



Frequently Asked Questions

*Alexander
Group Inc.*

**"REAL People doing REAL Work
driving REAL Results"**

1. What is the most important factor in making this program successful?

There are many ingredients required to produce a successful Team\$ave program, but the most important of these is:

- Strong Management Commitment that is driven from the top and permeates all levels of management.

This commitment means:

- A strong managerial belief that employees can make an important contribution. Team\$ave then becomes a tangible expression of that belief in employees and gives employees a structured vehicle in which they may respond.
- A balanced and healthy organizational environment ... i.e. employees have a certain level of trust in management.

Note: If your middle management voices concern relative to employee morale, or other environmental issues, awareness / commitment communication is an effective antidote.

- A visible, active role taken by senior management.
 - Communicating down and across the organization the importance of Team\$ave and their expectations
 - Promoting, persuading employees to get involved
 - Committing the resources to make it happen, i.e. their discretionary time

2. “What kind of support would you provide to help us accomplish our goals?”

Alexander Group considers our role to be an active partnership with the organizations we serve. Our success is entirely based on your program’s success. To ensure this success, we will provide:

- **Program Management**

The Alexander Group team will be dedicated to the success of your program. It will be our charge to work with you before, during and after the program to ensure the program's success.

- **Orientation and Training**

Alexander Group trainers will conduct in-depth training sessions to ensure complete program understanding commitment by key employees. All of the training will be conducted on your premises.

- **Administration**

We will install a computer software system on-site, to accurately administer the program. Alexander Group will provide weekly assistance and executive summary reporting of program results.

- **Communications**

Alexander Group will develop a Team\$ave communications package to generate employee participation and establish a strong tie between the individual employee's opportunity to earn awards and the benefits to your company.

- **Awards Fulfillment**

In order to motivate the desired employee behavior, the positive consequences (or awards fulfillment), must be immediate and certain. Alexander Group delivery of awards is unequalled. Awards to be offered include top quality merchandise featured in a custom, full-color Book of awards and awards for top performers ... i.e. travel. We also offer our Award offerings "On-Line".

In short, we'll be physically with you – on site – at appropriate times throughout the program, and for as long as 12 months after.

3. I don't believe our general employees are smart enough to come up with a lot of good ideas, much less research, cost and document their ideas.

Team\$ave type programs have been implemented in professional environments, e.g. insurance and banking, and in very basic operations. We have been successful in such diverse environments, because we possess the expertise to develop key program elements to “fit” your corporate culture. Always consider that:

- Employees know their jobs, they have been trained and they have work experience. They simply need an “opportunity” to present ideas to improve the operation – i.e. reduce costs.
- The majority of employees do not have access to organizational costs, nor are they familiar with financial documentation procedures. Team\$ave facilitates the development of financial rationale by opening up the information flow and allowing employees to become more involved with the total organization.
- Team Leaders are trained to motivate team participation, run team meetings and complete the appropriate idea submittal forms.
- Additionally, other Team\$ave program roles provide support, resources and involvement to motivate employee participation.
 - Team Coaches - responsible for a number of employee teams
 - Evaluation Committees – evaluate, approve or non-approve ideas, provide rationale for why, establish the actual idea value and assign implementers

Let's not confuse being smart with being educated. People performing the most basic tasks are smart about those tasks.

To summarize, Team\$ave has been very successful in highly educated white collar environments and in plants where a portion of the employees were illiterate. The program is flexible enough in design that we will “make it” work for you.

4. How do you control employees who will meet beyond the allotted one hour per week?

You are going to use whatever organizational sanction that you use outside this program. Team\$ave does not supplant your managers and their responsibilities. What would you do if people took four hour lunches or came to work three hours late? Your current rules will remain the same.

5. This looks like a major time commitment. Management is already so busy they can't see straight.

Team\$ave has a built in formula that requires only one hour per week for team members...and varying time requirements for other program roles – i.e. Team Coaches, Evaluation Committees, etc. More often, we find that once the program gets underway, participants' enthusiasm will lead to "non-company-time" meetings. (i.e. lunch hours, coffee and donuts before work, pizza parties after work, etc.)

As far as the time required from management: we're not going to suggest it isn't real. But, the program is designed to share the work among a large number of people, so that no single individual carries an undo burden. Three to four hours a week is what Team Coaches and Evaluation Committee members tell us they average – and this time is usually in short increments. The people chosen to play these roles are the managers who get things done for you now – plus, historically clients have made the point that productivity increases during the time they spend on Team\$ave. (Exceptions, of course, are the Program Manager and the Data Coordinator/Administrative Assistant.)

Bottom line – Team\$ave's potential returns are much greater than most other employee involvement strategies...so it is worth a time investment

6. **Our employees don't have access to the kind of information they would need to develop the ideas. How are they able to do this?**

Through the system, we help develop and create access to needed resources.

- We work with you in creating information documents that can be shared with all of the team members and/or the team leaders
- We help you to designate specific functions, technical resources and make them available to the teams – usually through their Team Coach – to get specific cost and volume information that is less frequently requested than that found on the information document
- We work with you to assign Team Coaches to every team. We give each team a member of management with a vested interest in helping them be successful, and getting information is one way that they help them be successful.

7. **Why do you recommend a 12 week program?**

A 12 week program will flush out the large dollar saving ideas and the idea generation process typically begins to wane after 12 weeks. Implement Team\$ave for less and you run the risk of not maximizing the process. Over 12 weeks and you begin to witness “diminishing returns.” Also, your support people will be drained from the intensity of the program after 12 weeks.

8. **How do we identify a Program Manager**

We have learned that successful Program Managers have definite characteristics. Look for the following:

- **Perceived Clout**

The perception of clout can come from being high in the management structure or someone who is known for getting things done. A Program Manager must be able to deal openly with Senior Management as well as Department Heads and Supervisory Personnel.

- **People Skills**

A Program Manager must often mediate between teams and management. The ability to communicate and be believed and respected, cannot be underestimated.

- **Ability to Devote Full Attention to Task**

The Program Manager must either be full time or be able to arrange for others to assume the bulk of the program routine functions. If a person with these characteristics cannot be made available in your organization, then someone with lesser skills could be considered. However, there is a real risk to the program's success if you don't select a person who has the maximum ability to support the process. The benefits to the organization in savings and/or revenue are significant enough that you should commit one of your best people as Program Manager to see that the results are obtained.

9. **Who from our organization should be at the working session?**

There are key decisions concerning the design of the program to be made at the Working Session. Ultimately, these decisions affect program success. Therefore, it is important to bring decision-makers from your organization to the Working Session. They should include, but not necessarily limited to:

- **President or Chief Executive Officer** – The meeting will bring this person on-board and allow them to set up rules that fit your organization. (In their absence, the COO should attend)
- **Chief Financial Officer** - As many decisions require financial expertise, this person is vitally important. The Team\$ave administration package is customized to your organization. Thus, someone familiar with your accounting codes, financial structures, etc. must be present. (In this person's absence, a controller would be best.)
- **Human Resources Representative**- Because Team\$ave is an employee intervention, the HRD people have a unique understanding of employee motivation.
- **Program Manager** - The Program Manager obviously needs to be part of the decision-making process. Moreover, he should be familiar enough with the organization to help make the decisions discussed at the meeting.

This is only a representative sample list. Depending on your organization, there could be additions to the list. For instance, a Director of Nursing could be instrumental because they have a better understanding of their nurses, and that is often a hard area to reach in a hospital.

10. Why isn't your participation rate at 100%?

Experience has shown that 100% participation is neither obtainable or desirable. It is not obtainable because Team\$ave is based on voluntary enrollment. We have found that at least five percent of employees in most organizations are not "joiners"! No amount of persuasion or peer pressure is effective in securing their participation. Management could "mandate" participation, but this tactic is not desirable. Required participation tends to be counterproductive since the program is no longer seen as voluntary. Participants who would otherwise be good performers in a voluntary program resist becoming active because they feel they were forced to join.

11. How do you get such a high rate of participation?

The proper recognition and reward of Team Members and all other key program personnel for their successful efforts is important to program participation.

Each participant level must have an earnings opportunity that is behaviorally sound, to motivate them to direct their energies into program activities.

The construction of these "Award Structures" must meet five criteria.

- Be perceived as equitable for each participant level (e.g.) Team Member, Team Coach, Evaluation Committee Member
- Represent a fair value for efforts expended/contributions made
- Constitute a sufficient "reinforcement" to focus discretionary energies toward program requirements
- Be highly contingent on the successful completion of behaviors and results necessary to drive the program

- Provide a maximum Return-On-Investment, i.e., financially justifiable. In addition, the chosen incentive must:
- Be separate and distinct from compensation – something “extra” for discretionary effort
- Impact the participant personally – providing tangible recognition
- Be highly promotable – capable of appealing to individual desires
- Provide a high perceived value
- Provide tangible recognition and “trophy value” – allowing continual reinforcement of achievements
- Be an activator – move employees out of their “comfort levels” and into goal oriented activities

The focus on participation begins by building awareness and commitment through program communications, then encouraging enrollment with program launch materials, which answer questions, point out benefits, and visualize rewards for potential participants. Management (and union) support and commitment, from the top down, are also critical to a high participation rate in the program

12. Why seven member teams, is seven a magic number?

Seven is one of the best team sizes in the literature of small group dynamics and small group decision making. In a group of seven people you have different representations of perspective, but it’s not so big as to be unwieldy. Also, the odd number in the group process prohibits the formation of diads and triads. That means that you have people working together rather than sub grouping and working by themselves.

That’s the simple answer. But if you already have 200 teams in place with 10 members each, or 300 locations with an average of five people, we can make that work.

Now, having said that seven is pretty much a magic number, we want to be very clear that our system is sufficiently flexible to accommodate unusual circumstances in your company. It's flexible enough to accommodate the 40-odd quality circles one client had in place and allow them to be part of the system without changing their construct. It's flexible enough to let those people on the third shift be a team of eight, or a team of six, or a team of four. In any Team\$ave process, you will never have 100% of the teams with seven members.

13. What about super teams? I'd guess that our engineers would earn all the prizes, and our production people wouldn't get much. That wouldn't sit well.

Data from other Team\$ave programs support cross-functional teams. If there is fear of actual, or perceived inequity in team strength, we may recommend that teams be limited to 1 or 2 engineers, purchasing agents, or any discipline viewed as weighted. Not only does this remove the superteam issue, it also spreads talent throughout the company – empowering all employees by giving them access to high caliber resources.

14. What is the most successful team construct?

The most successful Team\$ave teams in terms of activity, in terms of longevity, in terms of success, in terms of financial contribution, in terms of their earnings ... the most successful teams are cross-functional / self-formed teams, followed by single function/self-formed teams.

If your company has a lot of quality circles in place, or if we know that your company has a long term strategy to move to self-managed work groups, then your organization may prefer to deal with homogeneous teams (natural work groups).

Also, by no means do we want to imply that assigned teams or homogeneous teams cannot be successful. But on the average, across the board, the data supports self-formed / cross-functional teams as being the most successful construct.

The least successful construct is an assigned, cross-functional team. So you're your organization assigns the final teams, we prefer those to be the constructed as natural work group teams, because they are the third most successful. If you want to rank them: 1. self-formed / cross-functional; 2. Self-formed / homogeneous; 3. Assigned/ homogeneous; 4. Assigned/cross-functional.

15. How many employees actually earn awards? What about the negative effect on morale for those that aren't successful?

The award earning opportunities are contingent on a number of factors, such as: rules structure, definition of an award, etc. While we offer no guarantee relative to the number of award winners, we can impact that number greatly. For instance, do we consider first idea, enrollment, self-formed team, attendance, "awareness" dimensional* as awards? If so, then fully 100% of the employees who PARTICIPATE earn awards.

- Relative to the negative effect on morale, the Team\$ave structure gives everyone an equal opportunity to earn awards. Everyone is operating with the same information-sharing and goodwill generated by the program ... not to mention the positive impact of those who are successful.

**a dimensional is an item such as a logoed coffee cup, umbrella, flashlight etc., companies may use these items to "spark" interest and program participation. Form your own team you get one, submit your first idea, etc.*

16. Personally, I think most people would prefer cash. We're all adults, and we know what we want to buy.

That's the response of many of our clients when we begin our discussions about incentive programs for their employees. But in reality, merchandise awards have many distinct advantages over cash.

Several studies indicate that merchandise is a better vehicle for communicating your objective to your employees because tangible merchandise has "trophy value." Your employees, can look at an item earned in your program, and always identify it with both a positive work experience and with the message that program conveyed.

Cash, on the other hand, often disappears into the household budget, and identifying what was purchased is usually impossible. Worse yet, employees often view cash awards as simply a part of their regular compensation. Alterations in the program that reduce an employee's

anticipated “incentive payout”, or even eliminate the payment, create unhappiness and ill-will, rather than the positive atmosphere you want to create.

Studies also indicate that there’s a definite investment advantage to you with a merchandise-based program. Merchandise has a higher perceived value than does a cash award of equal value. In other words, it requires a greater cash outlay by the employer to achieve the same level of motivation provided by any single merchandise item. Our payout structure reflects this discrepancy.

What we are talking about here is not the medium that people say they prefer, but the most effective, proven source of motivation.

17. We have a process control operation, and there’s no way we can take people off the line for one hour per week.

There are three ways to answer this:

1. You can shut down the entire line for team meetings. Many of our clients have chosen to do this, some going as far as shutting down the entire plant.
2. Have employees meet for one hour outside of work hours and compensate them for their time (either in \$’s or (we prefer) equivalent Award media amount, i.e., points in their bank accounts)
3. Have employees meet for one hour outside of work and do not compensate, although it should be noted this option can be viewed as a “de-motivator”

18. Why is it important to pay participants when their ideas are approved?

It is important that your employees perceive the associated award opportunities to be positive, immediate and certain. Your employees must clearly see the awards associated with their extra effort.

Since most employee teams will not have the authority to implement their ideas their reinforcement should be contingent only on that which they control – development of a sound and financially valid idea. The Team\$ave structure drives this process.

Because Team\$ave drives timely implementation, actual savings are usually realized at about the same time award costs are incurred.

- Behavior is a function of its consequences.
- Need for positive, immediate reinforcement.
- Team\$ave drives timely implementation and costs are typically recouped within a few months.

Management is responsible for idea evaluation, approved idea valuation and implementation. Teams of employees are responsible for ideas and should earn on the completion of their task, idea development, initial valuation and submission.

19. How do you handle duplicate ideas?

- Ideas are initialed, date and time stamped by Team Coaches, at submission.
- Program Manager reviews all ideas submitted by TC's to identify duplicate ideas.
- In case of duplicate ideas submitted, the first qualified idea received will be considered for the award
- Occasionally "duplicate ideas" expand the application value of a previously approved idea. The difference in the two ideas is then awarded to the second expanded idea

By the way, duplication is seldom a problem. In branch-banking, we experience our highest % of duplicate ideas – 20%.

In addition, we recommend ongoing communication to participants on approved ideas and trends, so that they don't waste their valuable time on ideas already through the system

20. What does Alexander Group bring to the party?

Clients sometimes fail to understand that we have such a vested interest in the outcome that we truly become partners with you.

What we bring to the party is a great deal more than X pieces of print material and dimensionals, and a great deal more than so many days of training, and a great deal more than an administrative support system, with full analytical support through the duration of the project, and a great deal more than the merchandise and the customer service and all of that. We bring a partnership.

Alexander Group brings a broad expertise, a broad base of experience in this product, in this application, in your industry, and the willingness and ability to work with you in maintaining, everyday, your program.

21. Now that we know what you provide, what do we (the client) contribute?

In order for Team\$ave to be successful, it is essential that you provide:

- **Commitment and Involvement of Top Management**

Employees must perceive management's total commitment to the program.

- **Time and employees**

Employees must be given the time and resources to actively participate in the program. This includes one hour of authorized meeting time for 12 weeks for each Team Member, and the commitment of various managers to support roles.

- **Access to information**

Your employees must have access to pertinent company information.

Our success is contingent on your success. The Alexander Group team is dedicated to working with you to ensure the successful outcome of your program.

22. We believe its management's responsibility to contain costs. If we really wanted to, we could take that \$10m out of the budget tomorrow.

Many, if not most of our Team\$ave clients, have held a similar opinion. These clients have found there is much to be gained from the synergism of team dynamics ... that is to say, seven heads are better than one. The contribution from a single manager can now be expanded by having him / her meet regularly with six other managers, engineers or employees to discuss cost-containment ideas. These same clients have also gained the residual benefit of instilling that same cost-consciousness so prevalent in managers, within their non-management employees.

Keep in mind ... the dramatic cost-savings you see from our other clients are their numbers, not ours. And all of them far exceed what they had been able to do with either their managers alone or their suggestion programs.

23. To what extent will senior management have to get involved?

We're talking about very senior management. This is usually your top three, perhaps your top six. It just depends on the size of the organization.

The crucial impact of the top management is the program design approval. We want them to attend the working session, or be available for final design approval for those questions that were controversial during the design itself. We want them to be visible for the program announcement.

For a smaller organization, we want a member of senior management physically present to introduce the announcement meetings. Then we want them to plan on a half-hour to an hour a week during the course of the program. We don't want a week to go by when they haven't touched base. At the very minimum, we need them to be there so the Program Manager can quickly review the program on a weekly basis. We want them to be present for making policy

decisions, and to be present to help celebrate key or memorable events that occur in the program.

24. “Management should be involved and committed to setting the environment to allow innovation to occur. How do you see the role of management in this program? How many hours would you estimate will be required of management personnel in the development and implementation?”

Management must be visibly supportive of the program from the start. Employees must genuinely feel their ideas are requested AND will be fairly evaluated. For these reasons, we provide role training for top and mid-management prior to program announcement.

In addition, our most successful clients have made top management highly visible in communications throughout the program:

- Pre-announcement “Awareness” Brochure
- Program Announcement Meetings (management appearances as possible)
- Program Announcement Audio/Visual (management delivered message)
- Rules/Award Catalog (management message)
- Program newsletter
- Celebration Events

25. What pay back period per capital improvements do you use?

When we actually get into the design of the program, we work with you, your financial people, your engineering people, your purchasing people, etc...to establish the appropriate calculations and methodologies for your organization. Your current capital pay back calculation methodologies will be used in the program. These are your decisions, not ours.

26. How do you treat partial labor? How much of that savings projection is just productivity improvement that can't be captured?

We treat partial labor in the way that you want it to be treated. We recommend that you do not accept partial labor in your program. We recommend that you don't accept productivity improvements unless that can be translated into full-time, equivalent people. Unless you can capture labor savings, unless you can capture productivity improvement, you can't realize the savings and it is in our interest as well as your interest to make sure the savings are real.

27. I don't see where you've debited the indirect costs of all these people's time. Where is that "one hour per week" reflected?

It is true that the payroll costs of employees administering the program, as well as the one hour per week the teams are allowed to meet, are not included in our program calculations.

If production should decrease or routine tasks remain uncompleted during the 12 weeks of Team\$ave, then it is very fair to estimate the costs of "lost time" and add it to the program costs. However, when we asked previous clients if production suffered due to the program, the answer was "no". It seems employees work harder or smarter at their regular job, or at least find enough time to participate in the program and still fulfill their job duties. Therefore, the time employees have devoted to the programs has little or no "costs" to the organization.

In a worst case scenario, if all employee time is estimated and a salary and fringe benefit factor is applied to it, the return on investment would still remain positive. In fact, the ROI calculation would undoubtedly be significant enough to justify the operation of the program. (There are some operations in which meeting time is a legitimate cost – e.g. continuous process manufacturing, and should be reflected as such.)

28. Some of our costs are highly confidential.

Information provided for teams to help them “package” ideas for submittal must be carefully considered prior to being published. There are some legitimate business reasons that some costs should not become common knowledge. But this does not automatically mean that all information should remain confidential. Teams must obtain costs from documentation provided to them, from people who serve as “resources,” or from others knowledgeable in the idea’s area of impact. The more information provided, the less reliance teams will have on resource people. It’s a trade-off. So the decision to not provide costing information will show up as higher time demands on people in the program’s administration.

29. We currently are involved in a major quality push (Crosby, Deming, Juran, Conway; Florida Power and Light; 3M; American Productivity and Quality Center) ... won’t this be perceived as incompatible.

We need to discuss your current activities.

We can take the principles of quality and communicate them to the employees through the print communications. What we can do that someone else cannot, is to give an employee base an immediate forum to practice those principles. We can also include a quality element in Team\$ave.

30. How will our current Quality Initiatives react? How will they participate?

If Quality initiatives are now in place, it sends a message that your organization understands the value of individual participation in decision making, as well as embracing the concept of problem-solving teams. Because of this strong organizational “foundation,” the chances of other programs based on the team concept achieving success are quite high.

As to the particular approach to use in structuring a Team\$ave program to interrelate with Quality groups, we do not have a simple answer. Before we offer a solution, we need to understand things like:

- Number and proportion of employees currently in Quality Circles.

- Work group alignment of Quality Circle Members.
- Type and extent of training that has been conducted.
- Length of time Quality groups have been in place and how administered.
- Management and employee perception of the “success” of the Quality initiatives
- Administrative procedures tracking the current initiatives

Typically, Quality groups are integrated into the Team\$ave process in one of two ways. (1) One approach utilizes existing Quality Circles as Idea Teams. (2) The other approach is to superimpose temporary seven member teams across the organization. In the second approach, we have found employees with Quality circle experience to be in strong demand as Idea System team members.

31. How can a program like this work in a regulated industry? How are ideas that require regulatory approval handled?

We hear this in industries like:

- Telecommunications
- Pharmaceuticals and Health Products
- Utility companies
- Defense industries

One answer is that we have run Team\$ave in regulated industries and they have been as successful as programs run in non-regulated industries.

We find that the majority of idea teams work on ideas that don't require regulatory approval. They are not ideas that change or enhance or restrict product.

For those ideas that do require regulatory approval, we create a separate process. We recognize, for example, that it could take the Food and Drug Administration industry seven years to give approval. So we setup up a unique category e.g. Quality Ideas, Product Ideas, Regulatory Ideas ... a separate category to value those ideas based on different criteria with a different payout structure.

The real issue is that all of the ideas are not going to have to go through the governing body, because in fact, very few will. We will direct people to work on ideas that don't require authorities beyond that organization's scope of control, and the vast majority of all ideas will fall into that category.

32. We have a strong union environment. Do you have any experience there?

This program has been very successfully run in union companies. We have been successful working with the UAW, Machinists' Union and Electrical Workers' Union. The most important point when working within a union environment is to bring the union representatives into the process at the very beginning in order to gain their "buy in and support", up front.

33. What happens when an idea gets approved and we pay for it but isn't implemented?

The real question here is do we get the Awards back from the person. The answer, of course, is no. If the question were asked just like that, I would say nothing happens. You certainly aren't going to take the Awards back because you gave them in good faith for what you received in good faith. If your concern is that you're going to have a lot of ideas approved that aren't implemented, historically we can tell you that about 4% of your dollars are not going to be implemented because something will change between approval and the time to be implemented.

34. What percentage of those huge savings you project are real?

The answer is, "Whatever percent you want." You can be comfortable that you are in control of the program, you are in control of the evaluation process, and you are in control of determining

the savings. We do not evaluate the ideas; we do not put dollar values on the ideas. Teams submit ideas at a specific value. When an idea is approved, the actual idea value is established by the Evaluation Committees (management).

We have built many precautions into the system that help make those savings real. Precautions like; (1) the first way you make sure the savings are real is that the Evaluation Committees, during training, are taught how to value an idea. What's eligible? What's not? What will the calculation methodology be for you? How will your financial people know the savings when they get them? What will make you comfortable? (2) The evaluation committees being senior, functional management; (3) during the evaluation processes the requirement to develop the implementation strategy with idea approval. An idea is not called "approved" until an implementer has been assigned, agreed to a target date and agreed to an action plan. The fact that we have the administrative support system to identify, account code where the savings are projected to fall, is proof we don't shy away from this hard issue.

35. Are awards considered taxable?

Yes, they are taxable, and it is definitely our advice that you pay a portion of them so that the awards are perceived to be received with no strings attached.

36. We have our own in-house communications department. Would you allow us to produce program materials to save costs?

Effectively communicating with your employees prior to program launch, during the program's operation and the program's conclusion, is essential to the success of your motivation program.

Communications act as a catalyst and a feedback agent in a motivation program. It stimulates people to action and creates excitement at program launch. During program operation it ties together all the elements and conveys them meaningfully to your employees. In essence, the program communications must:

- Translate objectives into individual goals, and promote their achievement
- Create and sustain employee enthusiasm

- Establish program identity and visibility
- Explain program rules and rationale
- Relate the award opportunities to desired results

To assure program communications are effective, their elements must be designed to support your program requirements.

We are experts in developing communications for motivation programs. We are able to do a better job than your in-house department, because your program material will be a top priority with us.

Your in-house department may not be able to handle the additional workload within the required timeline, because developing and producing a communications package for Team\$ave entails: developing an employee profile, concepting, layouts, copywriting, production, collating, handling and mailing – all within tight deadlines.

Our costs are spread out over all of our Team\$ave clients and we can guarantee we will be able to fulfill on the materials from conception to delivery.

37. We already have a large training department, can we deliver the Team\$ave training ourselves?

Our trainers have Team\$ave experience with other clients; therefore they are very attuned to the kind of questions and concerns that people are going to express during training. In addition, they add huge amounts of color to the training, by virtue of their anecdotal experience. And, we can staff a project to keep all training within a 1-2 week period.

In addition, issues arise in training that are best fielded by an outsider, e.g. ... anger at management, doubt that this program will work because nothing else ever did, things that people are irritated, or upset or concerned about.

38. Have you had any Team\$ave programs fail?

The answer is, indeed, no we have not. Now, if your question is have we had any of those 150 Team\$ave programs fail to reach the goal that we predicted, yes we have.

Now in those three or four cases, it was much more than a break-even. The client was very happy with the program for all the tangential benefits, but in fact, the goal we projected was not achieved.

For each of these programs, there is a specific reason why. For example, an insurance client was subjected to an unfriendly takeover attempt during the program. You can imagine that management's interest was seriously disrupted.

Another client, shortly after the program launched, went through a substantial reduction in sales due to foreign competition; and they had to go through a major layoff right in the middle of the program.

Catastrophes like these have a way of undermining senior management support ... and we know their support is essential to Team\$ave success.

39. What happens when this twelve-week program is over?

Business as usual. Some clients really like the concept of "you start it, you stop it, and it's over." Implied in this question may be: "what happens to the dynamics of my organization? Does the morale drop? Do people get upset? Do I lose all this good morale and teamwork and participation and cost consciousness that I have gotten?"

Other questions truly do mean, what do we do when it's over? What is Alexander Group prepared to do with us when it's over?

There are several points to make in responding. The first message is "Don't look at this as a twelve week program." This is really a nine to twelve month effort. The twelve weeks of the program are the period of time in which your employee teams are meeting and generating and researching and documenting and submitting ideas. But there is a preparatory phase before that begins. There are start up activities, there's evaluation that continues beyond the twelve weeks, there's implementation that continues six to nine months after idea evaluation. So it is a much

longer cycle than twelve weeks, and we need to be very clear that you understand that twelve weeks is only the formal team submission process.

If the question is, “what happens to my organization given that I do this program and don’t do anything else, what can I expect?” Your people have gone through a dynamic learning process; they have met other people; they understand more how the organization works; they have a greater sensitivity to the difficulties of the decision making process that management goes through, and they are more sensitive to considerations that the business has beyond the narrow scope, and you don’t lose that.

Do you keep it at the level that you have in Team\$ave? NO. Do you lose it? NO, you don’t lose it, we speak anecdotally about clients a year, two years later saying things like: “there’s been an increased awareness.” The morale, people remember that program with happy faces. So we tend to be pretty honest that you’re not going to keep the same level of energy and interest and cost consciousness and teamwork but, by no means are you going to lose a great deal of it. Your organization will be much more open, much more willing to speak to each other, and the channels of communications will be more open than they had been before Team\$ave.

Now if the real question is, “What might we do with Alexander Group after Team\$ave?” There are a lot of different strategies. If we have not presented a phased process, in which Team\$ave is only one element, if we only presented Team\$ave, then the decision tends to be best made as we complete Team\$ave. The Team\$ave process identifies areas in your organization that you may wish to subsequently address, like quality, productivity, ongoing suggestion activity, presenteeism or safety.

40. What do companies do after they run Team\$ave?

The strategy companies use after Team\$ave varies according to your organization’s needs. Most companies try to capitalize on Team\$ave’s strengths, specifically the existence of employee teams, extensive training improved internal communications and the commitment to employee participation.

The most common follow-up program is a team-based, continuing suggestion program. Several other clients have put in place an individual suggestion program. Other major kinds of employee involvement activities post Team\$ave include programs to:

- Stimulate quality awareness

- Improve customer satisfaction
- Enhance employee teamwork
- Increase presenteeism
- Improve safety performance

Some clients have initiated a process called the Continuous Improvement Recognition System (CIRS). It takes the elements listed above, whatever an organization needs, and utilizes the necessary elements along with the “good will” Team\$ave generated and continues to involve the employees in helping to make an organization function better and continue to reduce overall costs.

41. Our managers take pride in their work and their experience. Is there a risk that they will take offense when their employees submit ideas that the managers feel they should have already put in place?

Managers and employees often require a new focus and the opportunity to see problems and challenges in a new light.

Through our program communications we will make it clear that there is nothing wrong with not having already thought of the idea. Our clients grant “amnesty” for all participants and no one should ever think or say; “I should have thought of that!”