and employee ownership through broad-based stock options – and it’s paying off.

Engagement Strategies | There are many strategies the printing shop has developed to help its culture evolve. An assessment given to all employees identifies their preferred communication style, which helps co-workers know how best to approach each other. New employees are required to read and sign an agreement with the company’s mission and values statement, which includes such principles as “high performance,” “extreme customer service,” and “buoyant, indomitable optimism.”

Part of this statement – the company’s strict “no gossip” policy which helps promote a strong team culture of trust and respect – was described in a recent New York Times blog post. It resulted in “a ton of phone calls asking how we do it,” says Suzie Lalich, Human Resources and Benefits Director.

The company also frequently promotes from within and provides many opportunities for entry level employees to advance. Lalich says the company prefers promoting existing employees over hiring those from outside – unless they need particular new ideas and skills. “We’ve had a lot more success with people fitting into our culture in middle and upper management when they move from within,” she explains.



AT A GLANCE PRINTING.FOR.LESS.COM

Business: Web-based printing services

Locations: Bozeman, MT

Employees: 150

Revenues: \$57 million in 2009

Ownership: Broad based stock options

Engagement:

- open book management
- clear communication of core values
- promotion from within
- extensive training
- performance based bonuses
- community involvement

Business result:

- low employee turnover
- high customer satisfaction and retention



In addition to constantly updating financial targets on employee's computer dashboards, other open book management techniques include daily huddles, clear and regular communication of goals, and accountability.

Employees undergo eight to 10 weeks of training. To promote cross-department communication, the company held a video contest, inviting employees to submit videos that describe their work in a creative way. PrintingForLess University, another internal resource, lets employees gain instruction on such company skill sets as online processes and machine repair.

Corporate stewardship towards the community and the environment are demonstrated through company based clothing and food drives. The company is 100% wind powered. And a budget is available for the company to make contributions when employees participate in charitable events of their choosing.

Finally, PrintingForLess, which has won numerous awards for its fast growth, excellent management practices, and superior customer service, makes its employees' lives easier and more enjoyable with its onsite daycare and policy to permit well behaved dogs at work.

Shared Ownership | PrintingForLess.com's strong company culture is reinforced by shared equity, a structure that was important to CEO Andrew Field. About 20% of the firm's equity pool is distributed broadly to all full time employees in the form of incentive stock options (ISOs). The concept of shared ownership is "communicated over and over to employees," says Lalich. "They know they have a stake."

When asked if the company's practices helped them weather the recession, the answer was an unequivocal yes.

In addition, all full time, regular employees are eligible to receive bonus compensation quarterly. The self-funding bonuses are based on specific criteria related to the overall business performance. Senior management meets each quarter to determine which three of nine standard metrics to focus on, such as customer retention or sales. The summer quarter of 2010, for example, had the theme of "continuous

improvement for remarkable interactions.” Each of the three metrics can be met at a low, medium or high level. If all three are met at the highest level, 100% of the bonus is paid; proportional bonuses are also awarded for meeting some combination of the lower goals.

Business Results | PrintingForLess.com’s engagement practices are a strong factor in the firm’s growth and financial results, says Lalich, which are measured through the firm’s ability to pay out the self-funding bonus pool, excellent customer retention (a page on the company website is devoted to video and written customer testimonials), and a customer referral metric. Average employee tenure at the still relatively young company is about 5 years and voluntary turnover is considerably below average, according to Lalich.

When asked if the company’s practices helped them weather the recession, the answer was an unequivocal yes. “There was fear but because of our open book management employees knew how the company was performing the whole time,” says Lalich. “Understanding what the company was going through contributed to less unease among employees.”

Although the recession made some lay-

offs a necessity, she was quick to note that open communication countered employee speculation about their job status. And former employees often stop by to visit – a testament to the PrintingForLess.com approach to running a business.

LESSONS LEARNED:

- **A strong and well communicated culture motivates employees and pays dividends.**
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