

Integrating Values from the Boardroom to the Factory Floor

TSMi Logistics, Fernandina Beach, FL

TSMi Logistics is a highly respected Top 100 national logistics provider/supply chain management firm and Inc. 5000 company. With over 1300 employees and 18 US-based locations, it has differentiated itself through a performance-driven culture resulting in cost savings and improved service levels. The company achieved 304.8% revenue growth, more than double the industry average, from \$37.5M in 2005 to \$115.3M in 2008, due in part to its focus on values-based leadership.

SITUATION

From the start, the culture of the company was based on the strong personal values of the leadership. In 2002, TSMi decided to put their values down on paper. In this process of self-discovery, they also asked “What is TSMi?” The company doesn’t own any assets; the trucks and buildings they use are all leased. They realized that they are a service agency focused on people and processes. They needed to empower their leaders and invest in their people to get better, more sustainable, results.

STRATEGY

The TSMi shift in focus, from a top-down approach to an emphasis on leadership, was based on the understanding that employees primarily experience the company through their interactions with their managers.

To support this effort, TSMi used the Cultural Transformation Tools to carry out the following assessments:

1. Small Group Assessment (SGA) of the executive team - 7 people
2. Cultural Values Assessment (CVA) of the managers in the company – 125 people
3. Management Values Training – All of the 125 managers went through training to learn more about values. TSMi recognized that they needed managers’ buy-in to a values-based approach, otherwise the strategy would not work. In the training program managers learned about Maslow’s theoretical foundations, the seven levels of consciousness model, and discussed common definitions of values.

CULTURAL EVOLUTION

The process has been well-received by TSMi’s managers and executives. They’ve made a strong commitment to embed values into their culture by taking the following actions:

1. Cultural Transformation Leaders – three employees in the organization are working as cultural transformation facilitators
2. Annual CVA – TSMi continues to conduct an annual Cultural Values Assessment

3. BNS tied to Scorecard – they will be evaluating their espoused values and performance goals in relation to the Business Needs Scorecard (BNS). Current measurements are conducted in operations and leadership but TSMi recognizes there is a much greater opportunity by creating alignment of all Business Needs to the business' performance, as well as individuals being held accountable by virtue of their performance reviews.
4. Integrating Values on the Factory Floor – they have a plan for bringing the values conversation to the employees on the floor over the next year. Time is of the essence on the floor. Floor meetings are kept to a maximum of 15 minutes. Managers will introduce one value a month in these meetings, and reinforce them weekly. They will share stories and promote a short discussion about what each value means to that group of employees. The following week, they will have an opportunity to share stories of how they saw those values in action over the prior week.

TSMi LOGISTICS CORE VALUES

Financial Stability

- Creating financial stability with integrity in a way that will serve the company, our employees, and our customers.

Customer Focus

- Excellent interpersonal relationships with internal and external customers.

Being the Best

- Maintain best business practices, systems, and processes that improve work methods and consistent delivery of services to customers.

Servant Leadership

- Serving others to create extraordinary, sustainable relationships, leaders, and results.

Integrity

- Acting in a trusting and trustworthy way and doing what you say you will do.

Making a Difference

- Focused on impacting the world around us.

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