



# ORGANIZATIONAL CULTURE ASSESSMENT

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This document includes a cultural assessment of a wellness company that will be protected by the pseudonym “Wellness Lab”.

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## PART 1: INTRODUCTION

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### THE PURPOSE OF A CULTURAL ASSESSMENT

Every organization of any significant size—whether a commercial enterprise, a non-profit charity, or a governmental agency—operates within its own distinctive culture. Corporate culture is recognized as a singular determinant of corporate effectiveness and can be an arbiter, or at least an important factor, in long-term success or failure.

Webster defines ‘culture’ as:

- 5.a: the integrated pattern of human knowledge, belief, and behavior that depends upon the capacity for learning and transmitting knowledge to succeeding generations.
- b: the customary beliefs, social forms, and material traits of a racial, religious, or social group; also: the characteristic features of everyday existence (as diversions or a way of life) shared by people in a place or time.
- c: the set of shared attitudes, values, goals, and practices that characterizes an institution or organization \*a corporate culture focused on the bottom line\*
- d: the set of values, conventions, or social practices associated with a particular field, activity, or societal characteristic.

The simplest construct for corporate culture is whatever is reinforced within a corporation. Corporate culture could be thought of as the set of unarticulated rules for success inside the enterprise. The corporate culture is a kind of organizational paradigm.

Culture is the condition in which people think, act, and work in the organization; it acts like a force field, shaping and reinforcing what people think and do. It shapes the perceptions, thinking, and actions of the people within the company. Given that all performance in an organization is reliant on the actions of individuals and the cumulative impact of the action of many individuals, the corporate culture can be considered as the singular determinant of long-term, strategic corporate success.

When a company’s corporate culture, or paradigm, becomes *the* fixed and absolute view of reality, or ‘how things are and ought to be,’ rather than simply *a* paradigm, the organization loses flexibility, waste increases, and execution slows. When a company’s typical way of working becomes *the* way of working, the organization loses creativity, frustration rises with a loss of satisfaction, and innovation disappears. When the enterprise’s point of view becomes *the* way that it *is*, possibility is lost and opportunities missed. Much of management’s attention is devoted to the tools and techniques that squeeze more out of the existing paradigm. In most organizations, the corporate culture is a mechanism for reinforcing past successes and avoiding past failures. Strategies, processes, systems, and structures are all too often artifacts of the corporate culture, artifacts of past success.

When the competitive external environment changes faster than the organization, the old culture impedes success in the marketplace. Internally, however, the existent patterns

of perceptions and corresponding ways of thinking and working are validated and reinforced, and the old culture persists.

What were successful strategies are updated and honed. What were proven processes, are improved. What were effective systems are refined and re-built. What were solid structures are re-balanced. All the while corporate performance deteriorates.

No matter how successful a company has been in the past, it cannot develop and implement powerful strategies and effective plans if it is operating with strategies, culture, processes, systems, and structures that no longer fit the demands of the marketplace. In order to regain competitive advantage, the company must transform itself by generating a new future for the enterprise that is founded in and has competitive advantage in the marketplace of the future. Commensurately, the corporate culture must be a harmonic of the marketplace of the future, a corporate culture that empowers and enables people to invent new ways of competing and to change the rules of the game in the marketplace, as well as in the enterprise.

Unless the existing culture is revealed, accepted, and owned, any attempt at cultural change will simply be lipstick on the old culture. The supposedly new culture will unwittingly inherit aspects of the old one that can undermine the effectiveness of the change effort.

It is first necessary to assess and identify the existing culture and distinguish it for what it is: a Vicious Circle of self-reinforcing rules and procedures, processes and practices, patterns of perception, action, and thinking that come from and perpetuate the past and leave room only for the predictable. Having identified the existing culture, executive management must then be willing to relate to it as merely the current paradigm for doing business in the company—‘a way of working’ rather than ‘the way it works’ or, even, ‘reality’—and then take responsibility for how they, and everyone else in the organization, participate in and reinforce that same culture.

Only then is it possible to begin to design a corporate culture from the future to which senior management is committed, a culture that can be the source of competitive advantage, as opposed to being an attempt to fix, change, or improve on the past. In a culture of design, people’s actions naturally express and build the vision. In other words, a culture of design pulls for the realization of the vision, strategy, and intended results. This gives access to extraordinary accomplishment and to producing results that are beyond the predictable.

## NINE FACETS OF CORPORATE CULTURE

As we seek to uncover and reveal the existing culture at Wellness Lab, there are nine facets we examine. These facets together interact like music playing in the background to provide the culture or context in which the company is operating.

1. **Language and network of conversations:** One can argue that every aspect of work in an enterprise involves some kind of conversation. So the content, structure, and distribution of the conversations of an enterprise are its most potent mechanism for reinforcing culture. Simply paying attention to how people in a company interact, what they talk about, the language they use, and how their conversations are structured is essential. The remaining eight facets are all found in the conversations people are engaged in together and with customers and suppliers.
2. **Customer orientation:** Since all enterprises exist to serve the needs of some set of customers, how the customer is viewed, served, and interacted with is another important window into culture. An indicator of customer orientation is to discern how the employees are viewed and treated. Employees are likely to treat customers in a very similar fashion to the way they are being treated in the organization.
3. **What is actually valued:** Values determine choices and effective performance requires the right choices. The best way to find out what values are operational in an organization is to listen to how leaders assess each other—noting what is recognized and complimented and what is looked down upon. Asking people what it really takes to succeed and what people truly hold to be important will illuminate what is framing their choices. This is a far better way to gauge culture than examining values written on a poster.
4. **Accountability and responsibility:** Accountability is being answerable for providing or governing so as to meet the conditions needed to bring about the intended results. Without accountability the organization drifts; with accountability it is taken somewhere. Responsibility is about dedication beyond your stated job. Nevertheless, the actual connection between results and accountability, as well as responsibility, is often hazy or gets lost in a sea of circumstances and excuses.
5. **Traditions, rituals, heroes, legends, and artifacts:** To better discern what is reinforced, make an effort to understand a company's status symbols and what gives people a sense of belonging and pride. There are also legends or stories that are repeated and referred to almost on a daily or weekly basis. Often these stories have a negative tone and can be corrosive. All of these are born from the past, reinforce current behavior, and keep an organization rooted in what was or in the perception of what was.
6. **Leadership dynamics:** We all know that the tone of an enterprise is set at the top. How leadership is viewed and overall leadership style in a company is another

significant contributor to culture and the ability to execute on strategy. Leadership dynamics are observed, emulated, and takes shape in the organization's conversations.

7. **Unwritten rules for success:** Not all of the avenues to success within an organization can be found in the employee handbook. Recognizing the unwritten rules and altering them, if necessary, is an essential part of a cultural transformation. People strive to understand the real drivers of success and acceptance and adhere to them in order to move forward, even if they are at cross-purposes with the overall company mission.
8. **Decision rights and processes:** One of the most powerful tools in setting a culture is who makes what decisions, at what pace, and whom they have to consult to make those calls. These decisions rights can dramatically alter the pace at which customer needs are being met or even if they are, in fact, being fulfilled.
9. **Legacy:** Every company has a story about its origins, the visions of the founders, or major successes and failures along the way. These narratives from the past shape the actions that people take or do not take in the present.

Revealing the facets of the current culture is the first step in being able to identify where the culture is misaligned from the vision for the future and working at counter purposes to organizational or individual transformation.

## METHODOLOGY

Insigniam's methodology for identifying and assessing the corporate culture is based on the following principles:

- An organization can be viewed as a network of ongoing conversations
- People's behaviors and actions are correlated to the world as they perceive it or, said differently, how it occurs for them
- The way the world occurs is in many ways, if not totally, linguistic; that is to say, the way the world occurs is screened and shaped by the conversations in which people are engaged and the patterns of those conversations—what they speak and listen and how they speak and listen—which mostly come from and perpetuate the past
- The patterns of the conversation of the people of an organization (both the content of those conversations and the structure of the conversations) can give insight to the corporate culture, a filter on and boundary to the conversations of people inside the organization

Thus, by identifying the patterns of conversation in which people are engaged within the enterprise, we can assess the existing corporate culture. We do this by conducting extensive individual interviews with the people of the organization in all functions and at all levels of the organization, as well as conducting an online survey with a wide cross-section of employees from across the company.

In the case of Wellness Lab, we conducted 55 individual interviews and received survey responses from more than 700 people. Each interview was designed to identify and reveal the network of ongoing conversations that correspond to the corporate culture of the organization. The survey questions were tailored to focus on individual's perceptions and ways of working, how work gets accomplished in and through the system, and provide an assessment about what works and what does not work at Wellness Lab.

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## PART 2: DISTINCTIVE ELEMENTS OF THE CORPORATE CULTURE

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The distinctive elements of the Wellness Lab corporate culture are set out below. These elements are not listed in a particular order but are grouped together for emphasis. The elements are not expressed in the words of the interviewees—as is the case with the sample responses detailed in Appendix I—but rather as threads of recurring concepts that can be discerned as the network, patterns, and structures of ongoing conversations giving actionable access to the corporate culture. The distinctive elements name and give identity to a part of the background for the actual conversations in which people are engaged and for the actions that people take at work.

The elements of Wellness Lab's culture are represented in the word cloud below. The size of the various words correspond with the frequency that particular word was voiced during the interviews; the more the word was used, the larger the word in the word cloud. The most commonly used words to describe the culture are:

- Sales-driven
- KPI's
- Changing
- Poor-communication
- Rankings
- Pressure



## 1. LOVE THE MISSION

Wellness Lab's mission is something in which the people of the company truly believe, regardless of position, title, or authority in the organization. Even for those who hold a neutral or negative view of the organization or its corporate culture, Wellness Lab's mission is one that inspires the employees of the corporation. People are proud of the heritage of the organization as the early pioneers in their field. They also speak well of Wellness Lab's leading role in this marketspace. Along with a strong sense of pride in the mission and history of the organization, there is a sense of optimism about the health and wellness space in general. Popular culture's focus on health, fitness, and looking good, along with changes to the healthcare system, and the aging population are all seen as drivers for the current and future business.

Many people specifically say that they have been willing to endure working in an organization that has not invested in their development, nor rewarded them well because of their passion for this mission. There is an underlying frustration in the absence of a business strategy that focuses on this mission. In fact, many feel that the mission has been overshadowed and, at times, even subordinated to meet financial goals. The people holding fast to this mission, despite a lack of integrity in the pursuit of this mission, have adopted a default way of being that borders on 'martyrdom.' Meaning, a person who endures hardships and is respected for their endurance is in service of a noble pursuit.

*"Ultimately it's a really great brand and there's a need for the brand in the marketplace. Our product line has longevity in the marketplace because there is a need. We have a long history and there's a belief that Wellness Lab is of highest quality. A belief that safety is not compromised and people see us as better than the competition. Honestly, I would say we have been successful in spite of ourselves. The brand covers the issues that we have."*

*"A company that really believes in what it is trying to accomplish—we are doing something good—products that help people live a rewarding, longer life. I love what I am doing, the business, and the products."*

## 2. DO WHAT YOU'RE TOLD

Those interviewed reported that going around one's boss is an unforgivable sin at Wellness Lab. Moreover, people say that there is a clear expectation and practice that employees execute on the orders of their superiors, even when those orders seem to be inconsistent with corporate strategy, prudent business practices, or even detrimental to the overall business.

One person interviewed used the term 'Mafia 101' and we feel this term perfectly described what we have been told. Like the mafia, where the boss or Don has absolute or near-absolute control over his subordinates, the former executive group,

often called [REDACTED] is perceived as demanding absolute obedience. The common perception is that a quick reaction without question and with absolute allegiance was always required. [REDACTED]

[REDACTED] Irrespective of the business merits, data to substantiate or refute, or strategic fit, orders were issued with the expectation they would be carried out immediately. Questions weren't asked and you must make sure your tracks are covered.

As in the mafia, with the former CEO there were selected leaders who were trusted and who led their own fiefdoms. These groups have been organized to quickly react to the orders of their bosses and have been kept separate and isolated from each other. The processes and communication within the organization are primarily designed to go up and down and not across. Sufficient investment has not been made in systems that would facilitate connecting the now 'isolated' parts of the organization. Respondents ranked collaboration and communication within their work group or department significantly higher than they ranked it across their peer group or across management levels at large.

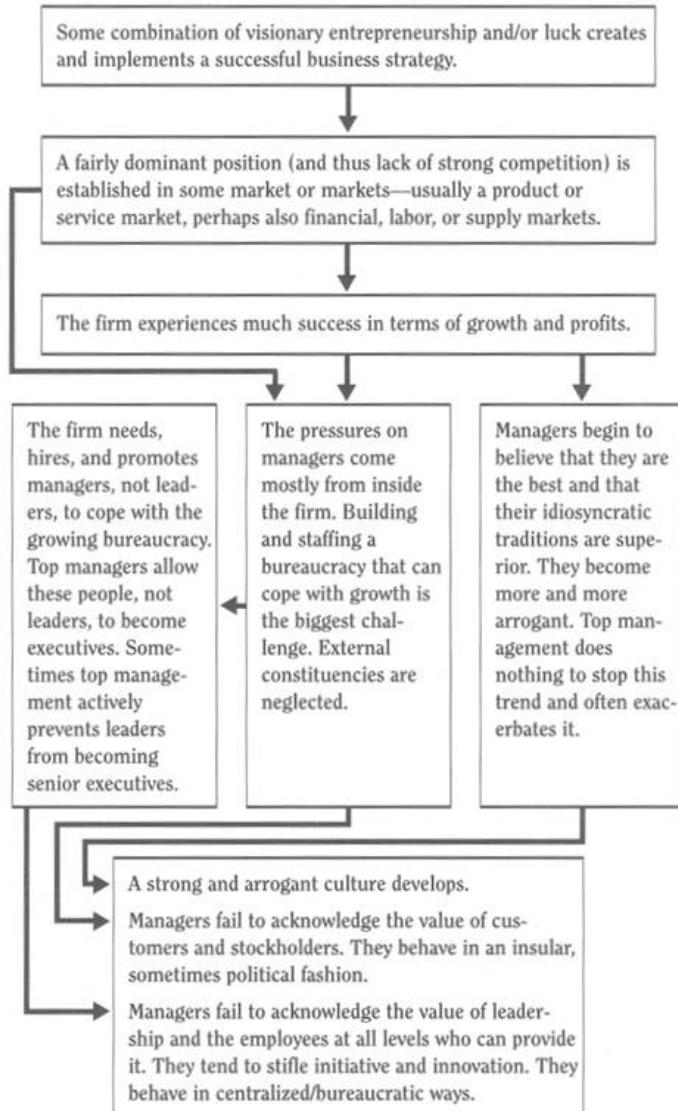
Across all survey respondents, 'keeping your boss happy' was ranked fourth among thirteen attributes for how people spend their time at Wellness Lab. This ranks higher than 'growing the business' and 'being innovative'.

*"Until this point, work that got the most attention were things that executive leadership said it needed to get done. We would say 'he wants this done this way' and no one would question it and we would do it. That is still happening. People just want to know what executive leadership wants and they want to give that to them. A lot of work was based on personal opinions and not [on] a lot of facts and data. If executives didn't like the research, we wouldn't use it. That is a little bit of what fueled employees just trying to figure out what executives want. You can only challenge things so many times or hear that the data isn't right before you give up."*

### 3. STEALTH LEADERSHIP

John Kotter, of the Harvard Business School, defines management as a set of processes that can keep a complicated system of people and technology running smoothly. Thus, management actions include planning, budgeting, organizing, staffing, controlling, and problem solving. Leadership, according to Kotter, defines what the future should look like, aligns people with that vision, and inspires them to make it happen despite the obstacles. Wellness Lab has a heavy institutional value on both management and on conforming—and demonstrates almost no value on the practice of leadership. The exhibit on the next page shows the vicious cycle of overmanaged, under led organizations such as Wellness Lab.

*The Creation of an Overmanaged, Underled Corporate Culture*



SOURCE: From *Corporate Culture and Performance* by John P. Kotter and James L. Heskett. Copyright © 1992 by Kotter Associates, Inc. and James L. Heskett. Adapted with permission of The Free Press, a Division of Simon & Schuster.

That is not to say that there is no leadership present, but for the most part executives exercising true leadership in the organization have brought that competency with them to Wellness Lab and have had to exercise a certain amount of savvy and operate in a relatively stealth mode as to not upset the convention of conforming to command and control. Thus leadership is quietly present within certain smaller work groups or departments, but that leadership only extends to the point that the individual leader feels like he or she is not in danger of annoying the boss or visibly stepping outside what is acceptable. As contrasted with most of the organization, those working for people who practice leadership, specifically express their appreciation for having had the luck to end up working in an oasis of empowerment, trust, and honest communication and lacking in micro-management.

*"It [leadership] depends on the team. My supervisor interacts and explains the what's and why's. For many of the other teams, management is very directive and there is often a lot of micromanagement with the executive team stepping in to things that should have been handled as a much lower level. People either didn't take the initiative for management decision or weren't permitted to take initiative to management. There are probably good people in the company that were not given the permission and freedom to think out of the box and deliver innovative ideas."*

#### **4. WINNING WITH THE NEW SHERIFF IN TOWN**

Almost all the people that we interviewed at headquarters, and a significant portion of our online respondents, recognize that Wellness Lab is at an inflection point. We observed that the further we get from headquarters and the closer we get to the stores, this view is less common. Commonly, there is a 'before new CEO' and 'after new CEO' answer to our questions with a stark contrast between the two scenarios. The most recent change in CEO has resulted in feelings of hope and a sense of relief from a corrosive management style for many. Because of the strong loyalty to the organization and the belief in the mission, the organization is poised to see if the new CEO will help them gain marketplace swagger and lead them into the next chapter of success for Wellness Lab and its employees.

That being said, underlying this relief remains the discomfort of change. 'The devil you know is better than the devil you don't know' may be an appropriate descriptor for the sentiment. Many who used to be seen as the 'in' group are scrambling to gain position in the new world. Leaders who felt that they were in touch with the pulse of the organization or were contributing in a bigger way are looking for ways to make inroads into and impress or engage with the new leadership team. Some are questioning if they will have a job or how substantially their role will change once the dust has settled. Others have a sense of wait and see—it seems like it's going in the right direction, but it's still early.

At large, the organization is looking for guidance, direction, and validation rather than stepping up with independent thinking and leadership. So while the new CEO

expects a new style of working that is more compelling, it must be noted that the *modus operandi* is still to scramble and fall inline with the new command.

*'It was all politics before. In spite of that I knew who 'the' people were. I didn't want to know them and I didn't want them to know me, that way I didn't have to engage. It was totally about who you knew and what you could do for them. Possible politics now are that the new CEO is hiring many people that he knew from the past. He's interested in turning the organization around quickly. That could be construed as 'here we go again.' It's just a regime change.'*

## 5. TYRANNY OF THE IMMEDIATE

Against the backdrop of continual organizational change and the former command and control management style, conversations at Wellness Lab often center around what people do or need to do now. Repeatedly, what was shared entails priorities and campaigns changing by fiat and not connected to a larger strategic framework. Because there is no syndicated vision for the future and no cohesive system for communicating it if that vision existed, what results is a series of tactical orders that come down the pipe. These orders may or may not fit together into a coherent strategy and the activity that results may best be described as 'fire fighting.' 'Fire fighting' ranks in the top half of activities when asked 'how do you spend your time in your everyday work at Wellness Lab?'

In response to what gets the most attention at Wellness Lab, 'results' was the most frequently cited answer and 'saving money' was the second highest response for how time is spent. In an environment where results and saving money are the guiding lights, little attention is paid to investing now for the future. As such, infrastructure, systems, people at Wellness Lab, and even the customer have been seriously overlooked and even degraded.

While it would stand to logic that an organization focused on delivering results would have their eye on the customer, when results are coupled with extreme cost cutting as the most important metrics, the attention of the organization focuses internally instead of externally. Net, years of purposefully choosing to not invest in the people or infrastructure of Wellness Lab and continually mining for every last possible thing to save, has depleted the resources, disconnected the company from the customer, and created a scarcity mindset. This scarcity mindset results in behavior that is myopic and reactive.

*'In reality...what gets the most attention is what we are trying to get out the door or fire fighting. The urgent items get the attention. We spend a lot of time addressing fires.'*

*'No long-term strategic orientation, short-term results. We have to report things to the street, but we're not going to make this investment because we won't see an immediate return and it will dilute (financial metric X).'*

*'I am given at least 10 number one priorities on a daily basis and regular work that would ultimately help grow the business is pushed to the side. When I need the help of other departments to complete these number one priorities just handed to me, I am made to look like a villain because this is not on anyone else's schedule.'*

## 6. CUSTOMERS ARE A MEANS TO AN END

That which gets measured, gets done—usually. Unless there are so many metrics and KPI's that you don't really know which ones actually drive the business. An even more undesirable scenario is if the KPI's lead associates and managers to rigidly steer customers toward products that the customer doesn't want or need.

If we take the range of comments we heard and network them together, we get a network of conversations that sounds like this:

Wellness Lab is there to serve you:

- If you buy the products we need to sell, when we need to sell them
- If your local Wellness Lab isn't in a dying shopping mall that you never visit
- If your associate has had enough training to represent the brand
- If you can wade through the product selection
- If you can overlook the in-store experience
- If you didn't already purchase at through another store or if your product is in stock at our partner locations
- If you haven't been turned off by the changes to the loyalty program

Furthermore, when asked what most gets in the way of making the maximum contribution at work, unnecessary reporting is frequently cited. This sentiment is most prevalent in the field. The high number of reports that are expected to be completed, reinforces a perception that the organization does not trust that the field is working. The reports are seen as way for big brother to look over their shoulder. Moreover, respondents noted that customer facing activities and other activities that would drive customer experience and grow the business are sacrificed in order to complete reports.

Building on the orientation around delivering results, most notably short-term financial results, and cost savings, the metrics are creating a cascade that is diminishing the customer experience. Those that are on the front line with Wellness Lab customers each day consistently complain that they are 'being forced to sell products you don't believe in' and 'required to up-sell products that have questionable benefit'. This behavior is often a direct result of a new KPI or sales incentive that is generated by headquarters and strongly managed down the management line. The competitive nature of the field takes over and they affiliate

their efforts to ‘win’ even though it may be at the expense of the customer. The field ranks ‘competing internally’ in their top four activities of how they commonly spend their time at work; this ranks far ahead of ‘working to beat the competition’ and ‘collaborating with colleagues.’

*“Rankings? We are judged and reviewed/ranked on KPI’s, which at the end of the day are often little impact on profitability. The rankings have created a “cut throat” culture and are the number one driving factor at the field leadership level starting with store managers and associates. THE CULTURE WILL NEVER CHANGE UNTIL THE RANKINGS ARE ELIMINATED, PERIOD!”*

## 7. WELLNESS LAB IS ABOUT SURVIVAL

Pressure to perform, repeated demands for immediate reactions, heavy workloads exacerbated by administrative minutiae, scarce resources, and micromanagement have created an organization in survival mode. As organizational changes have occurred, additional requirements have been placed on top of what was already in existence. This is most evident in the field where the volume of reporting, checklists, conference calls, and updates has increased without apparent value-add to the organization. There is a sense of resignation that this is just the way that it is and a certain weariness that is evident as people shared what they need to personally invest to meet the minimum expectations.

Employees are viewed as a cost center, not human capital, and as such, the same cost savings mentality has applied. Ultimately, this is perceived as having diminished the customer experience at Wellness Lab. While job demands and pressure to deliver are high, there is a perception that there is little acknowledgement and sense of appreciation, and few opportunities for development. Pay is viewed to be below fair-market value throughout the organization. In the stores, this leads to high turnover.

Store associates may or may not be fully trained and able to knowledgeably assist their customers and so they push the products they know or the products on which they get measured. Employees recount that living in the spirit of hitting budgets and saving money. Stores operate on skeleton crews, the field management is stretched too thin and the inventory process, hindered by both the product assortment and antiquated systems, is slow and further takes the focus away from customers.

From an overall business perspective, the organization has been more reactionary in recent years. The prominent conversations on how to remain competitive are heavily grounded in what has been successful in the past and how the business looks today. While Wellness Lab has been a leader in nutritional health science, many question if some of the current innovation is chasing the fad or really based on well-articulated consumer needs and scientific evidence. When an organization can only relate to the way things are, or were, or guides their actions by constantly responding to outside

stimuli, the system naturally orients itself toward survival within the given paradigm versus evolving into a new world of possibility.

When asked, respondents indicated that ‘getting it done’ is the behavior most reinforced as work. At the surface, this points to a culture of performance but underlying is a story that the value is placed on the completion of the task rather than the outcome, quality, or result that the task was intended to drive. People have become so afraid that they follow orders without challenge. Because the job demands are high, fire drills are an everyday occurrence. There is such a high currency placed on task completion, it is easier to just keep going along with what and how things have been done than to invest the extra effort to challenge the status quo.

*“Don’t ask for money for projects or systems because you won’t get what you need. While this starts with big items it has created a culture of don’t ask for anything. No feedback when requests are made towards logic, just NO!”*

*“Not putting money back into the infrastructure. Labor is understaffed with less people doing more work. Our compensation is not where we need it to be, including our reward pay structure. There are limited opportunities to grow organizationally for people. We have talented people who make less than other similar positions. Weak succession planning and training. We are stretched too thin. We are task focused vs. people focused.”*

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### PART 3: SUMMARY OF THE DISTINCTIVE ELEMENTS OF THE WELLNESS LAB CULTURE

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Wellness Lab is a retailer of health and wellness products including vitamins, minerals, herbal supplements, sports nutrition, and diet products. With its roots in a family health food store, Wellness Lab now has more than [REDACTED] locations. They include franchise and store-within-a-store locations, and operate in [REDACTED] countries.

The company has worked tirelessly to provide quality products and information to their customers to support them in maintaining healthy lifestyles. Wellness Lab has expanded their product line to meet changing consumer needs [REDACTED] [REDACTED]. Wellness Lab takes great care in their commitment to scientific research, manufacturing, packaging and labeling, and product quality. Historically, Wellness Lab has been a champion in the industry for truth in labeling regulations.

The company seeks to provide a shopping experience that exceeds the customers' expectations. Sales associates participate in on-going training and internal incentive programs to bring the right health information to the customer, as well as guide the customer toward purchases which better impact Wellness Lab's financial well-being. Well-stocked shelves with consumer-friendly educational materials and the Wellness Lab loyalty program are all devised to enhance shopper satisfaction.

Wellness Lab is perceived by employees as holding strict attention to short-term savings activities in lieu of investing for the long-term. Longer-tenured employees recognize that this approach was completely appropriate for the time it was introduced. With the [REDACTED] importance of needing to save cash following periods of rapid expansion, an attitude of being intensely cost-conscious became *de rigueur* for how Wellness Lab managed its business and operations.

Wellness Lab has built an organizational culture in which employees and subordinates quickly rally to follow orders and execute directives of senior management. In periods of heavy growth when meeting deadlines and the financial commitments are critical to success, this mode of operating can prove effective. The model is sufficient for meeting short-term goals, particularly if the external environment, i.e., suppliers, customers, competitors, regulations, and competing go-to-market business models, remain consistent. It is an operational culture, however, it typically produces a loss of individual autonomy, empowerment, and personal responsibility. The lasting impact of this can be the creation of a leadership void, the stifling of creativity and possibility, and the diminishing of accountability and responsibility across the organization.

At Wellness Lab, the impact of this dynamic has resulted in a 'do more with less, regardless' approach with little attention on strategic, thoughtful actions. Fixing the problems of today is the work of Wellness Lab, not building for the future. People have

given up the expectation of being provided with sufficient resources, people, or time to complete activities with excellence, and they no longer hold themselves to the standard of needing to deliver excellent work. Simply said, mediocrity breeds mediocrity. People experience having little ability to make a long-term impact.

As a way of coping, Wellness Lab employees have given up the prospect of thriving at work and have taken to simply surviving such a work environment. People keep their heads down, do what they are told (even if they believe it to be the wrong thing) and attempt to get their work done to the best of their ability despite the lack of strategic alignment, the insufficient resources available, or the vacuum of leadership apparent in the corporate culture.

With little eye toward the future, people shift priorities and make decisions based on the circumstances of today, often times without the benefit of appropriate market research or data analysis. In a dynamic market place with myriad variables at play, many of the solutions of yesterday have become the problems of today. Many at Wellness Lab claim the company is caught in a cost saving and revenue generating vicious circle exacerbated by the demands of regular reporting to the street. The company continues to deliver growth and profitability without significantly investing in the future.

This has led to the following behaviors and practices:

- All eyes are trained to look up to the CEO and his trusted executives for commands
- Who you know or work for takes center stage for success
- Connections outweigh merit as illustrated by who gets put on plum projects
- Favoritism
- Align with your boss (rather than with the business)
- Keep your head down and don't ask questions
- Micromanagement with several people say that their emails are openly monitored and read by their bosses
- Making sure you belong to a dominant clique

*"I don't know if the new leadership gets the extent of the issues and what the issues are. Secondly, there are people in leadership roles that are still here that are not on board with change and that has me concerned. They are not open to change and don't understand how to do it. That's going to make their team live in the old mentality of fear, not being able to question and do things differently. If my peers are not able to change in the way that my new management is creating for us, then that will limit my success."*

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## PART 4: CRITICAL SUCCESS FACTORS WHICH ENABLE HIGH PERFORMANCE

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### THE SIX CRITICAL SUCCESS FACTORS

Culture emerges from that which is reinforced in the organization. Organizations that have produced a breakthrough and transformed strategically, organizationally, and at the individual level are united by a set of critical success factors. These critical success factors not only help develop a culture that engenders breakthrough performance, they also serve as pillars around which the people of an enterprise can organize their conversations, actions, and commitments.

1. **A Context for Building Something Magnificent:** establishing an overriding context and commitment within the organization that something magnificent is being built is cardinal to enabling high performance. This context can be described as what the organization is ‘up to’ and it becomes palpable amongst its employee population, in the network of conversations, and for customers, vendors, and stakeholders as they come in contact with the company, its people, and its work.

*“It would be really exciting for us to find ourselves in the place that we are the true headquarters for health on a global level. Truly making a difference in people’s health across the globe. This means to all people. It would really excite me to work for a company that does that without siloing ourselves in our customers”*

*“The one thing that is missing right now is what do we stand for? What is our mission statement? Making sure that everyone that works in our stores and our corporate offices know that. What are our core values? What are our table stakes? I have never seen that in my four years here.”*

The company has a real opportunity to explore the possibilities of what their mission could mean for millions of men, women, and children around the globe. Despite this opportunity, Wellness Lab lacks a clear context of building anything magnificent. Employees are unclear of the company’s vision for the future and yet are hungry for a powerful platform from which to think and work. Growth targets, financial measurements, and operational metrics while generating motivation are not inspiring to most people; employees are tired of simply attending to the scoreboard without knowing the actual game that is being played.

A whole new future is possible for Wellness Lab with the creation of an inspiring, compelling, and well-articulated vision to serve as a context for the future. Distinguishing that vision and getting committed to it will provide a much needed North Star for the corporate culture.

2. **The Three Aspects of Integrity:** integrity is often associated with morals of a society, the ethics of an organization, or the laws of a state. We offer a view of integrity from an engineering paradigm—that is integrity as having structural soundness. In this perspective, think of integrity as spokes on a bike—if there are spokes missing, the bike is unable to perform as intended. In the case of a high-performing organization, we assert that the structural soundness is built by three key prongs of integrity:

- ✓ **HYGIENIC:** do people do what they say they will do?
- ✓ **SYSTEMIC:** are processes and systems consistent with and in service of the mission, performance commitments, and values?
- ✓ **ULTIMATE:** are people's actions consistent with that for which we stand and that which we value? Are we walking the talk?

*"You don't question things. Certain things are handed down and depending upon who it comes from, you don't question it, you just get it done. There's an element of fear. No matter your level, you don't question it; it could cost you your job. There wasn't an HR department so if someone felt like they were uncomfortable or needed a place to go that didn't happen."*

These issues in integrity, for Wellness Lab, are evident in the lack of a clear strategic vision and the absence of leadership as a developed competency. This is amplified with (what appears to be) arbitrary and capricious decision-making, poor processes, and the lack of investment in people capital.

Wellness Lab has the opportunity to go to work on itself through the lens of these three aspects of integrity. While there are many prongs to be addressed, a significant lever in establishing the structure for a new culture is a set of clearly defined and well-managed set of values, principles for behavior, and practices. The process of creating and institutionalizing this framework will create a basis for the integrity needed to generate a new culture.

3. **A Framework of Responsibility and Accountability:** a core cultural value and operating principle of personal responsibility and individual accountability provides the requisite framework for individuals to take a stand for, and commit to, bold results that are beyond one's span of control. Without such a framework, finger pointing, credit taking, excusing failures, and dwelling in resignation (business-as-usual) become the currency of people's conversations.

*"Things got done because the people at a director and manager level do most of the work. It feels like a few do most of the work. Since we historically didn't work cross-functionally very well, it felt like certain groups shouldered most of the burden. We counted on those folks to shepherd the work through. My group has carried projects across the finish line because there wasn't a cross functional team and the people that should have been doing the work just said no we're not doing that."*

*'It would be inspiring if all groups were working as one team that is accountable for our growth and future. Take away the blame game and work more cohesively as one team. No more not my job!'*

Accountability provides a way of organizing the intended results of an organization and/or set of individuals. Additionally, accountability can be thought of as ‘count-on-ability,’ a measure of one being reliable. Establishing such a context begins with saying, ‘Count on me for this behavior and this result,’ as a promise and continues with operating consistent with that promise. Stories, reasons, justifications, and explanations do not make one accountable; honoring one’s word in the matter does. Moreover, as accountability is a matter of organizing, such a context provides clarity for people throughout the organization about who is accountable for what. Accountability kills obfuscation.

Once such commitments are made about who is doing what and by when, it is imperative that all levels of Wellness Lab hold each other to account and operate with integrity to propel the organization forward.

4. **Organized Around Breakthrough Performance:** being organized around breakthrough performance is about aligning the commitments, conversations, structures, and processes of an organization around the context of building something magnificent. Out of this springs creativity, new possibilities, game-changing initiatives, and empowered and inspired people who bring about an entirely new level of performance, leadership, and collaboration.

*'There are such easy wins here. If we could accomplish a few things it would make a HUGE difference. We need a strategic plan with a few well-defined goals or endpoints, having guidelines or boundaries for what people are responsible for, know what you are responsible for then be able to make decisions to support that. This is really doable. It's basic but it has been missing. Having an HR team that gets people together and rallying for company success. When we have company meetings it's like crickets in the room. We are a wellness brand; people should be excited about coming to work here and it's not that way at all. We could really have some fun. The leadership team needs to be 100% on board with the changes.'*

While Wellness Lab has been seeking breakthrough results, its culture, way of operating, and general set of structures and systems have virtually shackled people from performing on an extraordinary level. Like the Japanese proverb that says ‘the nail that sticks up gets hammered down,’ Wellness Lab employees have learned to keep their heads down and follow management’s lead. The organization has benefited from the many employees who, despite being frustrated in many ways, remain at the company based upon their passion for and connection to the Wellness Lab mission. This shows that possibility is still alive and well, and merely needs to be harnessed and

channeled in a common direction.

The Wellness Lab leadership team can leverage the new major organizational initiatives to break down some of the silos and implement structures and processes that engender cross-functional work product. Consideration should also be given to the governance models or structures that provide a forum for reviewing progress, ensuring that initiatives are on-track, helping to clear roadblocks, handle breakdowns or provide needed resources, and providing consistent communication to the organization at large.

Creating a company vision for what is possible in the future, the road map to the future and defining Wellness Lab's new values, principles, and practices needed to realize the vision, will require the broader leadership team to exercise competencies that they have not been collectively called on to use in the past. That being said, the more inclusion that there is in the formulation of this vision and how to get there, the greater the level of ownership, engagement, and enthusiasm that will be brought forward in bringing the future to fruition. Translating, syndicating, reinforcing, and enrolling how each part of the organization fits into the fulfillment of the vision will also be imperative.

5. **An Aligned Leadership Coalition:** an aligned leadership coalition embodies the future and it demonstrates this in everyday conversations, interactions, and operations. Executives and managers throughout the company, at all levels, constitute themselves as leaders to cause the unpredictable and share leadership across the organization in pursuit of a common commitment.

*“Sometimes there is some arrogance that comes out in leadership especially in my group. I try to ignore it. When the higher ups say these people are idiots (another group) we shouldn’t work with them I think that some of my peers live into that. There is sometimes a gender bias. ‘You Girls’ is a common phrase used by my boss with me, and some of the other female directors. It’s very demeaning.”*

There is an immediate opportunity for the leadership at Wellness Lab to form a coalition and lead by example. Coming together to define the future state for the enterprise and acting as the stewards for that future, day in and day out, is the most important work that the leadership team can do right now to transform the culture.

6. **Mobilizing and Aligning Key Constituencies:** an organization displays high performance in the marketplace. Within the organization there are key constituencies to be aligned and mobilized to work together, such as product development, manufacturing, marketing, and the field. Additionally, top tier players engage with and powerfully align with key stakeholders and constituencies outside the walls of the organization like customers, franchisees, landlords, third party manufacturers, regulatory bodies, subject

matter experts, and suppliers. Together, all of these groups can achieve much more.

*"In our group, my supervisor has five distinct groups and they are very dependent on each other for getting the job done. We work cross-functionally. It's encouraged and necessary. We start with a conversation about what we need to do, how we are going to do it and who is going to do it. Of course there are bumps along the way and we deal with those. I don't think the organization at large functions the same way. Sometimes we find out about groups that are working on the same thing and don't know it. We could have worked together earlier and been more efficient. Sometimes a decision is made and not everyone is in the loop. E.g.: someone decides we should ship product to a given country, the product is sitting in the port at that country, we need documentation to get it into the country and we didn't even know the product was going there. Then we have to scramble to get it done. Now more conversations are starting to happen more broadly, like with people we have never communicated with before. In the past, you got direction from an executive and you went and executed without understanding the bigger picture"*

Mobilizing and aligning key constituencies is necessary to break the drift from the past and overcome the Wellness Lab corporate gravity that keeps business-as-usual alive. In addition, taking a holistic approach by engaging key players inside and outside of the organization can yield less rework or inefficiency in the long run. As the Wellness Lab culture is already one of action with a strong 'get it done mentality,' once the organization has been fully enrolled in the mission and vision, moving quickly into action should naturally ensue.

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## PART 5: LEVERAGE POINTS AND OPPORTUNITIES FOR ACTION

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The aspiration of Wellness Lab is to help its customers improve on the quality of their lives through the products they provide and the interactions with their customers in store and beyond. Taking on this commitment initiates a new era for the Wellness Lab: the behaviors, mindsets, and approaches of the past will not suffice to have the system fulfill on this new aspiration.

The organization—especially the Leadership Team—has available to it significant leverage points for fulfilling on this aspiration. These leverage points are elements on which executive management can begin working immediately and, in so doing, will produce immediate difference-making results.

Insigniam has listed these leverage points below. We are proposing these leverage points for the Leadership Team to engage in to fully realize the opportunities that are before it.

- Create and define an inspiring vision/context for the business that builds on and catalyzes the brand promise.
  - *'Our promise is that we will partner with you to make sure you get the best for you.'*
- Develop leaders to provide true leadership; ownership for leading the organization needs to expand beyond one or two people and reside throughout the organization
- Execute on the Six Critical Success Factors Which Enable High Performance
- Establish Structures, Approaches, and Processes for Cross-Functional and Inter-Facility Sharing and Learning
- Enrollment campaign into the new culture framework with the Wellness Lab associates at all levels

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## APPENDIX I

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### LOVE THE MISSION

- “*Helping people to live their best life.*”
- “*I believe that the industry that we are in is a growing industry and the need will always be there with the way that healthcare is set up in this country. We offer a lot of products and advice on how to do that. That continued need gives me a lot of optimism moving forward.*”
- “*This is still a very young industry. There is tremendous potential to expand into new products and new markets. Health, wellness, and nutrition are growing not dying categories. That's exciting to me.*”
- “*We are poised to explode and become a global powerhouse in health and wellness. The next phase will catapult us to a point where the competition will be so far behind [that] they will become irrelevant. We'll do it in a caring and socially responsible way.*”
- “*We believe in the industry, it is not widgets for us. Everyone has stayed in spite of many ownership [problems] and some serious dysfunction because we genuinely believe in the products, the brand—a real loyalty.*”
- “*I think Wellness Lab's success is on the product side. We have a bit of a tailwind with people wanting to live healthier lives. We have delivered products that meet the needs of people—that's why we are successful.*”
- “*We develop product really well and there's a great deal of loyalty. Some how or some way, maybe because of the products we sell, we get loyalty—probably because we are helping people live a better life.*”
- “*Develop and launch great products. We have strong people in the stores that can tailor customer needs. We have the foundation to grow!*”
- “*I really believe in the brand and what the brand stands for. I am the kind of person that needs to feel passionate about what I do and that's important to me. There are a lot of people that are here that really care and want to do the best for the company and are really smart. We are excited for the future and want to get more people on board with that optimism.*”

## DO WHAT YOU'RE TOLD

- “*Past: dictatorship, do exactly what we want you to do, exactly when we want you to do it.”*
- “*I still see it as an old boys network. I think women are looked down at. I don’t think they are thought of as quality applicants or colleagues...certain people have knowledge and certain people don’t. The inner circle has changed—who is in it, how large it is, but it’s always there.”*
- “*With the new team, the politics are fewer with less of an impact. Before there were people that you knew that you had to have in your corner and you didn’t want to upset or get crosswise with.”*
- “*The politics before was that they were the friends of the old CEO and the people that weren’t. The people that weren’t, were only here for a little amount of time because they got sick of the BS. There were people you could trust and people you couldn’t. Even if you had a constructive business discussion, someone who didn’t agree would run right to the old CEO and you would be hosed.”*
- “*Spend our time being careful about who you spoke with. Certain people would blame others and try to get credit.”*
- “*Historical Culture: Certain Executives drive more attention than others. There is a pecking order at the top of who get attention vs. business value and job value.”*
- “*I think there’s a lack of trust between departments and that inhibits change and information sharing. I don’t think it’s intentional but it’s part of the history here.”*
- “*The top two executives would argue in meetings. It was a dictatorship...you just lined up behind the orders being given.”*
- “*Whoever speaks the loudest and is connected to senior management gets what they need. To be promoted you need to be connected to the right person on top. Great people get passed up or don’t have any development plans or training to grow the company.”*
- “*We are very siloed and don’t have a common goal in mind. We are not aligned on change. We do a lot of things vs. few that matter. We have trust issues in our group and are micro-managed. Our e-mails are monitored openly which binders our ability to collaborate.”*
- “*Sometimes there is some arrogance that comes out in leadership especially in my group. I try to ignore it. When the higher ups say these people are idiots (another group) we shouldn’t work with them I think that some of my peers live into that. There is sometimes a gender bias. ‘You Girls’ is a common phrase used by my boss with me, and some of the other female directors. It’s very demeaning.”*

- “With the group of leaders that are here now, there are not a lot of politics. Those of us that are still left, we are in it together. With the new leadership, we are asking what are we going to tell them? What are we not going to tell them? It’s back to that vulnerability and weakness not being tolerated.”
- “A lot of it [the obstacles] has to deal with our partners that we work with and getting them to execute the way we want them to. I can’t make stores do what we want them to. I have hurdles with partners and internally with our manufacturing. We don’t have product to ship to our partners like we would like to. We measure that by shipping rate and our shipping rate is low to our partners. The manufacturing arm is responsible for that. That creates ill will with our partners.”
- “We are not completely integrated with the rest of the business. We struggle with communication. We are the tail on the dog, so we are always running around to get the info. We are trying to make it known that all business decisions need to consider the impact on the franchisee—not the franchise department but the franchisee. Segregation is a good way to describe it.”

## STEALTH LEADERSHIP

- “In our group, my supervisor has five distinct groups and they are very dependent on each other for getting the job done. We work cross-functionally. It’s encouraged and necessary. We start with a conversation about what we need to do, how we are going to do it and who is going to do it. Of course there are bumps along the way and we deal with those. I don’t think the organization at large functions the same way.”
- “When you work here, you have to realize you are a part of a big cog. You have to be more tolerant. To get things done cross-function, you have to be very diligent and put up with a lot to get it done. It doesn’t happen fast and requires a lot of effort.”
- “The direction that we get given is handed down. It’s directive but within my group we are collaborative. Direction comes shooting down from above and then we rally to make it happen.”
- “How we get things done in my umbrella is that my team has things that they have to complete. We talk together and collaborate on how to get it done. I go to different departments and ask their opinion on different things as well as people in my own department.”
- “It depends on the team. My supervisor interacts and explains the what’s and why’s. For many of the other team’s management is very directive and there was often a lot of micromanagement with the executive team stepping in to things that should have been handled at a much lower level. People either didn’t take the initiative for management decision or weren’t permitted to take initiative to management. There are probably good people in the company that were not given the permission and freedom to think out-of-the-box and deliver innovative ideas.”

- “From a management perspective we lack in the middle- and front-line management some of the skills we need to help drive the business forward. People have been put in positions because they were the best worker, not necessarily the best manager or leader. They are used to doing it one way and they are in that rut—“we can’t do that” or “it can’t be done”. It is a challenge—why can’t we do it—others are doing it. That is the biggest challenge we have with our management team as a whole—they just don’t know how to do it—because they have been here so long and [have] never seen it done.”
- “I get pretty good support from the management team above me. I would say that their support teams are not as effective and we have to go to their superiors often. Nobody ever really answers their phone.”
- “My team is probably critical for me to execute upon what I need. They are #1 in supporting me and it’s one of my main roles to support them. I would say that my senior leader does support me but we have limited time together. That’s why we need to be focused and define what success is. I know it has gotten to the point that he doesn’t want to hear about the problems—not the technical problems but the other challenges. For example, we have had challenges over the last six years working with certain parts of the organization. He doesn’t like conflict so we create band-aids and work-arounds. I don’t want to paint the picture that he’s not a good boss, but I feel that he could roll up his sleeves more and help guide.”
- “The old way of working, the resistance to change and fresh ideas, the thought that employees should do their tasks, and not be encouraged to think and innovate, bring new ideas, or better ways to do things versus this is how we have always done it.”

### WINNING WITH THE NEW SHERIFF IN TOWN

- “I find some of the new team here to be guys and women that are going to make decisions for good, defensible, and rational decisions. I could bore you to tears telling you about some of the things that we used to spend time talking about and doing for the most horrible reasons in the background. I am optimistic about the new decision making process that will take us into the future.”
- “New or old culture? Complete change with the new CEO: inclusive, challenging, thought provoking, engaging, collaborative, metric driven, strategic. Pre-new CEO: siloed, myopic, not collaborative, fractionated, segmented, not inviting.”
- “Very rapidly changing for the positive (after six weeks we saw change).”
- “Historically command and control, dictatorial, not open and collaborative now—dawn of a new day, open communication, collaborative, inclusive, respectful, thoughtful, fact-based, cross-functional.”

- “There was a group that grew up together here and rose to the top together here. They alienated themselves. If you weren’t in that group it was hard to find your way in, to get promoted, etc., with the new regime, that’s not present. The fact that we have a VP of HR is a huge deal. The new team is purging that former mentality.”
- “Who has the ear of the senior management team? People are trying to be first to give their opinion to the exec team so that they are in a favorable position. For example, there are some new products about to launch and some people are second-guessing this to the executive team. It’s incredibly undermining. My boss doesn’t want to stick his neck out so he empowers me to communicate directly to the senior executives. I feel like there’s a big risk in this.”

### TYRANNY OF THE IMMEDIATE

- “Top priorities /focus are inconsistent and depend on the latest issues.”
- “We paid attention to the flavor of the month. It was whatever someone in corporate decided was important and that changed A LOT. It was fly by the seat of your pants management. There was no long-term thinking.”
- “Fire Drill to Fire Drill. WE have urgent tasks and then important ones but the urgent tasks always come first. WE need to be more strategic and long-term focused.”
- “We have a lot to do—too much to do—changing [REDACTED] prices is way too much. You don’t even know if it ever gets fully done.”
- “We have a lot of training tools but there’s SO MUCH that I don’t think you can quite see it clearly and I don’t think the atmosphere is conducive to taking the time that you need to learn. The people that develop training need to be aware of that. Maybe it’s technology or maybe it’s less training. Our turnover is so high at the associate level and staffing is so thin at the store—we need to address that.”
- “Putting out fires all the time. Constantly changing directions per the corporate office. Last minute requests for information that is available to the corporate office. Constant wrong information causing us to go back and have to re-do what we already have done.”
- “Having to multitask to the point that nothing gets done and everything is expected at one time. Everything seems to be a priority and it’s really tough to give any one thing the attention that it needs to.”

## STRIP MINED

- “*The lack of technology is really frustrating. There's no way to share files. There's not enough server space. The systems and the way people operate is antiquated. We don't even have a company calendar. Everyone's calendar is separate.*”
- “*Personal and professional development has not been a priority.*”
- “*Staffing [in stores] is challenging with higher paid competition. There's low staff in stores. There is a lot of development that is needed. Ensuring strong incentive and financial things need to be in place.*”
- “*Lack of resources to deliver on requests or to get things done. Funding for software, systems, infrastructure, people, and processes. We have not kept up with technology and are 10 years behind with systems that are breaking down frequently.*”
- “*Technology, technology, technology. I worked at organizations 10 years ago that had more impressive systems integration. It's embarrassing that a company of our size has so little investment in technology. Technology isn't going away, putting off investing in systems for the organization is only going to cost us more over the long run.*”
- “*I think it's limited resources primarily I mean people. There are days when I wake up and wish I had been a plumber or something...we simply do not have the resources to address all of the risk that we have. We are growing internationally and have the same people plugging along trying to do it all. It's simply not sustainable.*”
- “*The field has a core issue with attracting—there's no competitive compensation structures, developing work force, and retaining talent. Our workforce turn over is extremely high. Compensation, the right talent, turnover are areas of focus. There is no career training and development processes currently in place. Special focus on management leadership skill and customer focused development programs are needed. We have a low Regional Sales Director (RSD) starting rate to be competitive.*”
- “*There are new people who have been hired that are innovative and have significant experience with technologies that we should be moving towards, and it seems they are not being allowed to move us forward. We've already started betting on how long it will be before they leave in frustration.*”
- “*When I am unable to communicate with other team members or my boss. I understand that there are things my boss needs to take care of but whenever he/she is constantly being pulled into different meetings, that keeps him/her away from their team and we are unable to execute 100%. Or we are not informed of major decision until the last minute, which leads to last minute work. There is not enough time to educate one another on how things are done. We feel as though we are thrown into situations.*”

- “*Money and Technology—Need to spend the money on new or newer technology to allow for better efficiencies, which in turn could result in greater savings to the company.*”

### CUSTOMERS ARE A MEANS TO AN END

- “*While the talk is changing to sell customers what they want, the reality is we are still KPI driven. So as a company we talk out both sides. Stores realize this every day.*”
- “*If you can't drive the KPI and other standard objectives you are out! We have driven good people away due to high pressure.*”
- “*We need to meet our customers needs and put them ahead of our own short-term financial needs.*”
- “*We are not very good at servicing the customers which is who we are. Unfortunately our KPI's have created agenda selling due to the severity of it and potentially losing your job as a result. I have personally had to terminate a SM that has been growing the sales business, but not strong on KPI's.*”
- “*I would say the biggest obstacles are often internal where we are own enemy. We create issues and problems that aren't real in the industry but are real in the way that we do business. Sometimes our SOP's are taken to a level greater than the customer or industry would require, as a result we do things to a greater scale or higher standard than required and that adds time and sometimes cost to our process.*”
- “*The freedom to manage my business as I see fit gives me the greatest opportunity for success. I am the one on the front lines, who understands the markets, people, customers, opportunities, challenges, and the overall business. Too much micro managing of numbers only binders the ability to maximize total potential. Yes, KPI's are a tool to recognize where opportunities exist, but not to run the business by. An example would be a great store manager who is growing the overall business, growing the profits, and growing the customer base, but is reprimanded for not maximizing a multi-vitamin percentage, or percentage of chews sold. I think that this is completely counterproductive to long-term growth and success. This is a prime example of why our turnover rate is historically high.*”
- “*Pointless checklists and merchandising updates. Busy work ties up of most of my time, so it's hard to train and focus on sales.*”
- “*There seems to be too many job requirements that don't have anything to do with driving sales into the stores. There seems to be work created to make sure we are working and it takes away from time I could be spending with managers.*”

## WELLNESS LAB IS ABOUT SURVIVAL

- “Cover your back! Tasks come first before strategy.”
- “We are missing the opportunity to promote from within and give people more opportunities. We need policies, procedures, training, development, and systems. You are on your own for all resource issues. No experts in software to help average employee.”
- “Compensation and benefits in the biggest sense not just money. Most of us know that we could go elsewhere and get better pay. That’s certainly not what brings us in every day. Doing more with less—it’s been that way forever. Do as much as possible with as little as possible. Sometimes the rewards and things don’t trickle down. This includes simple appreciation. Something else that goes along with this is flexibility meaning where you work and how you work. You have to put in face time. In this day and age, it seems behind the times.”
- “Resource constraints. No thanks for a job well done.”
- “The fact that people don’t matter at this company is very disappointing. Unfortunately, Wellness Lab puts the process before the people. People are treated as robots and not as human beings that could easily work for a company that cares for them.”
- “There are so many innovative things that our team could do that would greatly benefit Wellness Lab as a brand and financially. However, we do not receive the monetary resources we need to bring these new and innovative ideas to life.”
- “For me, leadership is like coaching. We don’t spend enough time doing it. We just cut to the chase and are interested in the results. We say get it done, get it done, get it done. Sometimes there’s no understanding or coaching that goes along.”
- “Until this point, the work that got the most attention were the things that executive leadership said needed to get done. We would say he wants this done this way and no one would question it and we would do it. That is still happening. People just want to know what executive leadership wants and they want to give that to them. A lot of work was based on personal opinions and not a lot of facts and data. If execs didn’t like the research we wouldn’t use it. That is a little bit of what fueled employees just trying to figure out what execs want. You can only challenge things so many times or hear that the data isn’t right before you give up.”
- “We are great at getting things done. Overall management is more focused on tasks than creating and developing their teams. Even tasks need a purpose. The team below management has not been developed into seeing what’s possible.”
- “Wellness Lab is not very good at communication, inspiring innovation and creativity, giving employees the freedom to speak their mind and make true contributions, encouraging new ideas and giving credit, providing employees with the resources and technology needed to accomplish their tasks.”

- “We’re not so good at work/life balance scheduling (not allowed in my department?). Succession planning with employees. Promoting from within. Developing employees for the next level. Training brand new employees and employees that have been promoted into new positions (I literally had no training program to follow. I was just to ask others for help. Literally no direction).”