Collaboration a common thread in award-winning workplaces

By Ann Meyer
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Crystal Lake-based J.A. Frate’s customer-service policy is designed to please.

“The answer is yes, what’s the question?” is the way President Joe Alger puts it. “We’re always willing to work something out.”

Alger takes a similar approach with employees, knowing that happy workers lead to happy customers. The company has an open-door policy, encouraging employees to come forward with any issue so problems can be fixed quickly and solved for the long term.

“They know communication is No. 1. They’re not afraid to come and tell me,” Alger said.

J.A. Frate’s 28 percent sales growth in September from the previous year is proof that a people-first approach works in any economy.

The transportation company, with annual revenue of about $10 million, is one of two Chicago-area winners in the annual Top Small Workplaces contest conducted by Winning Workplaces, an Evanston not-for-profit dedicated to helping small businesses improve their workplace practices. Five other Chicago-area organizations were named finalists.

“This year’s winners turned out to be growing, enduring small businesses that have weathered storms and are able to sustain themselves,” said Mary Corbitt Clark, executive director of Winning Workplaces.

Many of the winners had a strong sense of mission that serves as a framework for decision-making at all levels, Clark said.

*Integrated Project Management, Burr Ridge*

Chief Executive C. Richard Panico created Integrated Project Management’s mission and beliefs before he founded the consulting company, the other Chicago-area winner. “We have zero tolerance for dishonesty in the organization or treating others disrespectfully,” Panico said.

The 78-employee company, which is targeting $14 million in annual sales this year, has turned down
work from clients when management felt the firm’s values would be compromised by accepting the job.

Likewise, the firm screens job applicants closely for cultural fit, hiring less than 1 percent of those who apply. Then it invests in training and career development, both on the job and off, offering $10,000 per year in tuition reimbursement.

Overall, top workplaces invest more in training than other businesses their size, Clark said. “Employee development is probably the biggest standout,” she said.

Radio Flyer, Chicago

Leadership development training at the maker of the popular red wagons, has led to a new focus on open communication, goal-setting and company values, said Chief Executive Robert Pasin.

The 91-year-old family-run company used to be paternalistic. Now it encourages workers to participate in decisions.

“My grandfather would have said, ‘Here’s what we can be the best in the world at,’ ” instead of asking workers for their input as the company has recently, Pasin said. “We want to attract top industrial designers, and they want to have a say in what the company is going to become.”

A few years ago, Radio Flyer decided to articulate its mission and core values. By posting large worksheets in the cafeteria and encouraging workers to jot down their thoughts, the company came up with the Little Red Rule: “Every time we touch people’s lives, they’ll feel great about Radio Flyer.”

It also created Little Red Rule awards, given to Radio Flyer workers who go above and beyond the call of duty.

During the past three years, each of the company’s 65 employees has received 360-degree feedback, where co-workers, customers and managers all provide insight on a worker’s performance.

“It was a wake-up call for me,” Pasin said. “I learned I needed to be more collaborative. I had been running around like a chicken with my head cut off.”

The approach hasn’t been for everyone. “Some people have decided to leave because it’s too much openness,” Pasin said.
Still, strong employee retention is common among companies with good workplace practices, Clark said. The Top Small Workplace winners had an average employee tenure of six years.

Leaders Bank, Oak Brook

All nine of this finalist's original employees remain at the bank, more than eight years after its launch.

Most of its 70-plus employees own shares in the bank and get the same financial information that board members get, said James Lynch, president and chief executive. “That’s just one way of making sure we have buy-in to the culture, not just figuratively but literally.”

Workers also are encouraged to make decisions on their own. “We hire experienced people and then encourage them to ‘think first, use your head, then do what you think is right for the customer.’ ”

The result is good for everyone, Lynch said, noting that the bank’s assets are up about 50 percent so far this year, to $635 million from $462 million at the end of 2007.

“By making sure this is a good place to work, we don’t have the expense of recruiting people and customers know they will work with the same people over and over.”

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