

2003 Excellent in Practice Award

Career Development



Dow Chemical Company

Midland, Michigan

Leadership Research Institute

Encinitas, California

Genesis Award Program

SUMMARY

The company profiled in this submission recognizes that the best people developers reinforce the company's employee development efforts as well as serve as role models for other employees. The company developed its Genesis Award Program to recognize those individuals who consistently excel at people development. The award also demonstrates the company's commitment to employee development.

Launched in 1994, the award program is implemented annually in 16 languages. It identifies and recognizes the company's best people developers who inspire and motivate while making an impact on the lives and careers of other employees. All employees of the company and its worldwide subsidiaries are eligible for this award. The nominees must demonstrate that they:

- Foster an environment of personal growth
- Act as a role model, mentor and coach
- Lead and manage performance
- Achieve results

Embracing this type of recognition is a critical contributor to the company's success. This type of recognition for people development within a diverse culture where employee development is self-initiated creates new capabilities, promotes learning and increases employee satisfaction and retention.

Program Administration – A pre-selection committee evaluates all nominations against the criteria, then forwards the nominations to the Selection Committees. The Selection Committees are responsible for choosing regional candidates through further evaluation and interviews with the nominee's leaders, peers and/or co-workers. The final global Genesis award recipients are selected and named. Formal recognition is made at the company's Annual Stockholders' Meeting.

BACKGROUND

The Genesis Award is a corporate award program launched in 1994 to:

- Demonstrate the company's commitment to employee development
- Recognize those employees who consistently excel at people development

The award program is strategically aligned with the company's People Strategy and is rooted in the conviction that success begins with people. The company recognizes it cannot achieve its objectives without outstanding, motivated and dedicated people. Building and sustaining such a workforce demands an environment where people development is a priority. Employees in all job families, and at all job levels may be nominated for the Genesis Award by their fellow employees. Nominations can be from an individual or a group of employees.

The Genesis Award recognizes the efforts of people developers and creates opportunities for other employees to learn from them. In recognizing these people developers, they become role models for others in the company and help the company build a culture of people development. These people developers embody those management practices, which have been identified as vital to the company's success. An outcome of the award program is the company now has a network of people developers who promote and enable employee and career development throughout the company.

Approximately 1/5000 employees from around the world are recognized annually as Genesis Award recipients. This calculation was established in order to maintain geographic equity such that at least one employee will receive an award in each of the company's geographical regions:

- # of Submissions/Nominations **N=500** (representing 1/100 employees)
- # of Screened Nominees **N=100** (representing 1/200 employees)
- # of Regional Nominees **N=33** (representing 1/1500 employees)
- # of Award Recipients **N=16-17** (representing 1/5000 employees)

Since the program's inception in 1994, 62 employees have received the prestigious Genesis Award. The number of award recipients each year represents about 6% of the total employee population. Most nominees are from the Functional Specialist/Functional Leader job family. A program goal is to increase the number of Administratives and Technicians/Technologists nominated for the award. The chart below has the historical data pertaining to the award program.

Year	1995	1996	1997	1998	1999	2000	2001	2002
Nominees	275	125	190	187	226	168	*redesign	297
Award Recipients	13	15	12	10	11	10	n/a	17
% of Company Population	4.73%	12.0%	6.32%	5.35%	4.87%	5.95%	n/a	5.95%

The award program is implemented in 16 languages in the company worldwide. The process, which takes place over a one-year period, comprises three critical phases: Nomination, Selection and Award.

Nomination - This phase takes place from September through December. Peers, colleagues, subordinates and supervisors may submit nominations. All nominations must be made on the official submission form – available in 16 languages – and must include:

- Feedback data from the individual's 360 development report
- Data from the nominee's development plan
- Feedback from company global competency and behavioral descriptor alignment

All employees of the company and its subsidiaries are eligible for the award. Nominees may be from any one of these job families: Functional Specialist/Functional Leader, Technician/Technologist, Administrative, and Global Leadership.

Selection - The selection phase is conducted between January and April. The nominations are kept confidential and sorted for duplications. A pre-selection committee then evaluates the nominations against four criteria. This phase, facilitated by the company's designated external consultant, determines which nominees will be selected for review by the eight Regional Selection Committees. The Regional Selection Committees are responsible for choosing candidates through further evaluation and interviews (if necessary) with the nominee's leaders, peers and/or co-workers. The Selection Committees comprise top leaders of the company, including Regional Vice Presidents, past Genesis recipients and Regional Resource Center Leadership. Regional recipients receive recognition in their locations, are presented with an award plaque, have their name posted to the Genesis website and become candidates for the final selection of Global Recipients. The company's designated external vendor facilitates the process.

Award - The Genesis Award recipients are named and travel from around the world to the company's headquarters to be formally recognized at the company's Annual Stockholders' Meeting. The company's CEO and President presents the awards to the recipients. Additionally, each recipient receives a cash award to be donated to the charitable organization of his or her choice. This prestigious Genesis Award is the highest corporate award an employee can receive and is the only award sponsored by the company's Executive Management Team. Past recipients of the award are key contributors to employee development in the company as they become the subject matter experts and consultants for employee development related matters such as training and development, career counseling, recruiting and leadership. Communication about the award program is delivered through the company's Intranet-based employee communication tool known as Newslines. The program web site is linked to other online company resources related to employee development opportunities and serves as an information and communications center, providing the following in various languages:

- | | |
|--|----------------------|
| ✓best practices for employee development | ✓testimonials |
| ✓Information on the award process & criteria | ✓submission forms |
| ✓database & networking opportunities for past recipients | ✓reference materials |

DOCUMENTATION

Needs Identification

1. *Describe the problem or need for which this practice is designed and implemented. How was this problem identified, and how was it determined that this practice is an appropriate response?*

The restructuring of this company in 1994 -1995 to global business units gave rise to remote teams, i.e. people leaders leading teams of employees scattered around the globe. Today, people leaders are likely to be working in one company location, away from the employees they lead. The restructuring also resulted in not more than six layers between line employees and executive leadership. This means that there are now more people reporting directly to a people leader.

Both distance and bigger teams mean people leaders now have less face-to-face time for individual development discussions with their direct reports. To ensure people development remains a priority, the employee is now responsible for leading and initiating development discussions – a departure from the previous leader-led development discussion.

Company executive leadership also saw the need to recognize and reward those people leaders who, despite the heavy demands placed on their time, continue to see people development as a critical part of their job.

This company recognizes that business success can only come from people success. In other words, employees must be satisfied with the progress of their career development. Satisfied employees translate to productive employees and business success. This practice was designed to meet three primary needs:

- A. To increase commitment to and expertise in people development
- B. To identify and reward “parallel competencies” of employee development from geography to geography
- C. To increase the effectiveness and return on investment (ROI) of our premier reward and recognition program

The first identified need was to establish people development as an important skill throughout the organization. As a global leader in the manufacture and sale of bulk and specialty chemical products, our organization comprises 54,000 employees in 72 countries. Having invested significant resources in employee development throughout the organization, the goal was to augment our centralized employee development efforts with a “grass roots” effort at all levels of the organization. The desired outcome was to establish a network of talented people-developers to serve as role models and subject matter experts in all areas of professional and career development.

The second identified need was to recognize what we call “parallel competencies” in people development. Put simply, the “best practices” that work well at a manufacturing plant in Ningbo, China, may turn out to be significantly different from the practices that

might be most effective in Sao Paolo, Brazil, or Indianapolis, Indiana. The second identified need was to find a way to recognize these cultural and geographic differences while still rewarding and encouraging a core set of company-respected best practices.

The third identified need was to enhance both the ROI and the longevity of our practice versus other reward and recognition programs. Organized reward and recognition programs tend to suffer from a number of drawbacks. First, they are expensive and time consuming. By most reliable estimates, American companies spend billions of dollars annually on such programs. If we were to make a significant investment in this particular program, we wanted to make a firm commitment to achieving a good ROI. Second, reward and recognition programs are plagued by what we have called “award fatigue” – the gradual lessening of interest and impact in the program over time. One vital need we wanted to meet was the maintenance of overall levels of interest and commitment to the practice on the part of the organization.

To meet employees’ development needs, the company has to have good people leaders and premier people developers to. Excellent people are also needed to compete in the global economy, which requires a consistent focus on the development of people at all levels, outside-in focus to meet the needs of our customers, speed-to-market of new and improved products, flexibility, innovation and most importantly integrity.

Design Values

2. Please describe how this practice takes into account the best interests of both the organization and the employees targeted.

The company’s Genesis Award Program underscores the importance it attaches to people development. Although employees now have responsibility for initiating and managing their own development, the award program is a reminder to people leaders to always keep people development on their list of priorities and to partner with employees in the development process.

As we designed this program, every effort was made to balance two competing priorities. First, we wanted to single out the “best of the best” people developers from more than a hundred locations. Second, we wanted to turn this effort to recognize the “best of the best” to a broader campaign of excellence – that is, we wanted to take something that was highly individualistic and pertaining a small group of people and turn it into something that was about our company.

First, every effort was made to ensure anonymous nomination to reduce the pressure felt by both nominated individuals and by those who would participate in a nomination for someone else. In each case, a public nomination process would encourage early “favorites,” – individuals nominated by powerful individuals within our organization as well as “dark horses,” individuals new to the organization or operating at remote sites or in remote markets. The nomination form was designed to ask broad open-ended questions that required thoughtful deliberation. All of this helped us hit the right balance

early – that despite the fact that individuals were the ones doing the nominating, it came across to the nominated individuals as more of a message from the company. Some nominees might have some inkling of who it was that nominated them, or even have some concrete knowledge, but for the vast majority it proved to be a pleasant and engaging mystery.

Second, strict confidence was achieved in the form of an anonymous selection process. All identifying information was “blacked out” from each nomination form. Selection committee members often commented on how much of a difference it made not to know for sure the identity of the nominated individual – that it let them concentrate more on what was written in the nomination materials themselves. Even as each regional selection committee made their final choice, the identities were kept strictly secret. We saw this as a particularly firm commitment to the balance between the individual and the company. In most of these cases, we are talking about senior executives within our organization who, for the sake of an objective and fair process for the company, were willing to forego their own curiosity and adhere to our agreed upon process.

Finally, participation in the follow-up network was made voluntary. The reason for this was to give each recipient a choice on how he or she could best serve both their own interests and the interests of the broader organization. We found that voluntary participation rates were quite high and we were able to get the most out of our recipient pool as a result of their enthusiasm, as opposed to our strict efforts to mandate participation. As a result, recipients of the award feel like it is “their” program and have even taken steps to find internal funding for more extensive network activity.

The company believes its success can only come from the success of its people. Therefore, it must foster an environment where work is meaningful and challenging, and its people are satisfied with the opportunities accorded them to continue to learn and grow professionally. It’s only when employees are successful will the company be successful.

Honoring those who excel in people development with the prestigious Genesis Award does more than reinforce the company’s commitment to people development. The program enables the sharing and leveraging of best practices in people development among people at all levels of the company.

The community also benefits from the program. Approximately, \$30,000 was given in 2002 to the community via charitable donations (\$3,000 per global recipient). The company has learned that (based on one hour) employees have become more productive due to a focus on their employee development plan and overall learning. Thus for 50,000 employees x 50,000 hours, productivity is \$2,500,000 per year. Also, there is a reduction in the number of people leaders in the company resulting from the accountability for employee development residing with the individual. Thus if the program costs \$500,000/year, this equates to 3-4 people leaders. Therefore, the company believes that the program can do the work of 3-4 people leaders as it relates to employee development. The award program is a key element of the company’s focus to create a win-win for itself and its employees.

Alignment

3. How is this practice in alignment with the performance identified, as described in your answer to question 1?

The annual award program reflects the company's continued commitment to people success despite the changing business environment. It fosters people development by ensuring people leaders are keeping it on their front burner. It demands a partnership approach to people development. It forces continued engagement in people development by both people leaders and their direct reports. The award program honors the best of the best – those who excel in people development. This single-minded focus on people development is how the company will create the success of its people and its own success.

The three points of common alignment identified are:

- A. To increase commitment to and expertise in people development
- B. To identify and reward “parallel competencies” of employee development from geography to geography
- C. To increase the effectiveness and ROI of our premier reward and recognition program

The expectation is to see an increased emphasis on people development as well as greater effectiveness on the part of those participating in people development. This is exactly what we have seen with the Genesis Award program. The most important tool to achieve alignment between goals and behavior is the Genesis Award nomination form. Developed in partnership with an external vendor, the nomination form is a good combination of directed and open-ended questions built around behavior-specific items. Specifically, the nomination materials seek to assess the nominee's strength on four related dimensions:

- Shared knowledge – does this person commit to developing others through sharing his or her subject matter expertise with those around him or her?
- Shared values – does the nominee exemplify the values of the company in both word and deed?
- Consistency – Does this individual **routinely behave** in such a way as to share knowledge and demonstrate the values? What we are looking for here is some measure not just of having or adhering to the values but of making them play a role in everyday behavior.
- Impact – Does this person's behaviors make an impact on the well being of the company and on the person's peers and co-workers?

The use of these criteria helps to achieve alignment in a number of ways. Companies committed to the overall development of its employees are ultimately successful themselves. The company supports leadership at all levels. Employee development is self-driven. Employees have access to over 60 global learning resources and tools as well as a multitude of learning resources specific to their job or function. Additionally, the company has a goal that every employee has an employee development discussion

with the end result being an employee development plan. In order to develop the plan, the employees require coaching, mentoring and some guidance towards steps they should take to create and maintain their plan.

4. *Please describe how this practice integrates other training, learning, and performance improvement practices, and aligns itself with organizational goals to achieve the desired outcomes.*

In emphasizing people development, the Genesis Award Program indirectly drives participation in internal and external training programs and other learning opportunities as well as the use of the tools and resources created by the company to support employee development. Many tools aid individuals initiating and managing their own development, including the 360 Feedback and the Employee Development Plan.

Each business and function in the company has invested resources in defining the required competencies for each role in the company. In addition to defined competencies, each business and function has identified the requisite training that will allow individuals to be successful in the new roles they assume. Internal training takes the form of classroom sessions, online sessions and distance learning.

By focusing attention on people development and making it a shared responsibility for people leaders and their direct reports, the Genesis Award Program integrates all the training and learning resources designed to promote employee development.

The Genesis Award program is an integral part of the company culture for people development. The program is part of the Employee Development portfolio and linked to learning throughout the organization. A number of specific ways in which Genesis is connected to our broader intervention strategy include workshop offerings that dovetail with Genesis:

- *Performance Excellence*: A two-day course designed to give a wide array of managers and leaders a detailed and experiential-based examination of effective feedback techniques. The Genesis Award Program reaches the "best" people developers. Coaching and mentoring employees is an element of the program.
- *Essentials of Leadership*: A two-day course in leadership skills development offered to new and experienced managers in a two-section design. Genesis recipients have been asked to speak to these audiences and will present descriptions of their own best practices to fit with the course content.

The Genesis Award Program is aligned with the continuous learning element of the company's People Strategy, which has the following goals:

All employees, and all people leaders, will have an Employee Development discussion with their team/leader resulting in a documented plan.

- 65% of employees will have had the discussion and a plan by the end of 2003.
- 100% of employees will have had the discussion and a plan by the end of 2004.

Other links to the People Strategy are described below, with the key elements of the strategy in italics:

- *Performance Excellence*: The Genesis Award Program reaches the "best" people developers. Coaching and mentoring employees is an element of the program.
 - *Continuous Learning*: Excellence in people development is the motto for the Genesis Award Program. Personal and career development promotes continuous learning through the four-step employee development process. Throughout our communication effort we have stressed the connection between Genesis and a process of continuous learning. The selection process is designed to reinforce this at the level of nomination materials and in the mechanics of the selection process itself. Specifically, committee members rate all nominees on evidence of commitment to self-development
 - *Diversity and Inclusion*: The Genesis Award program is for all employees worldwide and available in 16 different languages. Any employee can submit a nomination or be nominated by another employee or team. The Genesis website is also available in multiple languages. The company continues to strive to promote diversity and inclusion in all aspects of the organization. The goal is to cast our net as widely as possible to identify both the culturally diverse best practices as well as those habits that are extremely effective in local contexts.
 - *Attract and Retain*: Providing this type of global recognition to employees as well as providing an opportunity to meet community needs with donations to Genesis award recipients' choice of charitable organizations support the company's recruitment effort. Employees are encouraged to volunteer in their community as part of the company's social responsibility. The link to charitable organizations becomes a retention feature as well.
 - *Personal Leadership*: Genesis recipients assume leadership roles and empower themselves to make a difference in the development of employees within the company.
5. *What evidence is there of partnerships within and outside the organization (e.g. with senior management, frontline supervisors, unions, external training suppliers, consortia)?*

This program is sponsored by the executive management, which includes the President/CEO and executive leadership of the company. An external vendor is designated to receive all submissions and facilitates the selection process and the interviews.

Nomination Phase: All employees of the company and its subsidiaries are eligible to participate in the program. They can submit a nomination or be nominated by others in the company. The external vendor is designated as the party who will receive all nominations on behalf of the company.

Selection Phase:

- Regional - The 8 Regional Selection Committees comprise top leaders of the company including Regional Vice President, past Genesis recipients, and Regional Resource Center Leadership facilitated by the external vendor.
- Global - One Global Selection Committee comprised of only corporate executive management and facilitated by the external vendor.

Award Phase: Recognition of selected global recipients takes place during the company's Annual Stockholders' Meeting. Communication relating to the program is delivered globally via the company's Intranet-based communication tool in multiple languages. Award recipients identify the charitable organizations that are to receive the donations to be made by the company as part of the Genesis Award given to people leaders for excellence in people development. Vendors are contacted to provide wall plaques and lapel pins for the recipients.

Genesis builds many bridges both within and outside of the organization. Within the company, we have been very fortunate to have the President of our European operations serve as our sponsor. This person receives detailed briefings on the calculated progress of the program and helps the program to have the necessary prestige to maintain interest and actually contribute to changed behavior. Executive support for this program also extends to the broader senior leadership team. Members of the final selection committee are selected from senior management. At various levels of our company, leaders of individual businesses continue to take an important role in information dissemination and decision-making.

Externally, we have built an effective partnership with a specialized consulting firm who has come to provide a broad suite of services and products in addition to Genesis. This has worked very well because the vendor has had a chance to really get to know our organization. This vendor introduced many of the ways in which Genesis has become integrated with other development opportunities. Other offerings from this vendor relationship include extensive workshop based training and individual executive coaching. What has developed with this vendor is a "virtuous cycle," in which success at Genesis makes course offerings and coaching more effective and effectiveness on these elements allows the vendor to know us even better and thus adapt the program to meet our unique needs. Our relationship has developed to a point where we have partnered with this vendor in the current submission.

One set of bridges remains to be built: between our organization and other organizations who could benefit from the Genesis experience. We firmly believe that this practice represents a quantum leap forward in terms of reward and recognition programs, and would stand alone as a career and employee development platform of the first rate. We are motivated to submit this program for an ASTD award to begin the process of sharing what we have learned with the broader training and development community.

Evaluation Strategy

6. *How is this practice evaluated? What factors are included in your calculations (e.g. time, costs, staff count, lost phone calls, customer satisfaction)? Are the financial costs of this practice calculated? If so, how? How often is this practice evaluated?*

We are firmly committed to accurate and meaningful measurement of our progress towards our goal. Measurements have been instituted for the following program variables:

- Number of Nominations – This represents the total number of individual nominations received from a single person. This number gives us an overall measure of enthusiasm for the program.
- Number of Distinct Nominations – a slightly different measure that corrects for duplicates from the same or different sources and that also separates out nomination materials that are substantial copies of other nominations.
- Number of Nominations per capita (region) – an interesting measure that allows us to chart which global regions are most enthusiastically participating in the program. The regional leader is North America/Canada followed by Brazil.
- Number of Nominations per job family – another interesting measure that tells us how senior the nomination pool is and what the typical job background is. We have had good luck using this data to target subsequent year's programs and have achieved significant progress towards job-family targets.
- Average Nomination Rating – this gives us a read of how far the process has "trickled down" in the organization. If the nomination materials are substantially better from one year to another, we can reasonably infer that familiarity with the process and goals plays a role in this improvement.
- Standard Deviation Nomination Rating – we use this to watch for "gaming" of the nomination system. As our population becomes more and more attuned to what the committees want to hear, we nudge the nomination materials just enough to ensure we are learning new lessons. This can also point to the extent to which targeted values and priorities are being learned by the employee base.

This practice is evaluated annually following the award ceremony.

- ✓ Electronic surveys are used to obtain feedback from the eight Regional Selection Committees. Suggestions for improvement are gathered through the website.
- ✓ Goals are established to increase the participation by all job families.
- ✓ Facilitation Costs (including vendor travel)

Results

7. *What specific participant behaviors are observed as a result of this practice, and how do these behaviors contribute to the goals of the practice? Are the impacts of these behaviors short-term or long-term? How do these behaviors differ from the results of previous practices?*

As a result of this practice, the company has observed the following participant behaviors:

- Improved leadership behaviors
- Increased recognition of excellence
- Increased employee development discussions and increase in the number of employee development plans
- Increased employee pride and satisfaction
- Increased employee commitment to company values
- Employees become role models for company values
- Active participation in the Mentoring process by mentors
- Business and functional cooperation in employee development
- Active participation by people leaders as facilitators in the delivery of learning resources (classroom or virtual)
- Increased networking among present and past recipients
- Increased participation in design teams working on training delivery (format, methods, etc.)
- Subject matter experts on employee development tools
- Increased use of the Genesis website by all employees
- Increased focus on acquiring role competencies
- Advocate for continuous learning
- Confirmed commitment from the company for leadership at all levels and people development

These behaviors ensure the company and its employees stay their focus on people development, continuous learning and the leveraging of employee development expertise, thus contributing to the goals of the award program and the company's People Strategy.

The behaviors foster a culture of creating success for the individuals and the company through people development and continuous learning at all times.

By implementing this program on an annual basis and making the decision to press on with the program despite declining profitability as a result of cost and margin pressures, the company demonstrated its unwavering commitment to people development and people success during both good and not-so-good times.

8. What was the impact of the practice on your organization? Are the impacts of these behaviors short-term or long-term?

The long-term impacts of this practice include:

- Continuous improvement of the global award process by offering it in multiple languages
- Increased participation by all job families in the Genesis Award Program (Functional Specialist/Functional Leader, Technician/Technologist, Administrative)
- Improved Genesis website with data on past participation and database of recipients
- Increased pool of Mentors across the company
- Increased understanding of and focus on the use of employee development learning resources and tools.
- Leveraged best practices to other internal recognition programs

- Sharing of best practices pertaining to recognition programs with joint venture companies

Shared Learning

9. *What have been some of the specific lessons learned from designing and implementing this practice for the purposes of continuous internal improvement? Please discuss whether and how this practice might be transferred and replicated both internally and external to your organization.*

Some of the lessons learned from designing and implementing this practice include:

- The availability of translation for the entire process (website, nomination forms) is critical to ensure inclusion of all geographical regions and job families in the program. Both original and English language nomination versions are available to the Selection Committees to ensure the original content of the submission is not lost in the translation.
- Communication is critical to keep all employees around the world aware of the process.
- Maintaining the Genesis website is a key communication mechanism to provide information on the program. A key feature is the Frequently Asked Questions (FAQs) for addressing recurring questions.
- Abiding by the designed process and timeline as well as engaging an external vendor in the process ensure the credibility, rigor and integrity of the award program.

Other organizations with a strong belief in and dedication to people development can replicate this practice. The Genesis Award Program is designed such that it allows participation by employees from all regions and at all levels in the organization.

The concept of this practice has been transferred and used within the company for other functional or business recognition programs. These other programs have been established to recognize and reward the "best" in sales, specific job family, technology, etc.

Continuous support from executive management is ensuring the sustainability of the Genesis Award Program. Enabling business success begins with people. The Genesis Award Program is the ultimate best practice in this company for recognizing people developers for their dedication and commitment to employee development.

Contact

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