

CASE 8.2

Winning HR Practices at the Cheesecake Factory

There's more to a successful restaurant than good food and mouth-watering desserts. That's why the Cheesecake Factory's culture is built around employee strengths. Managers at the 175-store chain not only focus on improving skills through the employee development plan; they also develop employees' existing talents, such as analysis or collaboration, with enriched assignments and responsibilities. Cheesecake Factory job descriptions are standardized, but they're also flexible so managers can tweak the balance of, say, administrative and field work for individual employees.

While most firms conduct exit interviews to quiz departing employees, the Cheesecake Factory holds innovative "stay interviews." Says its senior vice president for HR, "You talk with them about how happy they are, how satisfied they are at work, and what would it take for somebody to take them away from us. And what is the one thing we could do to improve their work experience."

The chain's strategies show up in its bottom line as well. The Cheesecake Factory was recently voted consumers' favorite casual dining restaurant by *Nation's Restaurant News*.

Questions for Critical Thinking

1. How can the Cheesecake Factory's "stay interviews" affect its bottom line?
2. Do you see any downside to managers' ability to tailor jobs to employees' strengths? Explain.

Sources: Company website, www.thecheesecakefactory.com, accessed February 16, 2014; "Inside the Cheesecake Factory Culture," *Nation's Restaurant News*, accessed February 16, 2014, <http://nrm.com>; Sherry Benjamin, "How (and Why) the Cheesecake Factory Builds a Strength-Based Culture," *Real Talent* newsletter, accessed February 16, 2014, <http://sbenjamin.virtualadminsplus.com>; Ron Ruggless, "People Report Recognizes Workplace Excellence," *Nation's Restaurant News*, accessed February 16, 2014, <http://nrm.com>.

CASE 8.3



Timberland's Culture Rooted in Community Building

Timberland's employees agree that what makes the firm unique is the way its culture is brought to life every day, supported by company values of humanity, humility, integrity, and excellence. The role of the human resources department, closely aligned with the company's social responsibility team, is to ensure all events and programs reinforce and support the company's culture of giving, which is at the very foundation of this New Hampshire-based global lifestyle company.

The roots of Timberland's tree logo have often been compared to the foundation of its rich culture of community building. Founded in Boston as a private-label shoe company by Nathan Swartz, it wasn't until the 1970s that his son, Sydney, put the company on the map with its iconic yellow boot. Waterproof and able to withstand the harsh New England winters, the boot's brand name, "Timberland," soon became the name of the company.

The connection between corporate social responsibility and human resources is at the core of Timberland's values. Community involvement not only enhances a community outside of Timberland but also creates one within. As a result of the company's community involvement, workplace collaboration is enhanced, and associates have a unique

opportunity to build relationships with leaders and managers throughout the organization, regardless of rank. It's also an opportunity for all employees to demonstrate leadership and team-building skills.

Timberland's team-building events happen away from its workplace, and they're not in the form of a company picnic or an awards dinner. Timberland's Path of Service™ program, in which all employees are offered up to 40 hours of paid time to use in community service, also provides a team-building vehicle. Its two global annual events include Earth Day in the spring, and "Serv-a-palooza," a day of annual service in the fall. On both days, in an effort to give back and make a difference in the communities where its employees live and work, the company closes its main offices.

In addition to analyzing ways to keep employees productive and motivated, the human resources function at Timberland includes training and development. When associates assume a leadership and development role to put together a community service project, "they get to exercise that leadership muscle." Many employees are motivated by their experiences outside the organization and are helped by helping others.

Timberland's culture of service touches many different aspects of its human resources functions, including training, development, and orientation. At Timberland, community service provides a way to foster learning, create leaders, motivate employees, and increase employee morale. New recruits, as part of their orientation process, participate in a new-hire service event, where they engage and get to know one another. While Timberland does its best to hire motivated self-starters, keeping them motivated is largely a function of the opportunities available inside and outside of its workplace environment. The culture is described as empowering and motivating, and employees agree that growth is a direct result of the company's investment and commitment to its people.

Human resource departments typically deal with issues of employee loyalty, retention, absenteeism, and morale. Timberland's culture of giving has a residual effect of increasing loyalty among its associates. The company also makes commitments in developing countries to help workers, employed by third-party manufacturers, who are engaged in the manufacture of its products with factories scattered across 30 countries. After recognizing the needs of factory workers with children in India, Timberland helped establish a community-based day care center. Investing in factory workers and their well-being has paid incredible dividends in the form of higher morale, increased loyalty, greater retention, and less absenteeism.

Whether it's doing some gardening in the company's "Victory Garden," which sells its organically grown produce and donates proceeds to the local food bank, or helping with a reading program at a local elementary school, Timberland employees work together to forge lasting bonds in and out of the workplace. In addition, employees can use service hours any way they see fit.

An integral part of human resource management is talent acquisition, learning and development, and management of compensation and benefits. Talent acquisition at Timberland is about finding the best people in the industry and helping them grow in their careers. Equally important to an associate's skills set is cultural fit. Talent is scouted primarily using social media sites such as LinkedIn, and the employee referral program has become widely used. The company's policy is to fill openings first with internal candidates. Timberland's human resources group manages its unique and exciting wellness programs, along with its competitive compensation and benefits programs. Onsite wellness programs include the use of a fitness center, soccer games, yoga, and boot camp style exercise. Learning and development are critical to the success of the Timberland brand, and the company is committed to making sure that associates are growing in the same direction, and as quickly as the company.

As an outdoor lifestyle company, Timberland embraces the crucial nature of work-life balance, and the perks the company offers are again connected to its values. Intent on making sure employees connect with the outdoor lifestyle promoted by its brand, Timberland provides kayaks to employees during the summer and snowshoes during the winter. The cafeteria prides itself on healthy food choices at reasonable prices. In addition, there are incentives for biking to work and other wellness activities.

For those who place a high value on community, Timberland is an incredibly unique and special place to work. Its human resource department has spent decades reinforcing the company's unique culture through events and programs that connect associates in a meaningful way. When associates are connected to loving the work they do, they're also connected to the community in which they're doing the work. At Timberland, the company's corporate culture has proved to be as durable as its iconic yellow work boot.

Questions for Critical Thinking

1. Volunteerism and service are key components of Timberland's corporate values. For each of the human resource functions outlined in the chapter, provide examples of the skills employees gain through the company's culture of volunteerism and community service.
2. Provide specific examples of how Timberland's values of humanity, humility, integrity, and excellence come to life within the organization.
3. Discuss Timberland's flexible schedule options and the benefits to employees. Does the company support telecommuting and flexible schedule options? What impact, if any, does this have on company results?
4. Discuss the various ways Timberland keeps its employees motivated. Discuss the ways employees are encouraged to seek out opportunities on their own and to pursue their own path for career development.

Sources: Company website, www.vfc.com, accessed June 25, 2014; company website, "About Us," www.timberland.com, accessed June 25, 2014; company website, <http://responsibility.timberland.com>, accessed June 25, 2014; company website, www.timberland.com/en/yellow-boot, accessed June 25, 2014; Fawnia Soo Hoo, "Will the Return of Timberland's Classic Boot Help Sell Its Other Styles?" *Fashionista*, accessed June 25, 2014, <http://fashionista.com>; Natalie Burg, "Timberland and Its Corporate Transparency," *Business Insider*, accessed June 25, 2014, www.businessinsider.com; Karizza Sanchez, "Trend Watch: Celebrities Wearing Timberlands This Winter," *Complex Style*, accessed June 25, 2014, www.complex.com; Leon Kaye, "How Timberland Is Building a Better Life for Factory Workers in China," *The Guardian*, accessed June 25, 2014, www.theguardian.com; Melissa Korn and Audria Cheng, "VF to Buy Timberland, Build Up Outdoor Lines," *The Wall Street Journal*, accessed June 24, 2014, <http://online.wsj.com>.