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DATE: October 13, 2015 TO: SLLC Members & Guests October 9, 2015 FROM: Ann McGee-Cooper, Carol Haddock, Tara Mibus

SUBJECT: Riding the Awesome Wake of The Container Store® Culture

WOW! What an inspiring morning of stories enriched by a multitude of examples of servant leadership at its tip-top best! From the opening presentation by Audrey Robertson, Vice President of Cultural Programs and Community Relations, and Sarah Andreani, Marketing Manager, followed by fascinating tours of the headquarters and distribution center, to the memorable stories shared by Kip Tindell,,Chairman and CEO, we all left flying high with so many great ideas and insights. Reading your feedback told us that each of you heard creative ways to energize your cultures based on servant leadership and growing true learning organizations.

"ORGANIZATION WITH HEART" presented by Audrey Robertson & Sarah Andreani



FOUNDATION PRINCIPLE #2: COMMUNICATION IS LEADERSHIPSM

- We communicate up, down and all-around
- No "steppy-toe"
- Transparency generates very high level of trust
- IPO large insider group
- Unique use of voicemail
- Working Marketing Plan available to everyone
- Weekly e-newsletter from our President
- The Connection Roadshow
- Kip's messages to the company during campaigns

FOUNDATION PRINCIPLE #1: 1 GREAT PERSON = 3 GOOD <u>PEOPLESM</u>

- If you take better care of your employees than anyone else, they'll take better care of your customers
- No one is overqualified
- Can pay, train and communicate more
- Job descriptions include elements that speak to our Foundation Principles
- Applications include open-ended questions
- We talk to strong applicants even if no available position
- Behavioral-based interview questions
- Hire only 3% of all applicants



FOUNDATION PRINCIPLE #3:

FILL THE OTHER GUY'S BASKET TO THE BRIM. MAKING MONEY THEN BECOMES AN EASY PROPOSITION.SM

- We creatively craft mutually-beneficial relationships
- The more you know about someone, the more you care
- Business is not a zero-sum game
- It's how we compete with mass merchants



FOUNDATION PRINCIPLE #5: INTUITION DOES NOT COME TO AN UNPREPARED MIND. YOU NEED TO TRAIN BEFORE IT HAPPENS.SM

- Intuition is the sum of your life experiences
- Unshackles employees to leverage their creative genius
- Results in achievement, excellence and wild amounts of productivity and happiness
- Foundation Week for all new employees
- New Store Training
- Ongoing training on products, selling, leadershi
- Store structure in place to support this

FOUNDATION PRINCIPLE #7: AIR OF EXCITEMENTSM

- Three steps into the door you know if a place has it
- It's "that feeling" everyone WANTS to be there
- It's our music and product demonstrations, it's our employees' smiling faces and merchandising during store hours



FOUNDATION PRINCIPLE #4: THE BEST SELECTION, SERVICE & PRICESM • This is retail heaven for the customer!

- "If The Container Store doesn't have it, no one will"
- Something for everyone's style and pocketbook, coupled with exceptional service
- Transcending value



FOUNDATION PRINCIPLE #6: MAN IN THE DESERT SELLINGSM

- Service IS selling
- Solutions-based approach to retail
- We must provide the COMPLETE solution
- Our goal is to have our customers dancing!



SUGGESTED ACTION ITEMS

- Kip challenged us all to use the weekend to make everyone around us thrive and see if we don't have the best weekend ever!
- Work to create a safe environment that taps the powerful intuition present in you, your employees and your coworkers.
- Be mindful of your wake. Pay attention to how what you do and *don't* do affects everyone around you.
- 4. "Success is a lousy teacher." Are there ways you can learn from mistakes in a positive way and make this part of your organization's culture?
- 5. Consider how your organization's environment reflects and supports your company's culture. What steps can you take so that a tour of your workplace would naturally be a "culture tour"?

YOUR FEEDBACK Thank you for your encouraging feedback. Some of your feedback included

MOST VALUABLE FOR ME TODAY WAS...

Hearing directly from Kip on mistakes and how to grow from them.

Kip's ideas regarding intuition! "Create an environment where people are unafraid to make mistakes."

Hearing TCS philosophies directly from the CEO. You felt his presence keep everyone engaged! Ann challenging everyone to find ways of implementing the principles in their lives.

Very much enjoyed the discussion of Conscious Capitalism. I was not very familiar with the ideology prior to today.

The presentation on the 7 Foundation Principles. This gave great insight into how Container Store <u>lives</u> servant leadership.

Hearing the employees feel energized by their workplace and each other. The down-to-earth communication and sense of value for employees by Kip. D. How servant leadership can apply to

many types of businesses with a multitude of services and sizes.

Transparency generates very high level of trust.

The 7 Foundation Principles. I will begin implementing these ideals immediately within my own sales team.

To hear Kip speak. He really inspired me to help others "thrive."

I picked up a number of ideas that we can incorporate. In particular, the weekly communication to the whole organization from the top. Knowledge is empowering. Kip's candor.

Exposure to such a vibrant, engaged, employee-centered environment. It is my dream to create an environment at my workplace just like The Container Store!!!

Kip's analogy of a wake and how one's life affects those around you was very thought provoking.

Love the culture and gained some ideas on how to better reward employees.

Lead with love, not tear.

Learning more about Conscious Capitalism and the benefits of love in the workplace.

Everything. Refreshing to see and know a company that truly cares about employees and lending the information.

MY SUGGESTIONS FOR IMPROVEMENT ARE...

More time to discuss concepts.

Could not improve on today!

More time to work with others outside the organization given the framework you teach. It was very well organized. No suggestions.

Great meeting. Drawing for Uncontainable book!

Keep bringing your best!

Maybe have a registration list with emails and contacts for networking between organizations. This was my first experience with servant leadership and I felt it was very beneficial and educational.

Keep providing this type of event to inspire and change us for the better!!

We enjoyed three memorable mornings of learning this year. We will be back with you soon to help renew your membership and announce the dates for SLLC 2016!

Until then,

Ann, Tara, Carol and all our AMCA Partners