



## Washington State Liquor Control Board

---

November 14, 2007

TO: Senior Management Team

FROM: Pat Kohler, Administrative Director

SUBJECT: Liquor Control Board Culture

Culture can be defined as “What we value.” Leading by values shapes the organizational culture, defines who you are, and creates the results you experience. It determines what is accomplished, who gets hired and promoted, and how decisions are made. It conditions what gets communicated, how it is communicated, what is important, how people dress, and how employees feel about the agency. People actively seek to be on each other’s team and work in the spirit of partnership. They see the big picture and celebrate even minor successes in moving closer to what they want to create.

People are released and empowered to effectively use their talents while moving us closer to realization of our overall mission and vision. It reflects what you say “yes” to and what you say “no” to. Actions always speak louder than words. As a management team we need to demonstrate a strong commitment to developing and nurturing a strong culture. Culture has a huge impact on productivity, morale and customer service.

Our strategic plan outlines the goal “Recruit, develop, retain and value a highly competent workforce.” Through this goal, we have made a commitment to help our employees succeed. This means that we as leaders demonstrate balance between the bottom line and the human element.

The following is a list of expectations I have outlined in defining our agency culture. It will be important that we put into action what is defined below. We are the role model in defining what our culture is.

### **Instill Alignment with Each Decision**

- Each decision provides a choice point in which we can align values with actions by addressing two critical questions:
  1. Is what I am doing right now bringing us closer to where we want to be?
  2. Is what I am doing right now honoring the spirit of the values we say are important?
- Require decision making that is timely and based on best data available.

- Encourage creativity and thinking outside the box. There may be a new way to do a task more efficiently or improve a process.

### **Recruitment and Retention**

- Hiring is one of the most important decisions we make. Hire winners! There are three non-negotiable criteria to assure long-term success: Attitude, aptitude and alignment. Hire people with the right attitude about work ethics, customer service, teamwork, and quality performance. Make sure those you hire have the core talent to perform the job requirements with mastery. Assure that there is alignment between the individual and organizational mission, vision, and values.
- Value diversity. Build your recruitment pools to reflect candidates from different backgrounds for leadership positions as well as key front line roles. Ensure the understanding and support of core agency policies and training on preventing discrimination and harassment.
- Help all employees see the “big picture” that extends beyond their technical and day-to-day duties and responsibilities. Employees must understand how they fit into the agency mission, and how they impact our customers and each other. Each employee should have performance objectives and performance should be monitored on a regular basis.

### **Succession Planning**

- Capitalize on our areas of core competencies. Our most experienced experts should be assigned the most complex projects, and when possible they should partner with staff members that are less experienced.
- Build employee capacity and expertise and mentor for promotions and leadership.
- We need to instill a process for checks and balances that come from cross divisional teams to help uncover “blind spots.” The management team needs to know the impacts of a particular division and its impact on the entire agency.

### **Empowerment**

- Creating an empowered environment requires more than just commitment to mission and the authority to make decisions. We need assurance that employees at all levels are competent to perform and that we have sufficient checks and balances in place. There are no shortcuts in identifying, developing and sustaining competence. We must have an unwavering commitment to both hiring and developing a competent staff.
- Provide employees the opportunity to give input on changes made within your division. This requires a commitment to help employees understand agency or division issues and decisions. It also allows employees to “agree to disagree” but understand an issue enough to support the final decision.

- Use the Self Assessment (WSQA), employee and customer surveys as feedback for opportunities to improve. The WSQA Organizational Profile and Results helps us outline our key products and services, our relationships with stakeholders and customers and key business results that matter.
- Help each other succeed and work together. This will allow us to move away from the “assembly line” concept of doing business and move toward team work. We can no longer work in an insulated fashion.
- Promote and encourage efficient business practices and the innovative use of technology.

### **Communications**

- Communicate, communicate, and communicate. We must communicate with each other and with the staff we manage. We must also instill avenues for communication from staff.
- Honor and respect the institutional knowledge of long term employees.
- Encourage and facilitate group problem solving among employees. Don’t allow our employees to give up on unresolved issues.
- Promote an environment where people feel comfortable speaking up and are encouraged to do so. Communication is honest, timely and tactful.
- We want to create a culture where people do an amazing thing, they talk to each other! Face-to-face connections take priority over memos and e-mails. Communications are simple, direct, and authentic. Plain talk. There’s no second-guessing as to what the real message is about. Confirm with employees that the message is clear and provide additional information as needed

### **Be Accountable and Instill Accountability in Each Other**

We need to be accountable for the wise and coordinated use of state resources and do what it takes to stay within division budgets. We must also take advantage of best business practices and efficiencies wherever possible. Remember we are dependant on one another across the agency.

- Management must closely monitor division budgets. If it looks like we will be over budget, we must have a recovery plan, and the situation should be elevated to the management team for discussion. Managers at all levels of the agency must be very skillful in reviewing their budget status.
- Use the Government Management, Accountability and Performance (GMAP) tool to monitor performance. GMAP should be incorporated into your normal business activities and should be established at a divisional level.

- Achieve results that are measurable and driven toward outcomes that make a difference.
- Roles must be clearly defined and understood by all involved at the beginning of all projects.
- Remember be tough on issues and tender on people. All employees will be held accountable and instill accountability in each other.
- Provide balanced, ongoing and timely feedback to employees about their performance and expectations. There should be no surprises on employees performance and development plan (PDP).

**Pay Attention to Risk Management. Your job is filled with Risk!**

Risk management reduces exposure and liability and is any activity that involves the evaluation of or comparison of risks and the development, selection and implementation of control measure that change, reduce or eliminate the probability or the consequences of a harmful action.

- Routinely conduct informal risk assessments to provide contingencies, and anticipate and head off problems.
- Identify and train employee for those activities that are high risk activities. Remember our job is to make sure employees are well trained for high risk actions and activities in which there may be little time to react. We must understand the value of planning ahead and thinking these things through in advance.
- Know and actively manage the business by routinely getting financial and program progress reports and any other information that is useful to you.
- Be satisfied that policies and procedures are being followed within your division. Remember the importance of training staff daily for high risk low frequency tasks.
- Learn as much about effective project management as possible.

**Create the “WOW” Factor! Provide excellent Customer Service!**

Customer expectations have increased beyond satisfaction. People have choices. They can choose the model of an open or a controlled environment. We must be good at what we do so that people insist upon our existence---That to be done by anyone else would be a public disservice. This is true of all our activities. We must integrate into our culture the expectation of providing excellent customer service. We must look for opportunities each time we interact with our customer for the customer to say “WOW” when they finish the contact.

- Customer feedback is a must and we should view it as an opportunity to listen to our customers. We should make it easy for our customers to provide feedback to us.
- Instill with our employees the importance of getting things done right the first time.

- Communicate customer service commitment to our employees.

### **Public Trust and Stakeholder Involvement**

Listen to and understand strategic and political decisions involving the following stakeholder groups:

- Governor
- Legislature
- Unions
- Business/Industry
- Health/Prevention Community
- Regulated Community
- Citizens of Washington State

In closing, as you plan and oversee your respective divisions, it is my expectation that you lead with these key culture principles. I would encourage you to share and discuss these with your direct reports and leadership teams and let me know if there are questions or areas that may need further clarity.

I plan to reference this document continuously in our monthly meetings with an interest to hear of examples where we can show our promotion of the LCB culture.

Thanks for your continued leadership and support.