

Client:
Williams-Sonoma

Media:
Newsletter

Objective:
Provide ongoing employee communication

HomeFront is the internal newsletter for Williams-Sonoma, Inc., a large catalog and retail company specializing in products for the home. Divisions include Williams-Sonoma, Pottery Barn, Pottery Barn Kids, Hold Everything, and Chambers.

The newsletter was created to communicate with employees, build a community within the company, and recognize the contribution of individual employees.



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“We have a lot of bright people with great ideas”
A HomeFront interview with new company CEO Dale Hilpert.

Most new Williams-Sonoma, Inc. Associates soon realize that our company is truly a special one – filled with a youthful, vibrant spirit of teamwork that seems to echo throughout the entire organization.

And to our new Chief Executive Officer, Dale W. Hilpert, that realization came early on.

In a recent interview with *HomeFront*, Dale said that even though he has only been at the company since April, it didn’t take him long to see that Williams-Sonoma, Inc. is truly a great company.

“Even before I came here, I always held high regard for the company, its brands and customer service. And I’m not alone in that opinion,” Dale said.

“Go ahead and ask around about the company. Even for those who don’t work here, the reaction is often something like ‘Wow, what a great company!’ That’s very special and it’s one reason why this opportunity is so appealing to me,” he continued.

But now that Dale has been at Williams-Sonoma, Inc. for several months now – since April, 2001 – he’s had a chance to see that the company is not only looks great from the outside, but from the inside as well.

After meeting and talking with hundreds of company Associates since he’s been here, Dale noted that

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while the company faces some challenges, the people who work here have a spirit of meeting challenges in a way that's not often seen in companies our size.

"We have a lot of bright people with great ideas," Dale said, "What's more, there seems to be just the right balance between innovation and a healthy respect for tradition."

"These can be tricky concepts to balance," he added, "but our Associates seem to have an innate sense of it."

Recognizing excellence

Dale stressed that while many companies pay far too little attention to honoring and recognizing employees for their contributions, Williams-Sonoma, Inc. is an exception.

"We seem to have an underlying energy that encourages Associates to exceed – not merely meet – expectations," Dale explained. "I've always believed companies should recognize and reward this kind of performance, so I am pleased to see that an already successful program such as 'Catch the Spirit' is now being rolled out throughout the company."

Noting the youthful energy and enthusiasm he sees at Williams-Sonoma, Inc., Dale stressed that in his role as CEO, he will concentrate on focusing and channeling this high level of energy into meeting key company objectives.

"In some companies, it's difficult to get people to think in an innovative way and to generate ideas. That certainly isn't the problem here as we have plenty of ideas," Dale explained. "But it does mean making some hard decisions. As I pointed out at the Corporate All-Associates meeting, it is often more difficult to decide not to do something than deciding to do it."

What the future holds

Dale is no stranger to successfully meeting key strategic challenges. As CEO for the Venator Group – a leading provider of footwear – he was responsible for leading an organizational initiative that resulted in better margins and more effective merchandising. In fact, Venator's stock price more than doubled in the year 2000 alone.

Here at Williams-Sonoma, Inc., Dale explained that one of the main challenges is to come to terms with rapid growth and a major transition.

"We're about to pass \$2 billion in revenues. That's a challenge because once most companies pass that level, things begin to change and older solutions aren't nearly as effective," Dale said.

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Dale noted that as organizations such as ours grow, they become more complex. “After all,” he explained, “Even if you add a larger staff, you simply can’t run a big hotel like a small inn. You’d need new processes – new ways of doing things to be efficient.”

“And Williams-Sonoma has grown rapidly. We now have multiple brands, three channels of distribution, hundreds of stores, thousands of SKUs and millions of customers. That’s a lot of moving parts to deal with. We need to work hard to put the right infrastructure in place so we can grow our business,” he said.

No surprises

On the desk in his new office at Williams-Sonoma is a plaque that reads “No Surprises,” and Dale took a minute to explain what it meant.

“It’s kind of a two-part message,” Dale said, “In one sense, it’s a request from me. If there’s bad news, that’s fine – but don’t hold it back. If we’re not going to meet targets or other goals, we should always know that sooner rather than late. That way, we have more time to change tactics – and time is always one of our most precious business assets.”

“But in another sense, my ‘No Surprises’ plaque is a promise from me. Consistency, communication, and clarity are the hallmarks of good leadership – and that’s what I promise. In short – no surprises.”

Catch the Spirit!

Rewarding more associates for service, excellence and teamwork

“When you know your job and like the position you hold, it is easy to come in every morning with a smile on your face. It’s easy to give someone an encouraging word. It’s easy to be a team player and to do your job effectively.”

Those are the words of Shirley Barton, Shipping Clerk/Store Distribution in the Memphis Distribution Center – and one of our latest Catch the Spirit Winners.

“When all these things come into play, it’s easy to ‘Catch the Spirit.’” she adds.

Recognizing those who take the highest standards of customer service to heart, demonstrate friendliness and enthusiasm, and work well as team players, “Catch the Spirit” is a program that has honored hundreds of Associates in our retail stores over the past nine years.

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And now the program is being rolled out across the company, which means Associates in our Corporate offices, Distribution Center and three Customer Care Centers now qualify for this distinguished honor.

“In the stores, the Catch the Spirit has worked very well because it gives us a chance to recognize our colleagues for a job well done,” notes John Bronson, Senior Vice President/Human Resources.

“But we realized that with catalog and internet shopping becoming more and more a share of our business, we needed to find a way to honor those Associates who serve customers that might never see the inside of our stores. So we expanded ‘Catch the Spirit’ to be sure we don’t miss anyone who really contributes to our company’s success.”

How to win:

From nomination to recognition

While the program is run slightly differently in each organization (Corporate, Care Centers and Distribution Center), the first step to winning is to be nominated by a supervisor, manager or another Associate.

The Catch the Spirit standards include being an excellent role model for other Associates, providing truly outstanding customer service, consistently demonstrating an enthusiastic attitude and being a “team player.”

Once nominated, Associates can win a Catch the Spirit award at many different levels. There are monthly winners, quarterly winners – and in some case, yearly winners – selected by a recognition committee.

What can you expect if you receive a Catch the Spirit award?

- All winners receive a recognition certificate.
- Some will receive special “Catch the Spirit” pens or lapel pins, incentive checks or gift certificates.
- And a very few of the top Catch the Spirit winners – representing our most honored Associates – will be recognized at events such as the Annual Brand Conference or the Corporate All Associates Meeting.

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**Catch the Spirit in action:
What it takes to succeed**

A few of our most recent Catch the Spirit winners seem to stand out. Indeed, they serve as an excellent example of what it really does mean to “Catch the Spirit” at Williams-Sonoma, Inc.

At the Memphis Distribution Center, for example, the most recent quarterly winner was Hanh Vo, who was recognized for being an “ideal associate.”

Her nomination form noted that she was recognized for continuing to “lead by example ... to show other associates that once their particular function is complete, there is always another operation within the Distribution Center that needs a helping hand.”

At the Camp Hill Care Center, the Catch the Spirit program is off to a great start because Associates can now see just what it takes to consistently exceed expectations. Two recent quarterly winners were Dan Heisey (4th quarter 2000) and Mark Figueroa (1st quarter 2001).

Shelia E. Smith, Camp Hill’s Customer Service Manager says, “Dan was one of our first monthly winners in October. He was selected because he always strives to offer his best and encourages others to do the same.”

And she adds that “Mark is known in the center as a friendly, approachable and positive associate always willing to help a co-worker and always with a smile.”

Shelia notes that the Catch the Spirit award is a great training vehicle because “Catch the Spirit winners are truly the best role models on the floor.”

Rebecca Perot-Tripp, HR Manager at the Oklahoma City Care Center explains that the program works very well in an environment where phone calls are handled because Associates can learn how others handle unique situations.

“In a retail store, Associates can really see how others handle different customers. That’s harder to do here where we deal with customers over the phone,” Rebecca explains. “This gives us the chance to support our training by showing real-life examples of what it takes to be successful.”

In addition to launching the program in Memphis and at the three Care Centers, Corporate departments will be launching Catch the Spirit over the next several weeks.

“While Associates at corporate don’t typically deal with retail, internet or catalog customers, we all have ‘internal’ customers that we serve.” notes David Kowalczyk, Manager of Human Resources for the Pottery

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Barn brand, “And each of us must do as much as we can to be sure our teams provide other departments what is needed to meet our strategic goals.”

“We’re really looking forward to bringing the program to the Corporate offices, because Catch the Spirit is a great program for showing how teamwork and spirit work in action,” David explains. “Once the program is fully rolled out, Associates will have role models they can aspire to.”

As John Bronson points out, Williams-Sonoma, Inc. is more dedicated than ever before to recognizing associates who demonstrate a spirit of excellence.

“Recognition is something we’re very committed to at all levels,” John adds. “A company-wide understanding of our tradition of customer service is critical to our success. We can certainly explain it to associates, but now we can really *show* people what it means to ‘Catch the Spirit.’”