Constructing Positive Organization Identity with Virtuous Positive Practices

A dissertation submitted

by
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Abstract
This study explores the impact of virtuous positive practices on organization identity, specifically it addresses the question of how organizations use virtuous positive practices to construct a positive organization identity. I use an inductive approach to conduct a case study of two organizations that have a reputation of outstanding culture, employee engagement, customer orientation, and have contributed to their respective communities. The study presents a model with a set of five propositions describing how the two organizations use virtuous positive practices to construct a positive organization identity. Key findings suggest that when virtuous thoughts, inspiring words, and empowering deeds are aligned in the construction process, the resultant identity characteristics are imbued with positivity.
Dedication

To my wife Hanika and daughter Lishita
Acknowledgements

When love beckons you, follow him,
Though his ways are hard and steep.
Like sheaves of corn he gathers you unto himself.
He threshes you to make you naked.
He sifts you free from your husks.
He grinds you to whiteness.
He kneads you until you are pliant;
And he assigns you to his sacred
fire, that you become sacred bread for
God’s sacred feast.
All these things shall love do unto you
that you may know the secrets of your heart,
and in that knowledge become a
fragment of Life’s heart.
(Khalil Gibran)

I will allow Gibran’s masterpiece, *The Prophet*, to course through my soul much like a magic carpet and let it express my heartfelt sentiments to all those that not only played a role in giving birth to this dissertation but also help shape and define who I am today. The process of writing this dissertation brings into sharp focus a deep sense of gratitude—how my life is continually guided by His invisible hand through the agency of a multitude of teachers and mentors.

To all my dissertation committee members, it takes four well lit candles to light an unlit one (I must be pretty dense); with a deep sense of gratitude I can now say that “I once was blind but now I see.” You nurtured me like a newborn kitten that is born sightless and skillfully guided me through the gestation period for me to now “see.”
Mike, as dissertation chair, you unwaveringly pointed me toward the dissertation moon. Your guidance is direct and uncompromising. You encouraged me to graze and appreciate the vast intellectual landscape while maintaining focus on my research question. And you also encouraged me to cultivate the virtue of patience. Kim, your research/writings on POS inspire and give me much hope that it is not only possible to practice and cultivate virtuous practices at the personal and organizational level but in fact necessary for human flourishing. I also thank you for sharing so much of yourself (through anecdotal personal stories). Mona, thank you for offering your scholarly insights and practical wisdom in grounding this dissertation in the realm where practitioners can derive practical utility. Ghazi, many thanks for empowering me with the courage to write freely from the heart; to allow the true self to emerge and leave its footprint on the dissertation. You encouraged me to swim in the “sweet spot” where heart and mind (intellect) converge.

To SEI and Tasty family, thank you for your generosity in providing such a rich environment for my research. It is truly a privilege to be able to hunt and discover those deeply embedded virtues and positive practices in your organizations.

To the four constants in my professional life, you continue to provide me with high-octane fuel to propel my career forward by breaking new grounds; more importantly you always extend those helping hands in friendship that I treasure. Mike El Refaie, your blessings meant a world to me when you so passionately wrote the
recommendation letter for this Ph.D. program. Brian, thank you for your unwavering support in my current endeavor and friendship spanning from the days of Angoss Software. Monty and Tazeem, thank you for your friendship and professionalism—I appreciate you taking the time to allow me to interview you and talk about positive practices in your organizations.

To my family, as the saying goes, one does not choose one’s family; however, if given the choice, I would still choose all of you. Mom and Dad, you have sacrificed so much so we can have a better life. You migrated the entire family to Canada to give us a better chance of flourishing. Throughout those formative years, you tirelessly inculcated us with important life lessons: Dad, you made sure that we understood and practiced integrity; Mom, you imparted pragmatism and the virtue of fortitude. Thank you. To my brother Dominic, from standing up to schoolyard bullies to fixing my leaky roof, you always stood by me. Thank you. To my sister-in-law, Susana, and nieces, Alex and Jessie, your well wishes have made this journey a little smoother. Thank you.

To my in-laws, we affectionate call you Nana (grandfather) and Nani (grandmother). You embody the virtue of generosity and selfless service. You continuously shower me with kindness, and my life is enriched in countless ways. Nani, you have the marvelous ability of silently impacting those around you—I have personally felt those blessings. Nana, you are indeed Gandhi’s foot soldier. You continue to actualize
Gandhi’s vision of a better world by selflessly serving all those round you. Through your selfless service, the nation (India) benefited greatly from your illustrious career as a dedicated scientist. Now, in retirement, you continue to serve those near and dear—you now impart those magical traits to your granddaughter. Your guidance always carries a wider message, that of alleviating suffering and engendering human flourishing. You have effortlessly passed on these virtuous traits to your daughter, Hanika. I would be remiss if I did not mention the countless times you so patiently read my dissertation and added your comments with directional pointers. I stand in awe and will value and cherish this important life lesson.

To my wife Hanika, about 15 years ago you so lovingly allowed me to take up permanent residence in your heart. If that momentous event did not take place, there will still be “half-a-me” wandering this planet. I feel blessed to have scaled so many mountain peaks with you, but, more importantly, your loving kindness has pulled me out from the valley of despair many times. I silently marvel and ponder over all the great things that continue to manifest in my life because of you. This dissertation simply would not have happened without your undying support; beyond the obvious support of your helping with editing, etc., you created and maintained a conducive “space” for me to thrive in this endeavor. Thank you.

To my daughter Lishita, on June 4, 2005, I witnessed a magical event—your birth. It was truly a miracle to behold, when you drew your first breath with that distinct
infant cry, I heard divinity calling, and when I looked into your eyes, it was divinity peering into my soul—what a privilege. I feel so bless to be your Papi, and it is truly a wonder to watch you blossom and flower. Thank you for being such a sport in supporting my dissertation—I am still blown away that you remember the names of all my classmates.

To the Helspers (Don, Ann, and Laura), almost 40 years ago you reached out to me and placed a magical wedge in my heart to make it stay open. For a little boy living in 1970s India, Minnesota, U.S.A. seems like a far-away land with “Peter-Pan” aroma. Through the Christian Children’s Fund, you adopted me as your sponsored child and provided me with financial support, but more importantly, you fed and nourished my soul; your love and generosity continue to course through my veins. So much of who I am today is forged by your love in action, for which I am eternally grateful. Your loving kindness tempered my heart and made it fertile for inquiring (in my view) into life’s most pressing existential question, “Who am I?”

Ramana Maharshi, the sage of Arunachala, I consider myself most fortunate to have come into contact with your teaching on self-inquiry (“who am I?”). I continue to not only draw inspirations but also to take solace in your teachings. With deep love and respect—thank you.
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Chapter 1: Introduction

“Know thyself.” The eternal quest for self-knowledge is an ancient one; philosophers and mystics alike (e.g., Socrates, Aristotle, Thomas Aquinas, and Lao Tzu, to name a few) use the notion of self to theorize about human conditions and a prescription for a “life well lived.” In more recent times, pragmatic luminaries (e.g., Mahatma Gandhi, Martin Luther King Jr., and Nelson Mandela) championed, in the broadest sense, the notion of character development to promote prosocial behavior, which has the potential of engendering human flourishing. In psychology literature, the study of the self has led to the exploration of the concept of personal identity (e.g., James, 1890; Mead, 1934). This rich field has cross pollinated and bled into organization studies. Organization identity scholar, Dennis Gioia (as cited in Whetten & Godfrey, 1998) makes a compelling argument for studying the notion of identity:

Identity is arguably more fundamental to the concept of humanity than any other notion. That is a strong statement, but consider some of the key questions that we might use to assess the reach of the concept: What other issue is quite so important than answering the nebulous question, who am I? What other concern is so quite captivating than dealing with the ongoing, lifelong project of assessing identity and figuring out how one relates to others and the surrounding world? What other question so influences understanding and action so heavily (if perhaps out of conscious awareness)? I can think of no other concept that is so central to the human experience, or one that infuses so many interpretations and actions, than the notion of identity. (p. 17)

This study explores the confluence of three fields within organization studies: organization identity (OI), positive organizational scholarship (POS), and virtues. In organization studies, researchers and practitioners have relentlessly pursued the Holy
Grail of superior organizational performance. However, there is a dearth of research that explicitly resides at the intersection of OI, POS, and organizational virtues to suggest an integrative perspective on how organizations pursue and achieve superior organizational performance. The purpose of this study is to fill this gap. That said, scholars from various fields within organization studies have attempted to connect superior organizational performance with their respective field. For instance, organization identity scholars and practitioners (e.g., Ackerman, 2010; Dutton, Roberts & Bednar, 2010) advocate the construction of positive organization identity for superior organizational performance. Positive organizational scholars (e.g., Cameron, Mora, Leutscher, & Calarco, 2011) have established the relationship between positive practices and various measures of organizational effectiveness. In the field of strategic management, researchers have used the resource-based view (RBV) of the firm to explain and quantify the relationship between a firm’s resources/capabilities and its performance (Barney, 1986, 1991, 2001; Deephouse, 2000; Fiol, 1991, 2001; Parayitam & Guru-Kharana, 2010; Rumelt, 1984). In organization studies, evidence suggests that linkages exist between positive identities and favorable outcomes. For example, positive identity can foster creativity (Cheng, Sanchez-Burks, & Lee, 2008), enhance work processes (Ely & Thomas, 2001), promote adaptation (Beyer & Hannah, 2002), and provide individuals with the fortitude to deal with adversities (Caza & Bagozzi, 2009; Hobfoll, 1989).
This study proposes a conceptual framework, to represent the intersection of OI, POS, and virtues. The framework posits that a purposefully constructed organization identity (imbued with virtues) injects values and enhances the tripartite attributes advocated by Albert and Whetten (1985). The study contends that the construction of a positive organization identity (POI) begins with the inquiry “who are we?,” which leads to the examination of important higher-order existential concerns such as organizational purpose and values. Identity enables action (Ashforth & Mael, 1996; Freese & Burke, 1994; Stryker & Burke, 2000) because “you have to know who you are before you can take actions” (Whetten & Godfrey, 1998, p. 113), and action engenders results. Therefore, a healthy positive organization identity can serve to generate actions leading to beneficial outcomes for all stakeholders. The virtue perspective posits that OI is positive when OI content is imbued with virtuous qualities that are associated with universal virtues such as fortitude, prudence, compassion, or integrity (Dutton et al., 2010). In essence, identity characteristics (distinctiveness, centrality, and durability) are enhanced when OI transforms itself into POI. I contend that with a eudemonic predisposition and virtuous underpinnings, the central feature of an organization will be rooted in authenticity, making it distinctive, and that the good of the first intent endures.

**Purpose of the Study**
The purpose of the study is to investigate and understand the relationship between the cultivation of virtuous positive practices and the construction of positive organization identity. Identity responds to the fundamental question of “who are we?” The
response to this existential question “cannot easily be separated (at least in healthy people and organizations) from beliefs about why we exist (purpose)” (Amodeo, 2005, p 194). Insights gleaned from the study will shed new light into how organizations use virtuous positive practices to construct a positive organization identity. The outcomes of the study will contribute to both theory and practice of organization studies. Connecting virtuousness with organizational behavior has traditionally been a thorny issue in scholarly circles. Virtuousness and empiricism have usually not been located in the same domain (Cameron et al., 2004); this study will further contribute in bridging the gap. At the practical level, practitioners will have assurance that best practices that emerge from this study carry rigorous theoretical grounding.

**The Research Question**

This study was guided by the following primary research question followed by two associated sub-questions:

How do organizations use virtuous positive practices to construct a positive organization identity?

a) What are the identity characteristics that form and why?

b) Are there some virtuous positive practices more important than others when constructing positive organization identity?

**Summary of Research**

This study uses an inductive approach to inquiry and employs a dual-site qualitative case study research methodology. Data were collected through semi-structured
interviews (video recorded with participant consent) and extant documents including archival data, textual data, and multimedia artifacts. Thematic analysis was used to analyze the findings. The details of the research methodology will be covered in Chapter 3; findings and analysis of this study will be presented in Chapters 4 and 5, respectively. The next chapter conducts a review of literature in the field of organization identity, positive organizational scholarship, and virtues (as they relate to organization studies) that informs the research questions.
Chapter 2: Literature Review

This chapter reviews relevant literatures from various fields to inform and ground this study. Imbedded in the overarching research questions are two key constructs: positive organization identity (POI) and virtuous positive practices. Accordingly, I first review the burgeoning field of organization identity (OI) and explore an emerging paradigm within OI—positive organization identity (POI). Second, I turn to the field of positive organizational scholarship (POS) and virtue ethics in organizations to further position the study in answering the research questions.

Organization Identity

Organization identity is the organization members’ shared meaning of who they are as an organization (Albert & Whetten, 1985). Organization identity researchers strive to answer the question “who are we?” Organization identity is self-referential, which means it is about the organization communicating with itself, “who are we?” (Corley, Harqual, Pratt, Glynn, Fiol, & Hatch, 2006). The concept of organization identity (OI) has its roots in the exploration of personal identity found in the psychology literature (e.g., Erikson, 1964, 1968; James, 1890; Mead, 1934). In recent times, the landmark article by Stu Albert and David Whetten (1985) represents an inflection point in the study of organization identity in organization studies. This seminal work initiated a new wave of research in OI (e.g., Corley & Gioia, 2004; Corley et al., 2006; Dutton & Dukerich, 1991; Dutton et al., 2010; Gioia, Patvardhan, Hamilton, & Corley, 2013;
Gioia, Schultz, & Corley, 2000) that continues to the present and has produced numerous ways that scholars conceptualize organization identity.

In keeping with the extensive writings on organization identity, this study will adopt the definition of Albert and Whetten (1985), recognizing that their definition is still used, referred to, criticized, and relied upon by scholars exploring this field. Organization identity is those features of an organization that in the eye of its members are central to the organization’s character, make the organization distinctive, and have continuity over time.

**Conceptualizing organization identity (OI)**
The field of organization identity is diverse, and scholars approach the subject with different ontological and epistemological stances. For the functionalists, OI is real and exist like an object. However, functionalists acknowledge that identity originates in social interactions (Gioia, 1998). On the other end of the spectrum, interpretivists conceive identity as a subjective and socially constructed phenomenon (Berger & Luckmann, 1966), and the key research question from this perspective is how positive organization identity is constructed. Finally, the postmodernists view identity as fluid (Gioia, 1998) and therefore multiple and fragmented. Postmodernists question the fundamental notion of identity itself. Clear use of the identity concepts requires clarification of the concepts that are closely related to organization identity, such as organizational culture, organizational image, and organization values.
Attending to concepts related to organization identity
In defining what organization identity is, it is equally important to define what organization identity is not. I address five concepts—with particular attention paid to organizational culture—that are closely related to organization identity.

Organizational culture
Schein (2010) defines organizational culture as “a pattern of shared basic assumptions learned by a group as it solve its problems” (p. 18). There is much overlap between the concepts of organization identity and organizational culture, resulting in some confusion within the field. For instance, Schein’s deepest level of “basic assumptions” may be construed as identity. Although these two concepts are closely related, they are two different constructs. Several scholars have attempted to clarify differences and similarities between these two constructs (e.g., Albert & Whetten, 1985; Brunninge, 2005; Fiol, Hatch, & Golden-Biddle, 1998; Hatch & Schultz, 1997, 2000).

Brunninge (2005) pointed out an important distinction between these two constructs. According to him, it is the self-referential nature of the identity construct that sets itself apart from culture:

An important distinction between the two is however, that identity is self-referential, i.e., it deals with the assumptions or claims about what/who the organization is, while the assumption constitutive of culture cover a much wider range of issues. For instance, an organization’s culture could comprise assumptions about the rules of the game in a particular market, about customers’ preferences or about the nature of human beings, be it the own employees or external stakeholders. Culture may also refer to internal conditions in the
organizations that are not considered important enough to be part of its identity. (p. 29)

Hatch and Schultz (2002) propose the Organizational Identity Dynamic Model (refer to Figure 1) to describe the interrelationship between organizational culture, organizational image, and organization identity.

Source: Adapted from Hatch & Schultz, 2002.

**Figure 1—Organizational Identity Dynamics Model**

They conceptualize organization identity as a conversation between the two aspects of organizational self: “I” and “me.” They theorize that “organizational members not only develop their identity in relation to what others say about them, but also in relation to who they perceive they are” (Hatch & Schultz, 2002, p. 1000). The Organizational Identity Dynamics Model was built on Mead’s (1934) theory of the
social self, wherein he asserts that identity has an individual aspect (designated as “I”) and a social aspect (designated as “me”). The “me” aspect contemplates the question “what do others think about me?” while the “I” aspect is reflexive and asks “who am I?” The basic idea here is that both “I” and “me” influence each other. As depicted in Figure 1, Hatch and Schultz (2002) named the identity/image dyad as the organizational “me” or “us” and the identity/culture dyad as the organizational “I” or “we.” According to their model, identity mediates the relationship between stakeholder images and cultural understanding. As organizational members consciously reflect on their identity, their shared understanding becomes internalized and tacitly embeds itself in the organization’s culture. The shared beliefs and taken-for-granted assumptions are then manifested through symbols and artifacts that organizational members use to express “who we are” to external stakeholders. These expressions leave impressions on external stakeholders and result in the formation of the organization’s external image. The external images are then mirrored back, and the organization adjusts and negotiates its identity.

A question that is often asked at this stage is whether culture is a subset of identity or vice versa. Gioia et al. (2013) provide an interesting insight; they contend that identity is the generative basis of culture:

In our view, this deepest level [Schein “basic assumptions”] is actually better construed as the identity level. Is identity then a subset of culture or is identity the root of culture? Although it is possible to conceive of either as a derivative of the other, we prefer to view identity as the generative basis of culture, which is especially evident
when one considers that identity formation likely precedes and provides a foundation for the formation of culture. (p. 176)

Organization image
Organization image is the organization’s member’s view of how outsiders see the organization (Dutton & Dukerich, 1991), and the projected image constitutes a reflection of the organization’s identity (Hatch & Schultz, 2002).

Organization values
Another concept that causes confusion is that of organizational values. OI is a concept distinct from that of an organizational value set. An organization identity is not the same as the organization’s values. When OI contains some of the organization’s values, these values are embedded into what is believed to be central, distinctive, and enduring about the organization (Corley et al., 2006).

Corporate branding
Corporate branding is images projected at customers and other stakeholders by the organization with the view of selling a proposition (Hatch & Schultz, 2001).

Corporate reputation
Corporate reputation is the cumulative perception and evaluation made by external stakeholders—the external constituent belief about the attributes of the organization (Dutton, Dukerich, & Harqual, 1994; Rindova & Fombrun, 1998).

Table 1 summarizes the five concepts related to organization identity and lists the scholars associated with the key constructs.
### Table 1—Concepts Related to OI

<table>
<thead>
<tr>
<th>Related concepts</th>
<th>Key constructs</th>
<th>Contributing scholars</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organization culture</strong></td>
<td>Pattern of shared basic assumptions learned by a group as it solved its problems</td>
<td>Schein (2010)</td>
</tr>
<tr>
<td><strong>Organization image</strong></td>
<td>Organization member’s view of how outsiders see the organization</td>
<td>Dutton &amp; Dukerich (1991)</td>
</tr>
<tr>
<td></td>
<td>The projected image constitutes a reflection of the organization’s identity</td>
<td>Hatch &amp; Schultz (2002)</td>
</tr>
<tr>
<td><strong>Organization Values</strong></td>
<td>Set of core principles (morals/ethics) that organization members subscribe to—they could be explicit or implicit and are embedded into what is believed to be central, enduring, &amp; distinctive</td>
<td>Corley et al. (2006)</td>
</tr>
<tr>
<td><strong>Corporate branding</strong></td>
<td>Images projected at customers (&amp; other stakeholders) by the organization with the view of selling a proposition</td>
<td>Hatch &amp; Schultz (2001)</td>
</tr>
<tr>
<td><strong>Corporate reputation</strong></td>
<td>Cumulative perception &amp; evaluation made by external stakeholders—it is the external constituents beliefs about the attributes of the organization</td>
<td>Dutton, Dukerich, &amp; Harquard (1994)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rindova &amp; Fombrun (1998)</td>
</tr>
</tbody>
</table>

**General overview of the identity landscape**

Given the size and the diversity of the identity literature, a comprehensive review of this landscape is beyond the scope of this study. However, to contextualize and situate organization identity in the vast identity domain, Table 2 summarizes the key definitions of four main identity constructs.
### Construct definitions

<table>
<thead>
<tr>
<th>Construct</th>
<th>Definition</th>
<th>Contributing Scholars</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal identity</strong></td>
<td>Individuals’ knowledge of themselves that include physical appearance, ability, &amp; psychological traits</td>
<td>Erikson (1964, 1968); James (1890); Mead (1934)</td>
</tr>
<tr>
<td><strong>Social identity</strong></td>
<td>Individuals’ knowledge that they belong to a certain group together with the emotional and value significance of that group membership</td>
<td>Tajfel &amp; Turner (1979)</td>
</tr>
<tr>
<td><strong>Organization identity</strong></td>
<td>That which is central, enduring, and distinctive about the organization</td>
<td>Albert &amp; Whetten (1985)</td>
</tr>
<tr>
<td><strong>Corporate identity</strong></td>
<td>The distinctive public image that a corporate entity communicates that structures people’s engagement with it</td>
<td>Cornelissen, Haslam &amp; Balmer (2007)</td>
</tr>
</tbody>
</table>

### Definitional pillars of organization identity

Albert and Whetten (1985) defined organization identity as that which is central, enduring, and distinctive (CED) about an organization’s character and in the phenomenological sense captures the essential features of an organization (Albert & Whetten, 1985; Gioia, 1998). It is important to note that these identity features are viewed through the eyes of the organization members.

### Identity centrality

The central character of the organization is rooted in the internal organization system of beliefs, values, and norms; they are typically woven into the organizational mission that informs sense-making and action (Ashforth & Mael, 1996). Corley et al. (2006) conceptualize centrality in three ways: centrality as depth, centrality as shared, and
centrality as structural. The notion of depth implies a characteristic that is deeply rooted and essential. From a social actor perspective, what is “essential” is what makes up the soul of the organization. Centrality as shared characteristic can also be viewed as beliefs about an organization that are widely shared by many organization members. Centrality as structural may be understood using the metaphor of a network, where a central characteristics is a node on which many other characteristics depend. If the node were to be removed, then other attributes attached to the node will fall as well. For example, if a specialty car manufacturer divests its major brand, it may lose its central identity as a car manufacturer.

Identity distinctiveness
Distinctiveness is dependent on contrasting similarities and differences between the focal organization and the referent organization to ascertain which of its central or core attributes differentiate it from comparable others. By identifying “who they are,” the organization is also determining “who they are not.” However, not every attribute must itself be distinct (Albert & Whetten, 1985). In fact, it is a distinctive set of characteristics that sets an organization apart from others. Brewer (1991) forwarded the concept of “optimal distinctiveness” whereby the organizations want to be viewed by their referent group as similar yet somehow distinctive from those other members. Apple’s position in the tablet market is one example, in that Apple wants to be viewed as a distinctive player in the tablet market space.
Identity continuity/endurance
Of the three pillars, this one seems the most controversial and has generated much debate as to whether it changes over time. By definition, if identity is central then organization identity changes only with major disruptions in an organization’s life, which implies that OI changes very slowly over time. Whetten and Mackey (2002) went as far as to advocate that if an organization’s identity changes then the phenomena under study is not organization identity. That said, a substantial body of work now supports the alternate view that organization identity can change and in some cases, might even need to change (Gioia et al., 2000; Gioia & Thomas, 1996). This study also takes the position that identity does evolve over time (Dutton & Dukerich, 1991).

Albert and Whetten’s (1985) CED framework has continued to inspire identity researchers to extend the constructs. Two notable ones are 1) Moingeon and Soenen’s Five Facet Model (2002), and 2) identity as claims, beliefs, and aspirations (Lerpold, Ravasi, Van Rekom, & Soenen, 2007).

Five-Facet Model—Moingeon and Soenen
The Five-Facet Model (Moingeon & Soenen, 2002) adopts a multi-stakeholders’ perspective to flesh out multiple facets of the common underlying empirical phenomenon. It can be viewed as answering the question “who is this group?” The model is captured in Table 3.
### Table 3—Moingeon and Soenen Five-Facet Model

<table>
<thead>
<tr>
<th>Identity Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Professed Identity</strong></td>
<td>Refers to what a group or an organization professes about itself. It is the answer, the statement(s), or the claim(s) that organization members use to define their (collective) identity.</td>
</tr>
<tr>
<td><strong>Projected Identity</strong></td>
<td>Refers to the elements an organization uses, in more or less controlled ways, to present itself to specific audiences. It notably consists of communications, behaviors, and symbols. The key distinction between the professed and the projected identity is that the latter is mediated.</td>
</tr>
<tr>
<td><strong>Experienced Identity</strong></td>
<td>Refers to what organizational members experience, more or less consciously, with regard to their organizations. It consists of a collective representation held by members.</td>
</tr>
<tr>
<td><strong>Manifested Identity</strong></td>
<td>Refers to a specific set of more or less tightly coupled elements that have characterized the organization over a period of time. It may be conceived as an organization’s “historical” identity.</td>
</tr>
<tr>
<td><strong>Attributed Identity</strong></td>
<td>Refers to the attributes that are ascribed to the organization by its various audiences. It differs from the experienced identity, which is self-attributed.</td>
</tr>
</tbody>
</table>

The Five-Facet Model helps shed light on the fragmented and sometimes contradictory definitions in the field; it takes the view that “not only do organizations have multiple identities, but that identities have different facets” (Moingeon & Soenen, 2002, pp. 21–22).

**Identity as claims, beliefs, and aspirations**

Another way that scholars have conceptualized organization identity is to highlight the connection between overlapping elements of *formal claims* (“what we are as an organization”); members’ *beliefs* and understanding about what is central, enduring, and distinctive about their organization (“what we think we are as an organization”);
and organizational members’ aspirations about the future (“who we want to become as an organization”) (Lerpold et al., 2007). Identity claims can be found embedded in the organization’s mission and vision statement, corporate websites, and internal documents stating the essential and distinctive features of the organization. Identity beliefs are members’ conviction about the organization’s characteristics that are central and relatively enduring. The aspiration to achieve certain positions for the organization may be fueled by internal desires or a response to external pressures.

**The dynamic identity proposition**

Of the three definitional pillars, the notion of endurance has generated much debate in the field of organization identity. Although the enduring view expounded by Albert and Whetten (1985) received much attention from organization scholars, the focus is beginning to shift towards the notion that organization identity is more dynamic than previous studies suggest (e.g., Gioia et al., 2013; Gioia et al., 2000; Hatch & Schultz, 2002).

In their article, “Organization Identity Formation and Change,” which appeared in the *Academy of Management Annals*, Gioia et al. (2013) conducted a comprehensive review of identity change and identity formation. They highlighted 51 scholarly articles related to identity change, and of the 51 articles reviewed, 25 articles were related to the notion that identity is relatively dynamic and does indeed change. Gioia et al. (2013) articulated the “dynamic identity proposition,” suggesting that because identity is negotiated and shared, it is therefore malleable and capable of shifting in
the short-term. This dynamic view of identity dovetails with the social construction perspective on identity (Corley et al., 2006). A longitudinal study by Ravasi and Schultz (2006) at Bang and Olufson suggests that external challenges to organization identity, identity threats, may induce an organization to revise its identity claims. They conclude that while identity is central and distinct, it is flexible enough to allow for construction. In an inductive interpretive case study of an organization’s spin-off of a Fortune 100 high-performance unit, Corley and Gioia (2004) demonstrated that the organization underwent a state of identity ambiguity prior to settling into a new identity. Earlier, Hatch and Schultz (2002) posited that an organization’s identity is dynamic and changes over time. In an empirical study, Gioia and Thomas (1996) found that organizations make strategic changes by changing their identity. These studies make the case that if identity is pliable, then it can be constructed, including the possibility of constructing an identity imbued with positivity. The preceding literature discussion on identity change assumes a “teleological” stance (Van de Ven & Poole, 1995), which states that changes are deliberate and purposive. That being the case, it is important to acknowledge that some identity change is unplanned without conscious, deliberate efforts but emerges as organizations respond to environmental challenges (Gioia et al., 2013). This study is in agreement with the dynamic identity proposition.

Given the foregoing argument that identity is in fact dynamic, the original definition adopted needs some fine tuning. Organization identity is those features of an
organization that in the eye of its members are central to the organization’s character, make the organization distinctive, and have relative continuity over time. The new definition acknowledges that identity is indeed dynamic and changes over time.

**OI formation and construction**

Although research interest in identity change remains high, literature addressing the issue of how organizations strategically construct identity—in particular positive organization identity—remains sparse. A stream of studies (Ashforth, Rogers, & Corley, 2011; Clegg, Rhodes, & Kornberger, 2007; Corley & Gioia, 2004; Czarniawska & Wolff, 1998; Dhallá, 2007; Dutton et al., 2010; Gioia, Price, Hamilton, & Thomas, 2010; Glynn & Watkiss, 2012; Kroezen & Heugens, 2012; Ravasi & Schultz, 2006; Scott & Lane, 2000) has steadily contributed to advancing the understanding of organization identity formation and construction. In this narrow field, Gioia et al. (2013) draw a distinction between the notion of identity formation and identity construction. They construe identity formation as the process of a “new” organization’s (e.g., spin-off entity) forming a nascent identity; whereas, they view identity construction as the process that alters or maintains an existing organization identity. In general, study in this domain has yielded two major underlying themes: 1) external influences on identity formation and construction, and 2) internal resources utilized to form and construct organization identity.

**External influences on identity formation and construction**

Studies suggest that external influences such as organization’s desire for legitimacy, media attention, external recognition and awards, industry rankings and external
communications impact how organizations construct their identity. A study by Czarniawska and Wolff (1998) suggests that organizations construct an identity similar to that of their peers to gain legitimacy. Addressing the same subject of legitimacy, Pedersen and Dobbin (2006) argued that while organizations seek legitimacy through isomorphism, they should also pursue differentiation strategies to set themselves apart from competition to achieve optimum uniqueness. Kjaergaard, Morsing, and Ravasi (2011) found that positive media coverage of an organization engenders celebrity status, which impacts identity construction in positive ways. In a separate study, Dhalla (2007) suggests four propositions that contributed to the construction of organization identity: positive media attention, external recognition/awards, industry rankings, and external communications.

Internal resources utilized to form and construct organization identity
Study in this area suggests six sources of internal resources that organizations utilize to construct organization identity. Gioia et al. (2013) identified three categories: 1) founder’s philosophy, 2) organization past experience, and 3) organization narratives. Dhalla (2007) identified another three categories that an organization uses to construct its identity: 1) human resource management, 2) board of directors, and 3) internal communications.

OI construction and organizational performance
Identity enables action (Ashforth & Mael, 1996; Freese & Burke, 1994; Stryker & Burke, 2000) and action engenders results. Therefore, a healthy positive organizational identity can serve to generate actions leading to socially beneficial
outcomes. Some scholars such as Dutton et al. (2010) synthesized the OI literature into a typology that addresses the focal issue of what makes a work-related identity positive. Their four-part typology includes the virtue perspective, the evaluative perspective, the developmental perspective, and the structural perspective as sources for constructing a positive identity. In a similar vein, Harquail and Brickson (2011) explored OI through the lens of POS and defined the role of OI for facilitating stakeholder flourishing. At a more pragmatic level, Ackerman (2010) conducted an empirical study to test the hypothesis that company’s identity drives value creation. His four findings suggest that identity strength influences employee engagement and, in turn, business performance:

1. Identity strength is a leading indicator of business performance, given its significant, positive impact on employee engagement.
2. Organization identity strength is more influential than individual identity strength in driving employee engagement and business performance.
3. Increase in identity strength translates into predictable increase in revenue and other economic benefits.
4. Although organization identity emerges as a major performance driver, employees typically do not think that their organization has a strong identity. (Ackerman, 2010, p. 38)

These scholars and practitioners advocate constructing positive organization identity to enhance organizational performance and induce stakeholder flourishing.

**Summary**

To summarize, organization identity is a central construct in organization studies. Although there are disagreements and differences in OI scholarship, the OI construct offers great promise and possibility. Understanding organization identity can lend
insights into the character and behavior of organizations and their members. Insights gleaned from this field can help make the case that organization identity, as a valuable and complex social resource, can be a source of sustained competitive advantage that enables organizations to deliver superior performance. This study not only explores the construction process of OI but also investigates how organizations use virtuous positive practices to construct a positive identity. To further inform this part of the study, I explore the landscape of positive organizational scholarship, which is next.

**Positive Organizational Scholarship (POS)**

Positive organizational scholarship (POS) is an emerging field of study within organization studies, which Cameron, Dutton, and Quinn (2003) began in 2003. The core ideas of POS are rooted in positive psychology (Seligman, 1999a), community psychology (e.g., Johada, 1958), positive organizational behavior (Luthans, 2002), prosocial organizational behavior (Ilies, Nahrgang & Morgeson, 2007; and Podsakoff, Mackenzie, Paine & Bachrach, 2000 for reviews), organization development (e.g., AI by Cooperrider & Srivastva, 1987), and corporate social performance (e.g., Margolis & Walsh, 2003). POS is a broad framework that focuses on flourishing, the generative dynamics in organizations that contribute to human strengths and virtues, resilience and healing, vitality and thriving, and the cultivation of extraordinary states in individuals, groups, and organization. The term *positive organizational scholarship* describes what this perspective is about:
Positive, because it emphasizes elevating, affirmative, and generative states and dynamics; organizational, because it highlights how these generative dynamics unfold within and across organizations; and scholarship, because it emphasizes theoretically-informed accounts, backed by data and analysis, that suggest implications for organizational functioning, practice and teaching. (Dutton, Glynn, & Spreitzer, 2006, p. 641)

Although the POS perspective does not explicitly define “positive,” it emphasizes how to see rather than what to see and accordingly promises a different way of looking at familiar organizations to see that which has previously been missed but which is clearly evident and important once one recognizes it. The notion of a different way of perceiving, and of subsequent revelation, is common in all statements of the aims and nature of POS (Cameron et al., 2003; Roberts, 2006).

**POS framework**

Scholars in the POS field conceptualize the conversation about positivity along three focal points: 1) extraordinary outcome or positively deviant performance (Spreitzer & Sonenshein, 2003), 2) strengths, capabilities, and possibilities (Cameron, 2008), and 3) eudemonism and virtuousness (Cameron, Bright & Caza, 2004).

**Extraordinary outcome and positively deviant performance**

POS scholars have conceptualized a framework that mirrors the continuum of human states shown in Figure 2 (Cameron, 2003, 2008). According to this conceptualization, organizations and individuals may be viewed in terms of three behavioral states: negative deviance or dysfunctional state, the ordinary state, and a positive deviant state.
The deficit gap represents the struggle to fix problems and return to the ordinary state, while the abundance gap is the struggle to move beyond the ordinary state into the extraordinary state (Cameron & Levine, 2006). Generally, organizations have the propensity to gravitate towards status quo—stability, steadiness, and predictability (March & Simon, 1958) and for most organizations; the positive deviant state represents “stretch goals.” To counteract the tendencies to reinforce norms, POS advocates organizations to place value on the outlier instances when norms are clearly exceeded in a remarkable fashion (Bright & Cameron, 2009).

**Figure 2 – POS Framework**

This focus places importance on positive energy, positive relationship, and positive climate (Baker & Bunderson, 2005). It includes pragmatic approaches such as appreciative inquiry (Cooperrider & Srivastva, 1987), and strengths-based assessments (Clifton & Harter, 2003) to operationalize this focus.

**Eudemonism and Virtuousness**
POS is predicated on the belief that "the desire to improve the human condition is universal and the capacity to do so is latent in most systems" (Cameron et al., 2003, p. 10). As a first principle, POS takes the stance that individuals and their institutions are inherently eudemonic, that they seek goodness for its intrinsic value (Dutton & Sonenshein, 2007). Because POS begins with the assumption that individuals are inherently driven to seek that which is positive, most of its claims depend upon the truth of that assumption. Eudemonic assumption is based on the heliotropic effect (Cooperrider, 1990), which is defined as the tendency of living systems to seek that which is life giving and to avoid that which is life depleting. This assumption dovetails with virtue ethicists’ perspective on “a life well lived.”

Debates and issues in the field
As the field matures, some scholars have taken issue with the theory posited by POS.

For instance, Fowers (2008) criticized positive psychology for under developing virtue theory. He asserts that

Positive psychologists have not developed a substantial concept of what is good, which is essential because virtues are defined as enduring personal qualities necessary for pursuing particular goods. Positive psychologists present virtues in a fragmented manner, focusing on a few “signature strengths,” whereas virtue ethicists generally emphasize the unity of character and the development of a full range of virtues. (p. 629)

In a similar vein, Fineman (2006) criticized the term positive for values bias because it implies that most organization science is negative and that a narrow moral agenda is being pursued. Finally, Hackman (2009) criticized the lack of empirical evidence to
support that positivity indeed promotes organizational performance. He further
highlighted several concerns about POS: 1) the emphasis of POS on individual-level
phenomena, 2) a historical nature of POS, 3) too many constructs, too little validity,
4) over-reliance on a particular research strategy, and 5) the seductiveness of new
research paradigms.

POS scholars have responded to some of the criticisms. For example, Bright,
Stansbury, Alzola, and Stavros (2011) provided an integrated perspective in which
they explain the relationship between virtuous behavior and character, see Figure 1,
and Cameron et al. (2011) conducted two empirical studies on the impact of positive
practices on organizational effectiveness and change.

**Positive practices and organizational performance**

In response to the dearth of empirical research on the impact of positive practices on
organizational effectiveness and change, Cameron et al. (2011) conducted two studies
that explored the relationship between positive practices and various measures of
organizational effectiveness. They found evidence that positive practices have a
significant impact on organizational effectiveness when organizational members
selected effectiveness indicators. In the first study (financial services sector), positive
practices were significantly associated with financial performance, work climate,
turnover, and senior executive evaluations of effectiveness. In the second study
(healthcare sector), positive practices predicted improvements in turnover, patient
satisfaction, organizational climate, employee engagement, quality of care,
managerial support, and resource adequacy. The study attributes the increase in organizational effectiveness to the amplifying affects, buffering effects, and heliotropic effects of positive practices.

**Summary**
To summarize, positive organizational scholars posit that organizational positivity and positive practices affect organizational performance. However, unless there is an improvement to bottom-line outcomes, organizations would be reluctant to invest in the implementation of positive practices. Accordingly, empirical evidence is required to increase the legitimacy of positive organizational practices.

**Virtue and Organization Studies**
Merriam-Webster dictionary defines virtue as “a quality held to be of great moral value.” Virtuousness is associated with *moral goodness*. It represents what is good, right, and worthy of cultivation (McCullough & Snyder, 2000; Peterson, 2003). Virtues are skills of social perception and action (Churchland, 1998; Dewey, 1922; McDowell, 1979) that must be acquired and refined over a lifetime; they are required character strengths needed to pursue the good (Fowers, 2008; Peterson & Seligman, 2004). This implies that what is regarded as virtue is determined by what we believe to be the most ennobling aims for humans. In other words, the character strengths we deemed important are dependent on the way we understand what is good. If saintliness (becoming Mother-Theresa-like) is a paramount goal, then humility, compassion, and charity will be virtues. Before diving deeper into virtue, I
will discuss the notion of what is good for humans and also highlight the distinction between virtues and values.

**Eudemonia**
In Aristotelian tradition of virtue ethics, *eudemonia* is translated as flourishing, happiness, or contentment. It refers to the notion of a life well lived and represents the good of first intent, or that which is inherently good in itself, such as love and fulfillment. Goods of second intent include that which are good for the sake of obtaining something else, such as profit, prestige, or power. People never tire of or become satiated with goods of first intent, but that is not true of goods of second intent. The moral component of virtuousness is characterized by goods of first intent and is desired for its own sake, and it is characteristic of organizations as well as individuals (Park & Peterson, 2003). In the field of POS, scholars underpin their theory on eudemonia as well. Accordingly, eudemonic assumption is based on the heliotropic effect (Cooperrider, 1990), which is defined as the tendency of living systems to seek that which is life giving and to avoid that which is life depleting. Because good of the first intent is inherently good in itself, people value it.

**Distinction between virtues and values**
Merriam-Webster dictionary defines value as “the measure of how strongly something is desired for its physical or moral beauty or usefulness, rarity etc.” Individuals live in accordance with what they value. They make judgments about what is important (and treasure) in life through their values. People place a value on everything—from tangibles (such as home, cars, and jewelry) to intangibles (such as
education, character traits, personal development, and religious practices). Values are ideals that people use to guide their behaviors, and when practiced, they may lead to recognizable virtues. For example, valuing nonviolence leads to the virtue of compassion, respectfulness, and kindness.

Virtue, on the other hand, is the best of human conditions, the most ennobling behavior and outcome, the excellence and essence of humankind, and the highest aspirations of human beings (Cameron, 2003). They are the enduring character traits that are deemed necessary for pursuing particular goods (Fowers, 2008), especially the good of the first intent. Here is the key difference between the two concepts: although everyone possesses values, not all values when practiced lead to virtues; in fact, some values when pursued and practiced lead to vices. For example, valuing money and riches above all else (regardless, if one steals or cheats) would spawn character traits that are vices, rather than virtues. From the virtue ethics perspective, it is all about being and becoming a good, worthy human being. Although people can learn and develop good values, this theory maintains that virtues are present in one’s disposition. When practiced over time, from youth to adulthood, good values become habitual and part of the people themselves. By telling the truth, people become truthful; by giving to the poor, people become benevolent; by being fair to others, people become just (Northouse, 2010). Rather than telling people what to do (move away from deontology), attention should be focused on telling people what to be, or helping them to become more virtuous. Based on the writings of Aristotle, a moral
person demonstrates the virtues of courage, temperance, generosity, self-control, honesty, sociability, modesty, fairness, and justice (Velasquez, 1992). In the virtue ethics tradition, four espoused virtues, when practiced and imbibed, lead one to a life well lived by actualizing the good of the first intent.

**The cardinal virtues**

Thomas Aquinas (2005) proposed four primary Christian virtues: justice, fortitude, temperance, and prudence. According to Aquinas, the first cardinal virtue, justice, means giving to each person and to other living beings what they deserve, such as basic human rights and what they need to live full lives. Aristotle (2005) also gave the virtue of justice great attention, and he talks about two types of justice: *general justice* that deals mostly with laws, and *particular justice* that deal with fairness. Both Aristotle and Aquinas understood the moral significance of the created world, and they counsel humans to consider their duties to it.

The second cardinal virtue, fortitude, is often called courage or bravery. When faced with a challenging situation, one can be dominated by fear, which can take the place of reason and dissuade one from pursuing what is right. Fortitude is working with fear to do the right thing—perseverance in the face of adversity. The virtue of fortitude unfreezes us to move beyond our negative feelings and focus on what kind of person we want to be, what kind of character will help us live out our commitments. Courage can give us the perseverance to struggle for justice in the face of discouragement. Courageous individuals act prudently and “stand immovable in the midst of dangers”
Fortitude spawns “the quality of mind and spirit that enables one to face up to the ethical challenges firmly and confidently, without flinching or retreating” (Kidder, 2005).

The third virtue, temperance, speaks to the idea of moderation and the ability to control one’s emotions. Aristotle (2005) compares a man who lacks temperance to a stereotypically spoiled child who knows no limits. According to Aquinas a temperate person avoids extreme attachment to pleasure and an extreme aversion to pain (Knight, 2006). Temperance is an antidote to greed.

The last virtue is prudence and is often associated with knowledge, insight, and practical wisdom. Aristotle (2005) uses the word phronesis to describe the ability to find the balance between two extremes and make appropriate decisions by minimizing harm and maximizing the good. He further states that finding the moral sweet spot is a skill that requires learning and knowledge. Many consider Prudence as the mother of all virtues as it has a “directive capacity with regard to other virtues, it lights the way and measures the arena for their exercise” (Delaney, 1911, p. 1) by managing and leading people in the right direction. Without prudence, the practice of fortitude may morph into foolhardiness, temperance may turn into fanaticism, and justice may degenerate into weakness. The virtue of prudence entices us to make wise judgments in our complex world. To summarize the cardinal virtues, prudence does what is just, while temperance and fortitude protect prudence from inner and outer
threat. Temperance and fortitude seek to make a good person, while justice seeks only to make a good person a good citizen (Floyd, 2006). More recently, positive psychology significantly contributed to the age-old field of virtue ethics by proposing the notion of authentic happiness—a framework that hinges on core universal virtues that span across time and culture.

**Positive psychology movement**
Dahlsgaard, Peterson, and Seligman (2005) classified positive traits across culture by examining philosophical and religious traditions in China (Confucianism and Taoism), South Asia (Buddhism and Hinduism), and the West (Athenian philosophy, Judaism, Christianity, and Islam). Dahlsgaard et al. found that six core virtues recurred in these writings: courage, justice, humanity, temperance, wisdom, and transcendence converged across time place and intellectual tradition. This convergence suggests a non-arbitrary foundation or the classification for human strengths and virtues, and it is ubiquitous. In essence, they extended the cardinal virtues by supplementing two additional virtues: humanity and transcendence. The key findings of the historical exercise are summarized in Table 4 and Table 5.

<table>
<thead>
<tr>
<th>Virtues</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Courage</strong></td>
<td>Emotional strengths that involve the exercise of will to accomplish goals in the face of opposition, external or internal; examples include bravery, perseverance, and authenticity (honesty)</td>
</tr>
<tr>
<td><strong>Justice</strong></td>
<td>Civic strengths that underlie healthy community life; examples include fairness, leadership, and citizenship or team</td>
</tr>
</tbody>
</table>
### Virtues Descriptions

<table>
<thead>
<tr>
<th>Virtues</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humanity</td>
<td>Interpersonal strengths that involve “tending and befriending” others (Taylor et al., 2000); examples include love and kindness</td>
</tr>
<tr>
<td>Temperance</td>
<td>Strengths that protect against excess; examples include forgiveness, humility, prudence, and self-control</td>
</tr>
<tr>
<td>Wisdom</td>
<td>Cognitive strengths that entail the acquisition and the use of knowledge; examples include creativity, curiosity, judgment, and perspective (providing counsel to others)</td>
</tr>
<tr>
<td>Transcendence</td>
<td>Strengths that forge connections to the larger universe and thereby provide meaning; examples include gratitude, hope, and spirituality</td>
</tr>
</tbody>
</table>

*Source:* Dahlsgaard, Peterson, & Seligman (2005), page 205

### Table 5—Convergence of Virtues

<table>
<thead>
<tr>
<th>Tradition</th>
<th>Courage</th>
<th>Justice</th>
<th>Humanity</th>
<th>Temperance</th>
<th>Wisdom</th>
<th>Transcendence</th>
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<td>Confucianism</td>
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*Note: E = explicitly named; T = thematically implied*  

*Source:* Dahlsgaard, Peterson, & Seligman (2005), page 211
Virtuous organization and performance
Virtuousness is associated with moral goodness and is conducive to eudemonia, the happiness associated with human flourishing. It represents what is good, right, and worthy of cultivation (Peterson, 2003). Virtue ethics focus on universal core values (Dahlsgaard et al., 2005; Garafalo, 2003) and are predicated on social-cognitive and identity theories (Neubert, Carlson, Roberts, Kacmar, & Chonko, 2009). Virtue ethics include features of moral identity and moral agency (Weaver, 2006) that facilitate growth inherent to the fundamental philosophical question of “what sort of person should I be?” According to the Aristotelian tradition, both intellectual and moral virtue are volitional; intellectual virtue can be taught, while moral virtue is “made perfect by habit” (Cahn & Vitrano, 2008). Seligman (1999b) followed up on this line of reasoning with two powerful precepts: 1) the characteristics of virtuousness can both be taught and acquired, and 2) individuals have the personal power to change the way they think and act. Seligman’s conceptualization of virtues opens the possibility of exploring how positive identity can be constructed.

Bright et al. (2011) provided a framework for integrating virtue ethics perspectives and POS. The framework recommends a “balance approach” and suggests that the practice of virtues can be situated on a continuum in which deviance in either extreme is undesirable and potentially dysfunctional, as shown in Figure 3.
Figure 3—The Relationship Between Virtuous Behavior and Character

By juxtaposing the POS continuum of positive deviance (Y-axis) with a continuum of character traits (X-axis), the Bright et al. have demonstrated that positive deviance does not automatically imply that “more is better.” On the rising end of the curve, behavioral excellence increase proportionately with virtuousness. In contrast, on the far right of the curve, as excessiveness increases, behavioral excellence declines. The top of curve represent the “sweet spot” where excellence and virtue intersect.

Source: Adapted from Cameron, 2003
At a more pragmatic level, Cameron et al. (2004) conducted an empirical study between organizational virtuousness and performance in 18 organizations. They found significant relationships between virtuousness and both objective and perceived measures of organizational performance. Their findings are “explained in terms of two major functions played by virtuousness in organizations: an amplifying function that creates self-reinforcing positive spirals, and a buffering function that strengthens and protects organizations from traumas such as downsizing” (Cameron et al., 2004, p. 766). Because of pragmatic outcomes, virtuousness will capture the attention of organizations. Virtuousness leads to effective performance, and high performance leads to enhanced virtuousness—a mutually reinforcing spiral.

**Linkages between POI, POS, and Virtuous Organizations**

In organization studies, evidence suggests that linkages exist between positive identities and favorable outcomes. For example, positive identity can foster creativity (Cheng et al., 2008), enhance work processes (Ely & Thomas, 2001), promote adaptation (Beyer & Hannah, 2002), and provide individuals with the fortitude to deal with adversities (Caza & Bagozzi 2009; Hobfoll, 1989). Organization identity, when mediated by positivity, can be a source of sustained competitive advantage because it is socially complex, tacit, and casually ambiguous (Fiol, 1991; Stimpert, Gustafsson & Sarason, 1998).

**Moving from OI to POI**

To extend the field of OI, identity scholars (Brickson & Lemmon, 2009; Corley & Harrison, 2009; Glynn & Walsh, 2009; Hamilton & Gioia, 2009; Marquis & Davis,
2009; Pratt & Kraatz, 2009) have examined the field of positive organizational scholarship by focusing on positive identity contents (or attributes), processes, and outcomes. Their findings are consolidated and summarized in Table 6.

**Table 6—Dimensions of POI Processes, Contents, and Outcomes**

<table>
<thead>
<tr>
<th>Positive Identity Processes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resourcefulness</strong></td>
</tr>
<tr>
<td><strong>Relationship</strong></td>
</tr>
<tr>
<td><strong>Meaning</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Positive Identity Attributes (Characteristics)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inspiring</strong></td>
</tr>
<tr>
<td><strong>Generative</strong></td>
</tr>
<tr>
<td><strong>Authentic</strong></td>
</tr>
<tr>
<td><strong>Adaptive</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Positive Identity Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Positive</strong></td>
</tr>
</tbody>
</table>

Scholars generally agree that positive organization identity tends to have 1) *processes* that involve resourcefulness, relationship building, and meaning making; 2) *attributes*
or contents that are inspiring, generative, authentic, and adaptive; and 3) outcomes that enhance vibrancy, social cohesion, trust and reciprocity.

Dutton et al.’s 4-part typology
Dutton et al. (2010) synthesized the OI literature into a typology that addresses the focal issue of what makes a work-related identity positive. Their four-part typology includes the virtue perspective, the evaluative perspective, the developmental perspective, and the structural perspective as sources for constructing a positive identity to highlight new pathways for positivity. Their construct is summarized in Table 7. According to the virtue perspective, an identity is positive when infused with virtuous attributes. The evaluative perspective places attention on an individual’s self-regard—an identity is positive when it is regarded favorably by the individual who holds it and by referent others who also view the identity as favorable. The developmental perspective focuses on the evolution of the identity over time—an identity is positive when it is dynamic and capable of progress and adaptation. The structure of an identity or the manner with which identity content is organized constitute another avenue for positive identity.
### Table 7—Dutton’s Four-Part Typology

<table>
<thead>
<tr>
<th>Basis for Comparison</th>
<th>Virtue</th>
<th>Evaluative</th>
<th>Developmental</th>
<th>Structural</th>
<th>Complementary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basis for positivity of identity</td>
<td>Virtuous identity content</td>
<td>Favorable regard for identity content</td>
<td>Change in identity content toward a more developed or ideal identity</td>
<td>Change in identity content toward a better fit with internal or external standards</td>
<td>Balance in identity content between inclusion and differentiation</td>
</tr>
<tr>
<td>Core Assertions</td>
<td>Certain virtues and character strengths are inherently good. When individuals construct an identity that contains master virtues and/or character strengths, the identity is positive.</td>
<td>Individuals derive self-esteem from subjective evaluations of their identity characteristics and identity groups. Identities that are favorably regarded by the self or others are positive.</td>
<td>Individuals naturally progress towards “ideal” self through stages over time and/or through changes that indicate growth.</td>
<td>Individuals create possible selves and select those that align with internal and external standards.</td>
<td>The structure or organization of identity content minimizes tension between human needs for inclusion and differentiation by balancing personal identity with social identity.</td>
</tr>
<tr>
<td>Core Propositions</td>
<td>A work-related identity becomes more positive when it is imbued with virtuous attributes.</td>
<td>A work-related identity becomes more positive when individuals regard the identity more favorable.</td>
<td>A work-related identity becomes more positive as its content changes in the direction of an ideal or more developed identity</td>
<td>A work-related identity becomes more positive as it develops a better fit with internal and/or external standards.</td>
<td>A work-related identity becomes more positive by balancing collective identity and personal identity.</td>
</tr>
</tbody>
</table>

*Source: Dutton, Roberts, & Bednar (2010), page 210*
In conclusion, a well-constructed positive organization identity injects values and enhances the tripartite attributes advocated by Albert and Whetten (1985). The construction of POI begins with the inquiry “who are we?” and leads to the examination of important higher order existential concerns such as organizational purpose and values. Identity enables action (Ashforth & Mael, 1996; Freese & Burke, 1994; Stryker & Burke, 2000) because “you have to know who you are before you can take actions” (Whetten & Godfrey, 1998, p. 113), and action engenders results. Therefore, a healthy positive organization identity can serve to generate actions leading to beneficial outcomes for all stakeholders.
Chapter 3: Methodology

This chapter details the research methodology employed within the dual-site qualitative case study of how organizations use virtuous positive practices to construct a positive organization identity. I employed thematic analysis to make sense of my research findings, which I detail in Chapters 4 and 5. The landscape of this chapter is as follows: 1) study context, 2) research design, 3) data collection, and 4) data analysis. This research was guided by the following primary research question followed by two associated sub questions:

How do organizations use virtuous positive practices to construct a positive organization identity?

a) What are the identity characteristics that form and why?

b) Are there some virtuous positive practices more important than others when constructing positive organization identity?

Study Context

I utilized the Return on Values (ROV) research initiative as the basis of my dissertation. ROV is a three-year, one million dollar research project of the Small Giants Community (www.smallgiants.org), Benedictine University’s Center for Values-Driven Leadership (www.cvdl.org), and University of Michigan’s Center for Positive Organizational Scholarship (http://www.centerforpos.org). The ROV project investigates how positive culture and values-based practices actually improve financial performance. The project has two primary components: a longitudinal...
survey of more than 27,000 companies, which will provide quantitative data, and deep-dive interview case studies of 30 exemplar companies that have a reputation of having outstanding culture, employee engagement, customer orientation, and of contributing to their respective communities. Seven other doctoral students from Benedictine University’s Center for Values-Driven Leadership and I are engaged in the ROV project as research assistants. At the time of this writing, the project has conducted deep-dive studies of six exemplar companies. The data for my analysis are sourced from two of the two deep-dive case studies of the exemplar companies I researched: Service Express Inc., located in Grand Rapids, Michigan, and Tasty Catering Inc., located in Elk Grove Village, Illinois.

Site description

Services Express Inc.
Service Express, Inc. (SEI) is a privately held company headquartered in Grand Rapids, Michigan, USA, with 24 regional offices in the Midwest and Southeast to provide customers with onsite data center maintenance services for mission-critical servers. SEI customers are from diverse industries that include healthcare facilities, colleges and universities, manufacturing plants, financial institutions, and government municipalities. The company in its current form was started in 1993, and over the last decade it has experienced an average sales growth of 20 percent year after year. As of January 2013, it has 225 employees generating a revenue of 45 million dollars with a healthy bottom line. The company attributes its success to the exceptional employee-centric culture, which is purposefully crafted by senior leadership. SEI’s vision
statement and core objectives capture the culture’s enduring spirit. SEI’s vision is to work with its employees to help them achieve their personal, professional, and financial goals. The four core objectives—excellent customer service, employee engagement, margin retention, and revenue growth—crystallize the organization’s vision. Consistent with its vision and core objectives, SEI invests significant resources in its recruitment process to ensure that employees who join SEI have the right culture fit. SEI also utilizes an effective performance measurement system called the SR5 to measure and track the variables that are key to employee development and organizational success. The organization ostensibly believes that by taking care of employees first, favorable organizational outcomes, including profitability, will follow.

Tasty Catering, Inc.
Tasty Catering, Inc. (Tasty) is a privately held company, family-owned and operated since 1989. Currently, it has a staff of 150 full-time, part-time, and seasonal employees. The company specializes in corporate events within the food service industry, and they provide full-service options for food, entertainment, and corporate events planning. Tasty services the greater Chicagoland area, and their clients include small companies to Fortune 500 corporations. The company grew from a hotdog stand to the prominent position as Chicago’s top business caterer. Tasty attributes its success to a value-driven culture. The CEO led the organization in crafting a 7-point value-centric culture: 1) moral, ethical, and legal behavior; 2) respectful treatment of all; 3) quality in everything Tasty does; 4) high customer service standards; 5) a
competitive and strong determination to be the best; 6) an enduring culture of individual discipline; and 7) freedom and responsibility within the culture of individual discipline. The core values not only represent the decision-making guide for the company, they also serve as a guide to elevate the interactions between employees.

**Gaining access**
The ROV research team along with the Small Giants Community helps identify small and mid-sized companies with the following criteria:

- Privately owned, US based, and in business for five or more years
- Have annual sales revenue between $2.5 and $500 million and 10 to 1000 employees
- Small-Giant-like, defining success not only by their bottom line but by their contributions to their community, great customer service, and the existence of workplace cultures of excellence
- Have been singled out by independent observers (i.e., Inc. 5000, Best Place to Work, etc.)

Once a potential company is identified, a member from the ROV team reaches out to the company’s senior leadership and invites them to actively participate in the research. If they decide to participate, arrangements are then made for the research team to make a two-day site visit led by a faculty member (along with two research assistants) from Benedictine University actively involved in the ROV project.
Research Design

Organization identity is a social construct. Citing Weick in their work, Manning and Binzagr (1996) suggest that organizations as static entities simply do not exist:

If one were to go in search of an organization, one would come back empty handed. An organization only exists as a reflection of the ongoing processes and action that individuals take. Organizations are not tangible objects! Individual is tangible. Weick elaborated this view by stressing that the one way to truly understand the phenomena in the term “organization” is to transform this noun into verb—organizing. Compared with a static view, the process view allows for deeper appreciation of the subtleties and complexities inherent in human actions. (p. 279)

Given the nebulous nature of the construct, the dual-site case study employed a qualitative methodology inquiry tradition (Lincoln & Guba, 1985) and was anchored in the social constructivism paradigm (Creswell, 2013).

Philosophical assumptions and interpretive framework

Social constructivism proposes that individuals mentally construct the world of experience through cognitive processes (Young & Collin, 2004), in other words, “individuals seek understanding of the world in which they live and work. They develop subjective meanings of their experiences—meanings directed toward certain objects and things” (Creswell, 2013, p. 24). Therefore from the constructivist’s perspective, reality is subjective and experiential, which means that people could construct the same reality in different ways. This orientation of inquiry gives voice to the informants and provides researchers with opportunities for uncovering new paradigms or penetrating deeper level of understanding. The constructivist’s approach also allows for flexible interview protocol, not enslaved by existing theory and
terminology, which in turn facilitates the informant’s sensemaking process without the researcher’s imposing a preordained understandings on their experience (Gioia, Corely, & Hamilton, 2012). The researchers then make interpretations (with reflexivity) of their findings, which are shaped by their own life experiences (Creswell, 2013).

The social constructivism interpretive framework and associated philosophical beliefs are summarized in Table 8. The primary purpose of this study is to inquire into how organizations use virtuous positive practices to construct a positive organization identity. The constructivist paradigm seems particularly suited to such an inquiry for the following reasons:

- Although literature was used to inform the study, I am not setting out to test pre-existing theory, therefore this study is inductive rather than deductive.
- I rely mainly on qualitative data, with rich, semi-structured interviews with diverse organizational actors at various levels to unfold a deeper understanding of how organizational actors seek to negotiate positive and meaningful organization identity. The constructivist emphasis on communication and analysis of textual data dovetails well with my qualitative research approach.
- Given my own personal interest in the study of the self and virtuous practices, I approach this study with reflexivity that “an open mind is not an empty head” (Dey, 1999, p. 229). This orientation is in keeping with the constructivist’s approach where reality is co-constructed between researcher and the researched.
Table 8—Interpretive Frameworks

<table>
<thead>
<tr>
<th>Interpretive Framework</th>
<th>Ontological Beliefs (the nature of reality)</th>
<th>Epistemological Beliefs (how reality is known)</th>
<th>Axiological Beliefs (role of values)</th>
<th>Methodological Beliefs (approach to inquiry)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Constructivism</td>
<td>Multiple realities are constructed through our lived experiences and interactions with others</td>
<td>Reality is co-constructed between the researcher and the researched and shaped by individual experiences</td>
<td>Individual values are honored and are negotiated among individuals.</td>
<td>More of a literary style of writing used. Use of an inductive method of emergent ideas (through consensus) obtained through methods such as interviewing, observing, and analysis of texts.</td>
</tr>
</tbody>
</table>

Source: Creswell (2013), p. 36

Qualitative orientation
This study uses the qualitative research methodology to provide the data and the analytical framework needed to answer my research questions. The working definition of qualitative research by Creswell (2013) provided guidance to the study’s research methodology.

Qualitative research begins with the assumptions and the use of interpretive/theoretical frameworks that inform the study of research problems addressing the meaning individuals or groups ascribe to a social or human problem. To study this problem, qualitative researchers use an emerging qualitative approach to inquiry, the
collection of data in a natural setting sensitive to the people and places under study, and data analysis that is both inductive and deductive and establishes patterns or themes. The final written report or presentation includes the voices of participants, and the reflexivity of the researcher, a complex description and interpretation of the problem, and its contribution to the literature or a call for change. (p. 44)

**Natural Setting**
Data in the form of interviews and observations were collected from Service Express Inc. (SEI) and Tasty Catering Inc. (Tasty) during a two day onsite visit. Given the natural settings, the participants were empowered to share their stories and experiences in meaningful ways. Data was collected firsthand through interviewing informants and examining documents from various sources such as marketing materials, web contents, training materials, financial information, etc..

**Complexity**
The connections between virtuous positive practices and organization identity are complex and difficult to measure. The exploratory approach is better suited to explore problems and identify these complex, illusive variables. I applied the inductive approach to work back and forth between emergent themes and the database until the emergent themes were stabilized themselves. Because the research questions focused on “how” and “why,” the case study approach of qualitative inquiry was chosen to further refine the study (Yin, 2009).

**Case study approach**
The case study research approach is a qualitative method that allows researchers to investigate and explore a bounded real-life situation by collecting in-depth data over time. A good case study will shed deep insight and understanding of the case
(Creswell, 2013). The in-depth focus of case studies can produce a variety of topics and goes beyond the study of isolated variables. The case study methodology grounded in data is best suited to deal the overarching research question of how organizations use virtuous positive practices to construct a positive organization identity. The intent of the study is to seek better understanding of the intricate relationship between virtuous positive practices and positive organization identity. This type of case, one that seeks to understand a specific issue, problem, or concern is called an instrumental case (Stake, 2000). For both SEI and Tasty, I provide a detailed description of each case and themes within the case. I then conduct a thematic analysis for both cases followed by interpretation of the meaning of the case (Creswell, 2013). This study is situated at the organizational level of analysis.

**Data Collection**
Data was collected during a two-day site visit at each of the identified companies, with 10 semi-structured interviews with participants at each site. The interviews were videotaped and transcribed. In addition, I also relied on several other data sources, such as press releases, web contents, news articles, annual reports, memos, emails, blogs, books, and training materials. Triangulation of data sources would increase the robustness of the data collected by minimizing informant biases (Anand, Gardner, & Morris, 2007).

**Interviews and site visits**
All interviews were conducted at the respective company’s headquarter. For SEI, all the interviews and the site visit (except one with the founder) took place over a two-
day period in Grand Rapids, Michigan. The interview with SEI founder, Mike McCullough, took place five months after the initial visit. Tasty’s interviews and site visit took place in Elk Grove, Illinois, over a two-day period. A cross section of informants participated in the interviews ranging from CEO to truck drivers and accounts receivable clerks. For SEI, a total of 10 informants plus the founder (11 total) participated in interviews, each lasting approximately an hour. For Tasty, a total of nine informants participated in the interview, each lasting approximately an hour. Both interviews were videotaped and later transcribed. The profiles of the informants and the length of the interviews are located in Table 9 and Table 10.

Table 9—SEI Informants List

<table>
<thead>
<tr>
<th>Informants (Service Express)</th>
<th>Interview Method</th>
<th>Length of Video-Record</th>
<th>Length of Transcript</th>
</tr>
</thead>
<tbody>
<tr>
<td>Founder/Owner</td>
<td>On site; In person</td>
<td>76 minutes</td>
<td>15 pages</td>
</tr>
<tr>
<td>President</td>
<td>On site; In person</td>
<td>54 minutes</td>
<td>14 pages</td>
</tr>
<tr>
<td>Chief Operating Officer</td>
<td>On site; In person</td>
<td>49 minutes</td>
<td>13 pages</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td>On site; In person</td>
<td>49 minutes</td>
<td>13 pages</td>
</tr>
<tr>
<td>Chief Financial Officer &amp; Director of Marketing</td>
<td>Teleconference</td>
<td>30 minutes</td>
<td></td>
</tr>
<tr>
<td>Vice President Sales</td>
<td>On site; In person</td>
<td>32 minutes</td>
<td>10 pages</td>
</tr>
<tr>
<td>Director of Marketing</td>
<td>On site; In person</td>
<td>30 minutes</td>
<td>7 pages</td>
</tr>
<tr>
<td>Manager of Field Technical Operations and Recruiting</td>
<td>On site; In person</td>
<td>36 minutes</td>
<td>9 pages</td>
</tr>
<tr>
<td>Customer Support Coordinator</td>
<td>On site; In person</td>
<td>39 minutes</td>
<td>10 pages</td>
</tr>
<tr>
<td>Marketing and Lead Generation</td>
<td>On site; In person</td>
<td>33 minutes</td>
<td>8 pages</td>
</tr>
<tr>
<td>Informants (Service Express)</td>
<td>Interview Method</td>
<td>Length of Video-Record</td>
<td>Length of Transcript</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-------------------</td>
<td>-------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Specialist</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Recruiter</td>
<td>On site; In person</td>
<td>27 minutes</td>
<td>7 pages</td>
</tr>
<tr>
<td>Accounts Receivables</td>
<td>On site; In person</td>
<td>30 minutes</td>
<td>9 pages</td>
</tr>
</tbody>
</table>

Table 10—Tasty Informants List

<table>
<thead>
<tr>
<th>Informants (Tasty Catering)</th>
<th>Interview Method</th>
<th>Length of Video-Record</th>
<th>Length of Transcript</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>On site; In person</td>
<td>51 minutes</td>
<td>13 pages</td>
</tr>
<tr>
<td>Chief Operating Officer</td>
<td>On site; In person</td>
<td>54 minutes</td>
<td>13 pages</td>
</tr>
<tr>
<td>Chief Purchasing Officer</td>
<td>On site; In person</td>
<td>55 minutes</td>
<td>15 pages</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td>On site; In person</td>
<td>51 Minutes</td>
<td>13 pages</td>
</tr>
<tr>
<td>Director, Key Accounts</td>
<td>On site; In person</td>
<td>32 minutes</td>
<td>8 pages</td>
</tr>
<tr>
<td>Director of Operations</td>
<td>On site; In person</td>
<td>28 minutes</td>
<td>7 pages</td>
</tr>
<tr>
<td>Director of Communications; Co-founder, Nuphoriq</td>
<td>On site; In person</td>
<td>40 minutes</td>
<td>11 pages</td>
</tr>
<tr>
<td>CEO, Nuphoriq</td>
<td>On site; In person</td>
<td>30 minutes</td>
<td>8 pages</td>
</tr>
<tr>
<td>Account Executive</td>
<td>On site; In person</td>
<td>33 minutes</td>
<td>8 pages</td>
</tr>
<tr>
<td>Driver/Brand Ambassador</td>
<td>On site; In person</td>
<td>50 minutes</td>
<td>9 pages</td>
</tr>
</tbody>
</table>

All the interviews at SEI and Tasty were conducted by Professor Michael Manning, a faculty member from Benedictine University who is centrally involved in the ROV project. Two doctoral candidates (including myself) from Benedictine University were present during all the interviews serving as research assistants. A list of guiding questions (see Appendix A) were given to SEI and Tasty prior to the interviews. The
interviews were loosely structured around these questions with a focus on encouraging informants to tell their rich stories. Professor Manning led the interview process, and research assistants asked some follow-up questions to further encourage interviewees to elaborate on their stories.

Observations made during site visits
During the site visits, the research team made general observations and took field notes. Some notable observations are the company’s physical environment (e.g., work spaces, display of industry awards, and corporate vision statements), training sessions, meetings, and general work atmosphere, including employee interactions.

At SEI, the physical environment is relatively new and spacious, they moved into the new facility in March 2013. Work spaces were comprised of both cubicles and offices, with cubicle clusters (e.g., accounting group; support group) in the middle of the floor plan and managers offices lined against the wall. We observed many offices have their Strength Finder’s key themes (e.g., learner, include, connectedness) prominently displayed on the office doors (Rath, 2007). Executive offices (President, COO, VP Sales, and CFO) were not situated with the rest of the operations team but were separated by a large pantry area. Our site visit coincided with the SEI Way Training for new employees, which is led by the Executive Leadership Team. After six months with the company, new hires from across the country attend the SEI Way Training session held in corporate head office in Grand Rapids, Michigan. This training session was videotaped, transcribed, and coded. Information distilled from
this training session will be presented in Chapter 4—Results. We also noted the high energy and intensity with which employees interacted with each other.

Compared to SEI, Tasty’s physical environment is more frugal—the cubicles are less spacious than SEI’s, and there are no executive offices. In fact, the CEO’s work station is located near the office entrance, where he can meet and greet people walking into the office. The boardroom where the interviews took place has Tasty’s 7 core values prominently displayed and a Christian crucifix attached near the light switch. The research team attended Tasty’s Good to Great Council meeting, where organizational members discuss culture items, keeping them fresh and updated, and address any emergent cultural issues. We noted that attendees each take a turn to read aloud one core value before the start of the meeting, which was highly engaging for all that participated. This meeting was videotaped, transcribed, and coded as well.

We also noted that the frugality theme continued into the lunch room, where general workspace is converted into an area where employees congregate to have their midday meal together. The meal time is highly interactive, and employees exchange ideas and provide each other support.

Site visits follow up
Due to the iterative nature of qualitative study, we sought clarifications on information provided by SEI and Tasty and made follow up requests for supplemental information. For instance, through numerous email exchanges and a conference call
that also included the Director of Marketing, we followed up with the CFO at SEI for supplemental financial information to clarify and seek deeper insight into how the positive culture at SEI has materially impacted their bottom-line financials. This follow up yielded fruitful data that explain a potential correlation between positive culture and bottom-line profit. Refer to Appendix B for the sample document (email communications related to key financial data) that SEI furnished to us after our site visit. After reviewing the data gathered from SEI, the research team determined that an interview with Founder Mike McCullough (and to get him on tape) made a great deal of sense because so much of SEI is built on his founding principles. Five months after the initial visit to SEI, Professor Manning and I along with our videographer made a trek back to Grand Rapids to interview Founder Mike McCullough. The interview was videotaped, transcribed, and coded as well.

**Other data sources**

Other data source—such as corporate websites, weblogs, third-party publications, industry awards, and corporate advertising materials—were used to triangulate the information.

**SEI—Other data sources**

- Corporate website—[http://www.seiservice.com/](http://www.seiservice.com/)
- President blogs—[http://ronalvesteffer.com/](http://ronalvesteffer.com/)
- Supplemental financial information (refer to Appendix B)
- Corporate promotional materials
Tasty—Other data sources
- Corporate website—http://www.tastycatering.com/
- News article (*Crain’s Chicago Business*) featuring Tasty
  

**Data Analysis**

This section details my data analysis strategies. Thematic analysis was utilized to identify, analyze, and report data patterns with the view of describing informants’ experiences and to interpret various aspects of the research topic (Boyatzis, 1998). I took an inductive and hence a more data-driven approach to the thematic analysis. I coded the data without trying to fit it into a pre-defined coding framework. The analysis was cyclical—a recursive process in which I moved back and forth as needed throughout the different phases (Braun & Clarke, 2006). The summary of the analytical procedure is captured in Figure 4.

![Figure 4—Summary of the Analytical Procedure](image)
Review and study transcripts
Prior to the site visits, I had conducted research on the two companies via available information from the web. I contextualized the interview transcripts by going back and rereading my pre-interview research notes I had taken. I read the transcripts in its entirety several times and made notes and short memos along the margin resisting the temptations to draw conclusions. However, I did note down some key thoughts and ideas when they arose. During this initial stage of the analysis I kept an “open mind but not an empty head” (Gioia et al., 2012) approach to my data. It was a sense-making phase for me.

Coding of transcripts
Guided by my research question, I coded all the interview transcripts into “the most basic segment, or element, of the raw data or information that can be assessed in a meaningful way regarding the phenomenon” (Boyatzis, 1998, p. 63). In vivo codes with the exact words used by informants were identified at this stage of analysis. I put these codes in a Word document first by inserting comments/codes along the margin and then inputting the codes into Dedoose (www.dedoose.com), a qualitative analysis software program. The initial coding process generated 374 codes for SEI and 446 codes for Tasty. Refer to Table 11 and Table 12 for examples of in vivo codes.

<table>
<thead>
<tr>
<th>Table 11—Examples of In Vivo Codes for SEI</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In Vivo Codes (SEI)</strong></td>
</tr>
<tr>
<td>“Treating people respectfully and caring for them”</td>
</tr>
<tr>
<td>“Honest and not stealing”</td>
</tr>
<tr>
<td><strong>In Vivo Codes (SEI)</strong></td>
</tr>
<tr>
<td>-------------------------</td>
</tr>
<tr>
<td>“The biblical values had huge impact at SEI”</td>
</tr>
<tr>
<td>“Continue to cast vision—ensure The SEI Way stays in place”</td>
</tr>
<tr>
<td>“4 core objectives guides decision making . . . sales, hiring . . .”</td>
</tr>
<tr>
<td>“Make decisions and empower our employees through 4 core objectives”</td>
</tr>
<tr>
<td>“Through the 4 objectives, employees treat their jobs as if they were entrepreneurs”</td>
</tr>
<tr>
<td>“Help people get in touch with what their goals are”</td>
</tr>
<tr>
<td>“Help employees achieve their personal, professional, and financial goal”</td>
</tr>
<tr>
<td>“Help employee meet their personal, professional, and financial goals”</td>
</tr>
<tr>
<td>“Share your vision with us, then we work for you”</td>
</tr>
</tbody>
</table>
Table 12—Examples of In Vivo Codes for Tasty

<table>
<thead>
<tr>
<th>In Vivo Codes (Tasty)</th>
<th>Quoted by Tasty</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Our younger bucks said . . . we don’t like that vibe”</td>
<td>Director Key Accounts</td>
</tr>
<tr>
<td>“In order for your company to grow there has to be a change”</td>
<td>Director Key Accounts</td>
</tr>
<tr>
<td>“Wanted an employee generated and employee maintained culture”</td>
<td>CEO</td>
</tr>
<tr>
<td>“Values generated by employee teams—no owners”</td>
<td>CEO</td>
</tr>
<tr>
<td>“Every day we read those core values because they are our culture”</td>
<td>Director of Operations</td>
</tr>
<tr>
<td>“You got to figure out at the core what you value and how you can connect to them”</td>
<td>CEO Nuphoriq</td>
</tr>
<tr>
<td>“What drives my decision is the core values”</td>
<td>COO</td>
</tr>
<tr>
<td>“Value becomes your way of life”</td>
<td>Account Executive</td>
</tr>
</tbody>
</table>

To make sense of the overwhelming number of codes, I looked for similarities and differences among many categories and sought to reduce the number of categories to more manageable numbers.

**Identifying themes**
I read and reread the codes and began the process of systematically aggregating them into potential themes and sub-themes.

**From codes to sub-themes**
I aggregated the codes into sub-themes. For example, an aggregate of four selected (sample) quotes constitute a sub-theme called *founder’s vision of service*. The
examples of aggregating codes into sub-themes process are illustrated in Table 13 for SEI.

**Table 13—From Codes to Sub-Themes (SEI)**

<table>
<thead>
<tr>
<th>Sample Codes - SEI</th>
<th>Supporting Sub-Themes (SEI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Treating people respectfully and caring for them”</td>
<td>Founder’s vision of service</td>
</tr>
<tr>
<td>“Honest and not stealing”</td>
<td></td>
</tr>
<tr>
<td>“The biblical values had huge impact at SEI”</td>
<td></td>
</tr>
<tr>
<td>“Continue to cast vision—ensure The SEI Way stays in place”</td>
<td></td>
</tr>
<tr>
<td>“4 core objectives guides decision making . . . sales, hiring . . .”</td>
<td>Sr. leadership provided organizational focus</td>
</tr>
<tr>
<td>“Make decisions and empower our employees through 4 core objectives”</td>
<td></td>
</tr>
<tr>
<td>“Through the 4 objectives, employees treat their jobs as if they were entrepreneurs”</td>
<td></td>
</tr>
<tr>
<td>“Help people get in touch with what their goals are”</td>
<td>Helping employees achieve their goals</td>
</tr>
<tr>
<td>“Help employees achieve their personal, professional, and financial goal”</td>
<td></td>
</tr>
<tr>
<td>“Help employee meet their personal, professional, and financial goals”</td>
<td></td>
</tr>
<tr>
<td>“Share your vision with us, then we work for you”</td>
<td></td>
</tr>
</tbody>
</table>

**From sub-themes to basic themes**

At this stage, I continued the aggregation process and aggregated sub-themes into basic themes. Continuing with the illustration above, I aggregated the three sub-themes—founder’s vision of service, senior leadership provided organizational focus, and helping employees achieve their goals into a basic theme called *virtuous intent—founder/senior leader’s philosophy* (refer to Table 14).
Table 14—From Sub-Themes to Basic Themes (SEI)

<table>
<thead>
<tr>
<th>Supporting sub-themes (SEI)</th>
<th>Basic Themes (SEI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Founder’s vision of service</td>
<td>Virtuous intent—founder’s/senior leaders’ philosophy</td>
</tr>
<tr>
<td>• Sr. leadership provided organizational focus</td>
<td></td>
</tr>
<tr>
<td>• Helping employees achieve their goals</td>
<td></td>
</tr>
</tbody>
</table>

I identified about nine basic themes for each company. In determining what a theme is, I did not count the frequency of the codes but relied on whether the prospective themes “captured something important about the data in relation to the research question, and represent some level of patterned response or meaning within the data set” (Braun & Clarke, 2006, p. 10). Also, according to Creswell (2013) conducting a numerical count on the frequency of codes gives the study a quantitative orientation contrary to qualitative research. Refer to Table 15 for a summary of basic themes for SEI and Tasty.

Table 15—Basic Themes for SEI and Tasty

<table>
<thead>
<tr>
<th>SEI Basic Themes</th>
<th>Tasty Basic Themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Inspiring organization narratives</td>
<td>2. Inspiring organization narratives</td>
</tr>
<tr>
<td>3. Hiring for culture fit</td>
<td>3. Hiring for culture fit</td>
</tr>
<tr>
<td>4. Culture of engaging employees</td>
<td>4. Culture of respect, forgiveness, and trust</td>
</tr>
<tr>
<td>5. Culture of developing employees</td>
<td>5. Culture of empowerment</td>
</tr>
<tr>
<td>6. Culture of serving employees and customers</td>
<td>6. Culture of development</td>
</tr>
<tr>
<td>7. Servant/Enabler identity</td>
<td>7. Servant/Enabler identity</td>
</tr>
</tbody>
</table>
Table 16 delineates the themes and provides examples from the data (quotes from our interviews) to demonstrate these themes are grounded in the data.

**Table 16—Basic Themes with Sample Informant Quotes**

<table>
<thead>
<tr>
<th>SEI Themes (with sample informant quotes)</th>
<th>Tasty Themes (with sample informant quotes)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1a. Virtuous intent</strong></td>
<td><strong>1b. Virtuous intent</strong></td>
</tr>
<tr>
<td>i. The basics of loving your neighbor and</td>
<td>i. We want to define the way we work . . .</td>
</tr>
<tr>
<td>loving one another, treating people</td>
<td>tired of command &amp; control . . . we</td>
</tr>
<tr>
<td>respectfully, caring for them and being</td>
<td>want a value based culture.[CFO]</td>
</tr>
<tr>
<td>honest . . . had a huge impact . . . on</td>
<td>ii. You got to go as deep as possible</td>
</tr>
<tr>
<td>how we function and how we act. [Founder]</td>
<td>and figure out at the core what do each</td>
</tr>
<tr>
<td>ii. I just did it (serve) from my heart.</td>
<td>of you value &amp; how you connect to them.</td>
</tr>
<tr>
<td>[Founder]</td>
<td>[CEO, Spin-off Entity of Company B]</td>
</tr>
<tr>
<td>iii. If you share your goals with us,</td>
<td></td>
</tr>
<tr>
<td>then we work for you. [President]</td>
<td></td>
</tr>
<tr>
<td><strong>2a. Inspiring organizational narratives</strong></td>
<td><strong>2b. Inspiring organization narratives</strong></td>
</tr>
<tr>
<td>i. Imbibed Ziglar’s approach to service:</td>
<td>i. The employees that work for us are</td>
</tr>
<tr>
<td>“you can get everything you want out of</td>
<td>somebody. [CEO]</td>
</tr>
<tr>
<td>life if you just help enough other people</td>
<td>ii. Through various media outlets (Inc.</td>
</tr>
<tr>
<td>get what they want” (Ziglar, 2003, p. 11).</td>
<td>Magazine), the company routinely tells</td>
</tr>
<tr>
<td>ii. We don’t just focus on fun, we focus</td>
<td>the story of how two employees</td>
</tr>
<tr>
<td>on employee engagement . . . we get great</td>
<td>confronted the CEO to change from</td>
</tr>
<tr>
<td>results. [President’s Blog]</td>
<td>command &amp; control paradigm to a value</td>
</tr>
<tr>
<td>iii. We’re committed to what we can do</td>
<td>based (7 core values) paradigm.</td>
</tr>
<tr>
<td>together in the future. [President’s</td>
<td></td>
</tr>
<tr>
<td>Blog]</td>
<td></td>
</tr>
<tr>
<td><strong>3a. Hire for culture fit</strong></td>
<td><strong>3b. Hire &amp; fire for culture fit</strong></td>
</tr>
<tr>
<td>i. Getting the right people on the bus</td>
<td>i. So we screen for skill but hire for</td>
</tr>
<tr>
<td>and in the right seat. [Manager of Field</td>
<td>attitude. [CEO]</td>
</tr>
<tr>
<td>Technical Operations &amp; Recruiting]</td>
<td>ii. We want to make sure that they’re</td>
</tr>
<tr>
<td>ii. We look for the person who is going</td>
<td>somebody that is positive, self-driven &amp;</td>
</tr>
<tr>
<td>to come in and add to our culture and</td>
<td>passionate. [Account Executive]</td>
</tr>
<tr>
<td>add to who we are, and add to the</td>
<td>iii. I said, you’re (a chef*) not treating</td>
</tr>
<tr>
<td>enthusiasm and the energy. [Corporate</td>
<td>them with respect . . . you have to be</td>
</tr>
<tr>
<td>Recruiter]</td>
<td>pushed out of the company. [CEO]</td>
</tr>
<tr>
<td>SEI Themes (with sample informant quotes)</td>
<td>Tasty Themes (with sample informant quotes)</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-------------------------------------------</td>
</tr>
<tr>
<td><strong>4a. Culture of engagement</strong></td>
<td><strong>4b. Culture of respect, forgiveness, &amp; trust</strong></td>
</tr>
<tr>
<td>i. You’ll hear us roaring in laughter or screaming &amp; yelling. We love dialogue. We love debate. It’s about the issue. [VP Sales]</td>
<td>i. The employees that work for us are somebody... and has tremendous talent. [CEO]</td>
</tr>
<tr>
<td>ii. I need people that are engaged... people on the front side of the wagon pulling in the right direction. [COO]</td>
<td>ii. There is a thing call autopsy without blame—we don’t care whose fault it is, what we’re looking for is why did it happen, what process broke down, what can you do to fix it so it never happens again. [COO]</td>
</tr>
<tr>
<td>iii. One thing I see our leadership team constantly doing is listening to their employees. [Marketing &amp; Lead Generation Specialist]</td>
<td></td>
</tr>
<tr>
<td><strong>5a. Culture of development</strong></td>
<td><strong>5b. Culture of empowerment</strong></td>
</tr>
<tr>
<td>i. I’m really big on development... the reason I came to (the Company) is because I view (the President) as a coach. [Director of Marketing]</td>
<td>i. We give them (employees/drivers) complete license to give away whatever they want to solve a problem... in order to take care of the customer they can give the whole job away. [COO]</td>
</tr>
<tr>
<td>ii. Senior leadership challenges us to make ourselves better, because if you can make yourself better your job will get better. [Corporate Recruiter]</td>
<td>ii. Making our business an open book really empowers the employees to act, feel, and behave like owners. [Chief Purchasing Officer]</td>
</tr>
<tr>
<td><strong>6a. Culture of service</strong></td>
<td><strong>6b. Culture of development</strong></td>
</tr>
<tr>
<td>i. It starts with our vision to work with our employees to achieve their personal, professional, and financial goals. [President]</td>
<td>i. At the “Company’s” University we teach employees how to start their own companies. [CEO]</td>
</tr>
<tr>
<td>ii. Our theory is take care of the people who take care of the customers. [President]</td>
<td>ii. The Great Game of Business** really opened up everybody’s mind to the idea of open book management... they could now read a P&amp;L and understood the bottom line... if it’s black... we are good. [COO]</td>
</tr>
<tr>
<td>iii. I have people every day helping on my tasks and I’m helping other departments on their task. [Customer Support Coordinator]</td>
<td></td>
</tr>
<tr>
<td><strong>7a. Servant/Enabler</strong></td>
<td><strong>7b. Empowerer</strong></td>
</tr>
<tr>
<td>i. It begins with the leadership team and having that servant leadership mentality. [President]</td>
<td>i. We have a real good spirit for spin-offs &amp; entrepreneurial activities. [CFO]</td>
</tr>
<tr>
<td>ii. Ultimately no matter what we did as a company, whether it’s fixing computers or car washes or selling flowers, it would be to work with our employees and help them accomplish their goals. [CFO]</td>
<td>ii. Never did I imagine that I would be where I am now owning other companies with them... certainly there wasn’t a glass ceiling. [CEO, Spin-off Entity of Company B]</td>
</tr>
<tr>
<td><strong>8a. Performance prudence</strong></td>
<td><strong>8b. Financial prudence</strong></td>
</tr>
<tr>
<td>i. The focus on culture first rather than on profits first is really going to lead to our continued success. [CFO]</td>
<td>i. We’re really good at growing the top line but struggle with bottom line... we refocused on profit. [COO]</td>
</tr>
<tr>
<td>ii. We’ve been able to grow our revenues and incrementally increase our profits and</td>
<td>ii. In 2008... we were going into tough economic times and once again the CFO</td>
</tr>
</tbody>
</table>
### SEI Themes (with sample informant quotes) | Tasty Themes (with sample informant quotes)
---|---
Strengthen excellent customer service. [CFO] | Predicted it . . . [CEO]

#### 9a. Sense of belonging and meaning
**i.** It’s sort of like a family. [Corporate Recruiter]
**ii.** I love the company & what I’m doing. The opportunities are endless. I believe in the mission. [Director of Marketing]

#### 9b. Sense of belonging and meaning
**i.** Its family & I love the people I work with. [CEO, New Entity]
**ii.** They’re going to have to lock the doors to keep me out of here. Every chance I get I’m coming back. [Driver]

*CEO citing an incident of firing a chef that mistreated his staff*

**Stack and Burlingham (2013)**

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**Defining and categorizing basic themes**

With the identification of the basic themes, I moved back and forth between phases, and I continued to “define and refine” the themes. When my refinements did not add anything substantial, I stopped.

For SEI, 33 sub-themes were identified, which were then consolidated into nine basic themes. The nine basic themes were then aggregated into two categories—POI construction process and resultant POI characteristics. Six basic themes underpin the POI construction process, and three basic themes underpin the resultant POI characteristics.

For Tasty, 34 sub-themes were identified, which were then consolidated into nine basic themes. The nine basic themes were then aggregated into two categories—POI construction process and resultant POI characteristics. Six basic themes underpin the POI construction process, and three basic themes underpin the resultant POI characteristics.
characteristics. The complete thematic maps for SEI and Tasty are in Table 17 and Table 18, respectively.

**Table 17—Thematic Map for SEI**

<table>
<thead>
<tr>
<th>Sub-themes</th>
<th>Basic Themes</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Founder/senior leadership cast vision</td>
<td>Virtuous intent</td>
<td></td>
</tr>
<tr>
<td>• Senior leadership provide organizational focus</td>
<td>Founder/Sr. Leader’s</td>
<td></td>
</tr>
<tr>
<td>• Helping employees achieve their goals</td>
<td>philosophy</td>
<td></td>
</tr>
<tr>
<td>• SEI Way eBook</td>
<td>Inspiring organization</td>
<td></td>
</tr>
<tr>
<td>• The President’s Blob (Website)</td>
<td>narratives</td>
<td></td>
</tr>
<tr>
<td>• SEI Training Sessions</td>
<td>Hiring for culture fit</td>
<td></td>
</tr>
<tr>
<td>• Assess for cultural fit</td>
<td>Culture of engaging</td>
<td></td>
</tr>
<tr>
<td>• Identify competencies, traits, and talents</td>
<td>employee</td>
<td></td>
</tr>
<tr>
<td>• Get to know the candidates through ride-a-longs—job shadowing</td>
<td>Culture of developing</td>
<td></td>
</tr>
<tr>
<td>• Check references to identify candidates strengths &amp; weakness</td>
<td>employees</td>
<td></td>
</tr>
<tr>
<td>• Terminate with dignity</td>
<td>Culture of serving</td>
<td></td>
</tr>
<tr>
<td>• People for Positive Culture (PPC) meets monthly to plan various employee</td>
<td>employees</td>
<td></td>
</tr>
<tr>
<td></td>
<td>engagement activities</td>
<td></td>
</tr>
<tr>
<td>• Professional collaboration by leveraging on other’s core strengths (use</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gallop’s Strength’s Finder)</td>
<td></td>
</tr>
<tr>
<td>• Purposeful &amp; deliberate communication strategy e.g., making short phone</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>calls, writing get-well cards, and high-fives in hall-ways</td>
<td></td>
</tr>
<tr>
<td>• Senior leaders coach and mentors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Personal development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Technical and leadership skills development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 5/15—key individual objectives; an employee development program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Servant attitude—the mindset of serving</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Serving employee needs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Serving customer needs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Top performers attitude</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Enable employees achieve their personal, professional &amp; financial goals</td>
<td>Servant/Enabler</td>
<td></td>
</tr>
<tr>
<td>• Four core objectives utilized to make decisions</td>
<td>Performance prudence</td>
<td></td>
</tr>
<tr>
<td>• Create opportunities for employees BHAG 100 million sales in 2020 . . .</td>
<td>Resultant POI</td>
<td></td>
</tr>
<tr>
<td>• Superior financial performance</td>
<td>Characteristics</td>
<td></td>
</tr>
<tr>
<td>• Industry recognitions and awards</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• SRP performance measurement system; guide &amp; track progress</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Engendered work/life balance, . . . “made me the father I want to be”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• SEI has been life changing, achieve far more than can imagine</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• SEI is like family—sometimes we fight but we tuck each other in at night</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Fun drives great business results</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Table 18—Thematic Map for Tasty**

<table>
<thead>
<tr>
<th>Sub Themes (TASTY)</th>
<th>Basic Themes</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Core values purposefully generated by employees &amp; senior leaders</td>
<td>Venturous Intent Founders/Leader’s Philosophy</td>
<td>POI construction process</td>
</tr>
<tr>
<td>• 7 core values drive Tasty Catering culture</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Value is a way of life</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Tim’s Story—Confronting the CEO</td>
<td>Inspiring organization narratives</td>
<td></td>
</tr>
<tr>
<td>• Entrepreneurial stories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Establishing TC University and Good to Great Council</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Inspire &amp; disseminate organizational learning the role of Chief Culture Officer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Screen for skill, hire for attitude</td>
<td>Organic recruiting for culture fit</td>
<td></td>
</tr>
<tr>
<td>• Assess for attitude—the enjoyment factor “how many days in a week do you wake up happy”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Recruit organically via internal referral</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Fire for cultural fit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Fundamental respect; everyone is a somebody; employees are somebody</td>
<td>Culture of respect, forgiveness and trust</td>
<td></td>
</tr>
<tr>
<td>• Forgiveness and redemption</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Autopsy without blame—focus on not repeating the same mistake</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Customer partnership—earning trust</td>
<td>Culture of empowerment</td>
<td></td>
</tr>
<tr>
<td>• Trust in employees . . . to make decision</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Empowering employee decision making</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Transparency and open book management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Removing of disruptors will increase effectiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Guidance from the Good to Great Council—to study &amp; adopt best practices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Use simulation (The Great Game of Business) to facilitate organizational learning</td>
<td>Culture of development</td>
<td></td>
</tr>
<tr>
<td>• Establish TC University to facilitate organizational learning—language/accounting and numbers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Understood the value of advisors/mentors (subject matter expert)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Leveraging existing talents—e.g., existing marketing knowhow . . . Nuphoriq</td>
<td>Enabler/Empowerer</td>
<td>Resultant POI Characteristics</td>
</tr>
<tr>
<td>• Breaking the glass ceiling—empowering entrepreneurial ideas</td>
<td></td>
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<tr>
<td>• Alternate revenue stream</td>
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<tr>
<td>• Evidence of Spinoffs—joint book publication; TF Food Processors; Nuphoriq</td>
<td></td>
<td></td>
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<tr>
<td>• Institute financial discipline to enhance performance</td>
<td>Financial prudence)</td>
<td></td>
</tr>
<tr>
<td>• Manage through 2008 crisis (forecast &amp; planning)</td>
<td></td>
<td></td>
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<tr>
<td>• Balance employee needs with organizational performance</td>
<td></td>
<td></td>
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<tr>
<td>• Tasty Catering is family</td>
<td>Sense of belongingness and meaning</td>
<td></td>
</tr>
<tr>
<td>• Happiness and enjoyment at work</td>
<td></td>
<td></td>
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<tr>
<td>• Flourishing. . . I will be back until you lock and tell me to stay away</td>
<td></td>
<td></td>
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<tr>
<td>• Engender flourishing—take employee to the next fulfillment point</td>
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The basic themes along with the two major categories—**POI construction process** and **resultant POI contents** tell the story of how each company construct its organization identity, the detail of the findings will be presented in Chapter 4.
Chapter 4: Results

This chapter presents the findings of my research in three sections. The first section provides a summary of the basic themes uncovered by this study. The second section details the findings on how Service Express Inc. and Tasty Catering Inc. use virtuous positive practices to construct a positive organization identity. The findings (themes) for both companies are clustered under two categories: 1) positive organization identity (POI) construction process and 2) the resultant positive organization identity (POI) characteristics. Finally, the third section offers a conceptual framework that emerged from analysis of the data.

Basic Themes

The study yielded nine basic themes with supporting findings for both SEI and Tasty, respectively. The nine basic themes are presented in a format that responds directly to both the primary and secondary research questions.

SEI basic themes

Six basic themes emerged from SEI’s data that responds to the primary research question—how organizations use virtuous positive practices to construct a positive organization identity. The emergent themes are 1) virtuous intent—founder’s philosophy, 2) inspiring organization narratives, 3) hiring for culture fit, 4) culture of engagement, 5) culture of development, and 6) culture of service. These six basic themes and supporting findings (refer to Figure 5) provide insights into SEI’s POI construction process.
Three basic themes emerged from SEI’s data that respond to the secondary research question—*what identity characteristics form and why?* The emergent themes are 1) servant/enabler identity, 2) performance prudence identity, and 3) belongingness and
meaningful identity. These three basic themes and supporting findings (refer to Figure 6) provide insights into SEI’s identity characteristics that form as result of its virtuous positive practices.

<table>
<thead>
<tr>
<th>Research Question</th>
<th>Basic Themes</th>
<th>Sub-themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>What identity characteristics form and why?</td>
<td>Servant / Enabler</td>
<td>- Enable employees achieve their goals: personal professional, &amp; financial - Create opportunities for employees - 100 M in 2020</td>
</tr>
<tr>
<td></td>
<td>Performance prudence</td>
<td>- Superior financial performance - Industry recognition &amp; awards</td>
</tr>
<tr>
<td></td>
<td>Belongingness &amp; meaning</td>
<td>- Work-life balance - Family atmosphere - Fun at work</td>
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Figure 6—SEI Basic Themes (addressing secondary research question)

**Tasty basic themes**
Six basic themes emerged from Tasty’s data that responds to the primary research question—*how organizations use virtuous positive practices to construct a positive organization identity*. The emergent themes are 1) virtuous intent—founder’s philosophy; 2) inspiring organization narratives; 3) organic recruiting—hiring and firing for fit; 4) culture of respect, forgiveness, and trust; 5) culture of empowerment;
and 6) culture of development. These six basic themes and supporting findings (refer to Figure 7) provide insights into Tasty’s POI construction process.

**Figure 7—Tasty Basic Themes (addressing primary research question)**
Three basic themes emerged from Tasty’s data that respond to the secondary research question—*what are the identity characteristics that form and why?* The emergent themes are 1) servant/enabler identity, 2) financial prudence identity, and 3) belonging and meaningful identity. These three basic themes and supporting findings (refer to Figure 8) provide insights into Tasty’s identity characteristics that form as result of its virtuous positive practices.

![Figure 8—Tasty Basic Themes (addressing secondary research question)](image)

The next two sections will elaborate and address the *POI construction process* and *the resultant POI characteristics* for both SEI and Tasty. Given the similarity of the emergent themes and the equal numbers of themes generated for both SEI and Tasty, related themes are labeled with prefix “a” or “b” for presentation purposes. For
instance, Theme 1a discusses virtuous intent for SEI, and Theme 1b discusses virtuous intent for Tasty. Within each basic theme, the supporting findings or sub-themes will be presented as well.

**SEI POI Construction Process**

SEI data yielded six themes (Themes 1a to Themes 6a) to help explain how SEI has constructed its positive identity. The data (refer to Figure 9) suggest that SEI begins the process by virtuous intent (Theme 1a) in that it provides direction and vision imbued with values.

![Figure 9—SEI POI Construction Process and Resultant POI Characteristics](image_url)
They then create and share a set of inspiring narratives (Theme 2a) to clarify and reinforce their stated values and intent. Themes 3a to 6a capture a set of four positive practices that SEI uses to form a positive identity. SEI ostensibly believes that using an effective employee recruitment strategy, engaging and developing employees, and then helping employees achieve their goals will engender a culture conducive to organizational success.

**Theme 1a: Virtuous intent—Founder’s philosophy at SEI**
The foundations for virtuous and positive practices at SEI are rooted in the organization’s explicit intent of inculcating and engendering a virtuous organizational culture. The founder and senior leaders purposefully through their own conduct and behavior have laid the cornerstone for virtuous and positive practices. The founder allowed his virtuous intent to manifest primarily as service to others—both employees and customers. The organization’s virtuous intent is captured by the following three sub-themes: 1) founder’s vision of service, 2) senior leadership continuing to cast and refine founder’s vision, and 3) senior leadership that has its primary objective to help employees achieve their goals.

**Founder and senior leaders cast vision of service**
From SEI’s inception, the founder laid the cornerstone for positive practice by casting a strong vision of serving others. His vision of service is deeply rooted in his personal values. He cherished the basic ennobling human qualities such as caring and treating people with respect, honesty, and trust. And these basic values are interwoven into SEI organizational fabric, which forms the basis of how SEI treats its employees and
customers. SEI’s stated vision of “helping people achieve their personal, professional, and financial goals” captures the founder’s spirit of service. The founder explained it this way:

The basics of loving your neighbor and loving one another, and treating people respectfully and caring for them and being honest and not stealing and all those things, I mean all the biblical values that were shared with me, those were important and I think they’ve had a huge impact at Service Express and how we function and how we act. And it may not be labeled that way but I guarantee you that is woven within the structure of our organization to carry out those core values and treat people and customers and employees in such a manner that we’re expected to. (SEI Founder-Owner)

The founder lived his values. He inspired and engaged those around him to take actions and buy into his vision—both informally and formally. He would spend an extraordinary amount of time articulating the vision to his employees through informal face-to-face conversations and would provide them with the big-picture view. Eventually, the informal conversations evolved into what is currently known as the four core objectives. The following are excerpts extracted from the interviews with various informants:

I run into all the other small business owners and they always think I have the magic answer for them and so we get in those discussions and I can never really convince people to spend that amount of time with each of their employees. They don’t get that they have to spend an extraordinary amount of time explaining to their employees what they’re trying to accomplish and sharing a bigger picture and engaging them, and it took a lot of time and a lot of conversations and a lot of face time, and I think now as the company has evolved, again I didn’t have any formal training or skills, I just did it from the heart and I think what’s happened now, the management team we have on board now have created way better processes and systems and taken what just came out of my heart what I was doing verbally, I think they’ve
been able to refine that and make it a much more repeatable process and much more consistent so that it can be shared on a much broader scale in a much shorter period of time to try to ramp up that engagement process. (SEI Founder-Owner)

These are things that Mike [founder/owner] always talked about. And it’s interesting because he did pull us in and have this conversation, and we are writing notes thinking oh this is just gold. . . . Enduring companies have core objectives. They have this core of what are you about. What do you do? What do you stick to? And what’s your flywheel? . . . Mike had a white board in this office and he wrote on it—revenue growth, margin retention, take care of customers, take care of your employees. He wrote that on a white board that was leaning up against his wall in his office and you’d go in and talk to him, should we do this or should we do that . . . what about this . . . or I got this problem and he’d point to that . . . well, how does it impact this . . . what about that . . . is it going take care of our employees . . . what about the customers . . . what do the margins look like . . . He was pointing to that white board and those were our four core objectives. (SEI Chief Operating Officer)

So I got to know Mike and he just cast this incredible vision and everything we’re talking about—these systems and processes and what we do—the E Book and so on, that spawn from Mike living it and doing it. (SEI Chief Operating Officer)

Senior leadership provide organizational focus

After the founder’s retirement from active business, the senior leadership team at SEI continued to cast and refine the organizational vision. They continued providing the organization with focus and diligence to maintain its culture through the organization’s four core objectives. Those employees who were closest to the founder and worked with him watched and studied his behavior closely and, over time, imbibed and articulated his service orientation. As Zig Ziglar’s noted, “You can get everything you want out of life if you just help enough other people get what they want” (Ziglar, 2003, p. 11).
And so my main focus is set the vision, cast the goals, work with our leaders—the leadership development and training I am directly involved so I would be in that and to what it means to be a Service Express leader. I’m directly involved in recruiting—hiring and recruiting from a leadership basis. From our social media and marketing standpoint I’m directly involved in working with my Director of Marketing to get our message out. (SEI President)

What we did basically is we took Mike’s behavior. That’s how Mike behaved. We put words on Mike’s behavior. Mike was always asking us what you want to do. What do you want at Service Express? How much do you want to make? Where do you see the company going? What part of it do you want to be? So we put words on his behavior. A little help from Zig Ziglar, a great motivational speaker who my favorite quote is, “you can get everything you want out of life if you just help enough other people get what they want.” We took what Zig said and it really resonated us; we took Mike’s behavior and how he interacted with us, and we said this is the difference maker. This is who we are and we’re going to be purposeful about growing the company this way, and that’s how we created the Service Express vision and went formally from there. (SEI President)

Senior leadership continues to provide mentorship to new recruits, to challenge them to continuous improvements, and to spread the culture and develop leaders.

And so when I think about our leadership team it’s continuous, ongoing motivation, momentum, energy, encouragement, and high fives in the hallway. Even those small things make you know and believe that this isn’t just what they want to do; this is what they’re willing to do. . . . I see our leadership team constantly listening to their employees. . . . You’re not worried about what you said. You’re trusted to share your real thoughts and opinions and they may give you push back sometimes but I believe what makes them great in giving back to all employees is that they do challenge us. They do challenge us because they want to make sure that we’re really thinking our thoughts and ideas all the way through too. So we have some really good conversations where the challenge comes in, and I love a good challenge because that makes us better. (SEI Marketing and Lead Generation Specialist)
Helping employees achieve their goals

SEI’s vision is to help employees achieve their personal, professional, and financial goals. Senior leadership takes employees’ personal, professional, and financial aspirations to heart and attempts to create situations and opportunities for the employees to realize and fulfill their aspirations. That said, SEI also takes a balanced view that business needs to be profitable—it needs to make money and take care of its customers.

Our executive leadership team listens and really discerns on what we need and balances our needs against the four core objectives which is excellent customer service, margin retention, revenue growth, and engaged employees. So they’re balancing all of those needs of what’s coming into the business with those four objectives, and if those needs meet up with those objectives they’ll create that position. So looking at SEI in five years, I see a bunch of positions that I could make my own. In ten years I see a lot more positions that could be my own. (SEI Customer Support Coordinator)

A business is about making money and about taking care of customers, but with what they’ve been able to learn through doing those things . . . how it has impacted their families . . . that’s been the exciting part for me. . . . The one thing that’s always fun to see is to see other people achieve goals they never thought they would achieve. That’s the real, real gratification or the real enjoyment in the whole thing. (SEI Founder-Owner)

To summarize Theme 1a, SEI’s virtuous intent can be traced back to its founder who subscribed to the philosophy of serving others—a servant leader. He managed to translate this philosophy into a vision that was later crystallized and made manifest by the company’s four core objectives. The current leadership team continues the employee-centric legacy of service.
Theme 2a: Inspiring organization narratives at SEI

SEI uses numerous approaches to get their narratives (or stories they live by) out to various stakeholders: current and future employees, current and future customers, suppliers, and the public at large. SEI tells a coherent story of how they conduct business, and they do tell this story with the view of recruiting prospective employees and broadening their customer base. They use three prominent approaches to broadcast their narratives: 1) the SEI way eBook, 2) the President’s Blog, and 3) corporate training sessions.

“the SEI way” eBook

The eBook in essence captures and summarizes the business philosophies and the self-professed values and practices of SEI. The following excerpts are from the book’s introduction by the SEI president (Alvesteffer, R, 2013).

We are a proud winner of the “101 Best and Brightest Companies to Work For” in West Michigan, Chicago, and Metropolitan Detroit each year since 2005. Also in 2007 and 2008, Inc. magazine named us to their “Inc. 5,000 List of America’s Fastest-Growing Privately Held Companies.” . . . Over the past ten years, we have averaged over 20% revenue growth per year while maintaining a 98% customer retention rate. During the last five years, employee turnover has fallen to 10%. We are writing this book to share what we have learned and the philosophies we’ve developed over the years. We’re not saying that ours is the only way to do business—just that it is our way and it has worked for us. We hope you will find something useful in this book. . . . Everyone who has ever worked at SEI contributed to the ideas we’ve incorporated in this book. We’ve distilled our experiences, mostly good—occasionally challenging, into the practices we share here. I have been with SEI since 1997 and have been intimately involved in developing SEI’s business philosophies. I was hired as the first Sales Manager in 1997 and in 2002 was named President of the company. I’ve watched us grow into a more effective and prosperous business as we have applied the concepts you’ll read about here.
The eBook tells a compelling story of how SEI values underpin their vision, which has helped employees achieve their stated goals. With the significant growth rate (18 percent per year), recruiting quality candidates that fit SEI culture could be challenging. The eBook represents a set of narratives that attracts prospective employees. In fact, the present SEI Manager of Field Technical Operations and Recruiting initiated his job application process to SEI after reading (and being impressed by) the eBook.

And I looked at that and I said, this company beat us on this contract. They do what we do. I wonder what they’re about because there is no jobs in Michigan, but maybe there is something over there. I went on the Service Express website and started looking at it. I found the book that a pdf book—an E-Book on the website and started reading through that. I was just enthralled—this can’t be real. So it talked about the four core objectives and the vision of the company to help our employees reach their personal, professional and financial goals, and what company has a vision like that? (SEI Manager of Field Technical Operations and Recruiting)

The eBook narratives are concise but offer examples and employee anecdotes. It is set up into five chapters. The first chapter explains SEI’s vision and core objectives, the second chapter discusses customer service, the third chapter talks about the sales process, the forth chapter discusses the recruiting process, and the fifth chapter highlights the performance evaluation system (SR5). Finally, according to the president the narrative from the eBook serve as an effective recruiting tool.

Sharing our story through our SEI Way-E Book, through Blog posts, through Facebook pages and what have you, that’s like a big net out there that we cast to attract the top talent. And that’s one of the reasons we do that. We’re looking for like-minded people who say that’s what I believe. That’s how I think a company should run and I’ve been
looking for a company like that and I’m going call them, or when they call me and introduce me to that information that gets me engaged. I’m going start chasing them. I hear that a lot. (SEI President)

President’s blog (website)
The president of SEI maintains a blog website under his name (http://ronalvesteffer.com/). The topical focus of the blog is to address leadership development and culture building. The blog engages in a healthy dialogue that targets both an internal (employees) and an external (customers, suppliers, and general public) audience. The blog reinforces the narratives from the eBook. For example, in the September 11, 2013 issue, the president’s narratives focused on how SEI created a culture that can have fun and deliver great results—fun and great results are not mutually exclusive. Here is a brief synopsis of the blog. Refer to Appendix C for the complete rendition.

**We focus on employee engagement**
At SEI, we don’t just focus on fun, we focus on employee engagement. Employee engagement certainly includes fun activities, but it also includes activities that help employees to be fully involved at work and have a great impact on others.

**We focus on performance measurement**
People want to work for more than just a paycheck, they want to know that what they do matters. At SEI, we help employees prioritize their work and measure their progress so that they see the progressive impact that they’re having. We do this through our SR5 performance measurement, which utilizes Scorecards, ROIs, and 5/15s.

**We focus on professional development**
At SEI, we believe that our people are our greatest competitive advantage and so we invest heavily in their development. Great results begin when employees are at the top of their game professionally. . . . It’s a commitment that says SEI is not just interested in what they can do for us today, but that we’re committed to what we can do together
in the future. . . . At Service Express we have a lot of fun and we get great results, and these are four areas that we focus on to ensure that we’re doing both.

SEI Way Training sessions
SEI also conducts official training sessions known as the SEI Way Training for new employees, which is always led by the Executive Leadership Team. After six months with the company, new hires from across the country attend the SEI Way Training session held in corporate head office in Grand Rapids, Michigan. During the training, SEI puts emphasis on the genesis or the history of SEI followed by the narratives about SEI culture and employee engagement. The senior team members take turns in presenting “Our Story” to the new employees. The employees are indoctrinated about SEI’s vision, core objectives, and the enduring culture of service. The employees become “culture carriers” and keep the culture alive at their respective regional offices. The president is actively involved in inculcating the SEI values throughout the organization and personally conducts leadership development and training.

My main focus is set the vision, cast the goals, work with our leaders—the leadership development and training I’m directly involved so I would be in that and to what it means to be a Service Express leader. (SEI President)

To summarize Theme 2a, SEI leadership reinforces the vision statement and core objectives through powerful coherent narratives disseminated through multiple channels: the SEI way eBook; president’s blog; and SEI Way Training sessions.
Theme 3a: Comprehensive recruiting for culture fit at SEI

To actualize their vision, SEI pays particular attention to the recruiting process and invests considerable amount of time, energy, and resources in recruiting candidates with requisite job-related competencies and temperaments that align well with SEI culture. In seeking the right balance between job-related-competencies and cultural fit, they have fine-tuned their elaborate recruitment process into six stages.

- **Stage 1—Phone interview:** Introductory telephone conversation between candidate and SEI recruiter. SEI discusses corporate background, vision, and culture with candidate, followed by a general review of the candidate’s work history. The key at this stage is to determine whether or not to move on to stage 2.

- **Stage 2—Chronological interview:** At this stage, SEI drills into the candidate’s work history and accomplishments in chronological order with the view of determining if the candidate shares SEI philosophies by assessing the requisite traits and talents needed to succeed at SEI.

- **Stage 3—Ride-along with an employee:** The candidate “road tests” his or her position of interest, directly experiencing the prospective role and getting a chance to interact with peers. Likewise, SEI gets the opportunity to further assess the candidate in unguarded moments to determine fit.

- **Stage 4—Final interview:** Candidate meets with key hiring managers and shares his or her perspectives on the expectations. Candidate has the opportunity to ask any remaining questions.
• **Stage 5—Reference checks:** SEI will make at least three reference checks to identify strengths and weaknesses from the perspectives of the candidate’s previous direct reports. The idea here is how best to leverage the candidate’s core strengths.

• **Stage 6—Offer:** SEI extends offer of employment to the candidate.

I present the five emergent sub-themes, which explain and shed insight into SEI’s comprehensive hiring process. The recruiting strategies explicitly 1) assess for culture fit, 2) identify traits and talents, 3) get to know the candidates better through ride along, 4) conduct reference checks to identify candidate’s strengths and weaknesses, and 5) terminate with dignity.

**Assess for cultural fit**
For SEI, the purpose of assessing candidates for culture fit is to get the right people on the bus and in the right seat (Collins & Porras, 1994). The recruiting criteria place more value on cultural fit than on job-specific skills. For SEI, the right people by definition would flourish in the organization’s culture.

The recruiting process at SEI is one of the keys. . . . It’s all the owner of SEI would talk about . . .he was an avid reader of business books. So, Jim Collins, a fantastic business mind and author and Jim would talk about getting the right people on the bus, getting the wrong people off the bus, and get the people in the right seat . . . the key people in the right seats. That’s our approach. It’s all about getting the right people on the bus. It’s not so much about the skill or the actual skill someone has, but the true talent they have and whether or not they fit within the culture. (SEI Manager of Field Technical Operations and Recruiting)
SEI assesses for cultural fit by asking the candidate a number of questions related to the specific role that the candidate has applied for and also questions related to his or her preference for team dynamics. SEI team members, directly involved in the hiring process, keenly observe the candidate’s team-interaction dynamics to flush out evidence of potential cultural fit or the lack thereof.

We ask questions that are related often to that role. . . . do you prefer to work in a team environment or do you prefer to work alone? Questions such as it’s the end of the day, one of your co-workers is swamped with work what are you going to do? Right. We ask questions like: how do you think in this regard? How do you interact with the team? We talk about what’s the most important thing to them in a work environment? And that typically is going to tell us the most. What do you expect out of the work environment? A lot of it is based on the team and interaction. (SEI Manager of Field Technical Operations and Recruiting)

As part of the assessment strategy, SEI leaders are highly protective of the culture they have engendered, and they seek out people who will add enthusiasm and energy to the existing culture and keep out potential detractors.

We look for the person who is going to come in and add to our culture and add to who we are, and add to the enthusiasm and the energy. We don’t want people who are going to come in and take away. We don’t want detractors. We want people who are going to add to who we are in our culture. (SEI Corporate Recruiter)

**Identify competencies, traits, and talents**

After the cultural fit assessment, SEI recruiters use behavioral type questions to assess the candidate’s competencies, teasing out the necessary traits and talents required to succeed at SEI, as evidenced by the excerpt below.

We know they’re a cultural fit. We see that they’re high talent. Now, the next step is to say do they have the competencies we need for that
role. So we use behavioral based questions. We don’t use—what would you do if . . . we use tell me about a time when you did this. And we need that type of answer. We have our competencies—our key competencies identified for all of our positions so we say basically this competency, we’ll ask a competency question. Typically during a competency interview they may be broken into several interviews with teams of people. It kind of depends upon the position and the location of the hiring person and the hiring manager and that kind of thing. But we evaluate every kind of competency. And again, it’s not necessary that someone has mastered every single competency. (SEI Manager of Field Technical Operations and Recruiting)

That said, SEI seems to put more emphasis on cultural fit than on competencies fit, as evidenced by this excerpt.

When I joined this team, the thing I thought was maybe a weakness and me not being able to get this position is that I had no background in server and storage data or maintenance. And so I’m like, I can work around a computer pretty well but after that, that’s about all I know when it comes to computers. And they said don’t worry about that. We’ll teach you that part. You can learn that part. So it’s so special to me that they care about bringing people in from diverse backgrounds so say this is what’s ultimately going to make us stronger because we can teach people the industry we’re in. We can teach people how to speak the language of our industry. (SEI Marketing and Lead Generation Specialist)

Get to know the candidates through ride along
A unique feature in the hiring process at SEI is the notion of a “ride-along” with an employee. It is a day spent “job shadowing” an SEI employee in a relevant position with the view of giving the candidate the knowledge and exposure of what the position he or she is to take up in the company entails. It also provides another opportunity to assess the candidate for a fit.

Our next step is what we call our ride along . . . The bulk of our positions here are sales account execs and field engineers. So they’re on the road . . . hence the term, ride along. So we do what’s called the ride along. Typically about four hours, and they’ll ride with one of our
employees. . . spend four hours with an employee. During that time we encourage the candidate to ask questions and have a conversation. Get to know that person who quite frankly they’ll be working with in the future. Obviously we want people that are a good fit for us but we want to be a good fit for them. It’s a huge commitment. . . We want them to know this is the right place for them. So we want them to see it with . . . the curtains open. We want to show them who we really are so we so we have that opportunity and we spend that time. We will ask the employee what’s the feedback on that right. Mostly, the ride along is more of a kind of getting to know you and that kind of thing. On occasion though things are uncovered even during the ride along where it’s not a fit one side or the other. That happens. You know what. That’s okay. Better to get the right person on the bus at the right time than to get somebody on just to fill the spot. (SEI Manager of Field Technical Operations and Recruiting)

From another perspective, Ride Along may be viewed as an act of authenticity, transparency, and full disclosure for both SEI and the candidate. The candidate gets a chance to have an honest conversation, “sample” the job, and discuss expectations.

Now I think the ride along is our best interview hands down. I tell candidates that too. And the reason why I feel that way is because it’s their opportunity as a candidate to come in and interview us. They get to see what the job entails, they get to see everything that they’re going to be doing, and it’s kind of like that full disclosure. We’re not going to hide that from you. We’re not one of those companies that’s going to try and not reveal everything until that first day you come in and you sign on the dotted line . . . the handbook . . . how you always rip out that back page. We want our candidates when they start their first day to say I know exactly what I’m walking into and I tell you what, I’m excited to be walking into it because it’s a great place to be. (SEI Corporate Recruiter)

Check References to Identify Candidates Strengths and Weaknesses
As the candidate moves past the Ride Along stage, SEI then seeks third-party verification of the candidate’s character and work ethics. Typically, SEI contacts at least three of the candidate’s direct work supervisors to assess factors that drills into
the candidate’s strengths and weaknesses. The idea here is to systematically identify
the candidate’s core strengths with minimal spin, so that SEI can genuinely work with
the candidate to help him or her overcome weaknesses and to build on his or her
strengths.

We used what is called the threat of reference check. . . . During
interview we’re asking . . . when I contact your former supervisor, not
if . . . when I contact your former supervisor, how would . . . what
would they say your strengths were? What would they say that your
weaknesses are? The threat of reference check . . . creates an honesty
factor that goes through the roof. And you’re going to hear what some
of their weaknesses are. Not necessarily to count someone out. But
when they join the team we know how to help them. We know how to
get them on that right seat because quite honestly different people have
different strengths and weaknesses. To get them on the right seat it’s
good to know that early in the process.

When I’m pretty certain the person’s a cultural fit. They’re high talent.
They have the competencies I want. How can I make sure that
employee’s successful here at SEI? What better way than to talk to
former supervisors. Our references, we require three former
supervisors. We don’t look for three professional references. We look
for three former supervisors. We’ll then dig into very specific
questions in regards to things that we noticed during the interview. So
it is things like, so during the interview process I noticed this about
Joe. And could you tell me what your experience was with this with
Joe? And now okay, it’s a reference. So it means the employee knows
this person right. This person probably thinks very highly of the
employee so it might be somewhat of a guarded sentiment. We want to
. . . if we take it to the context it says I want to help them be successful
here, the former supervisors open up and they share with us and they
tell us things. (SEI Manager of Field Technical Operations and
Recruiting)

**Terminate with dignity**

Once the candidate becomes an employee, he or she goes through formal and
informal training to get acclimatized in the SEI Way of conducting business. SEI has
programs in place to develop employees and help them to succeed in their role.
However, when an employee fails to grow with the company (due to variety of reasons), does not increase his or her skill sets, and the result is the uncoupling of cultural or competencies fit, such employees are terminated with dignity. SEI has a comprehensive performance measurement system in place—the SR5—to support and manage individual performance. An employee whose performance repeatedly falls short on the SR5 is identified by the system. The employee and his or her supervisor then meet to discuss a plan of action to reverse the employee’s SR5 or explore an alternative “seat in the bus.” If the employee still fails to meet his or her SR5, he or she is terminated with dignity. When termination does take place, it does not come as a surprise for the employee or SEI management because they have worked together to correct the situation and now mutually recognize that there is no fit.

Often what will happen is we’ll find an employee has been here two, three, four, five years they haven’t kept up with the organization cause we’re a growing organization so we’re constantly evolving and changing. So there are times when some employees—they were the perfect person when we hired them. They were fantastic. They were right person on the bus but unfortunately they didn’t increase their skillsets. They didn’t grow with the company so we have to make a decision. Typically what’s really neat is because we utilize our vision. We understand the employees so we get to know them very well. We utilize what’s called a quarterly 5/15 for development purposes, and called it 5/15. . . . it takes about five minutes to fill out and fifteen minutes to review. That’s why it’s called Q5/15 so that basis the name. But it gives a leader an opportunity to work with their employee on areas of improvement right, whether it’s professional development or some shadowing that they might need to do, or different types of that. We also use ROI—not a Return on Investment as many people use ROI, but it’s the Responsibility Objective Indicators of an individual. So every individual has a monthly ROI that they fill out themselves. So when it gets to the point where an employee is no longer performing at our standards . . . We have to say okay, this isn’t working anymore. But the key is during a termination quite frankly the
key what we find is to do it with dignity. Do it where the person can walk out proud. Do it to that point, that’s . . . it’s not hard feelings. It’s not bitter feelings. You’re doing it because you care about them because from a leadership perspective Service Express is all about servant leadership. We’re here to help people and sometimes that’s honestly helping them find a new career and that’s okay. (SEI Manager of Field Technical Operations and Recruiting)

To summarize Theme 3a, SEI has a comprehensive and unique recruiting strategy to source employees that are a fit with their culture. Once it employs them, SEI works with them to help realize their personal, financial, and professional goals and to remain a fit for the company. However, in situations in which an alignment no longer exists between SEI and an employee, SEI has a process in place to facilitate a dignified parting of the ways.

**Theme 4a: Culture of employee engagement at SEI**

Whereas Theme 1a and Theme 2a articulated SEI vision and inspiring organization narratives, this theme continues in that trajectory and outlines the manner in which SEI engages its organization members in meaningful ways. SEI believes that an engaged workforce is a productive workforce that requires total involvement or buy-in by the entire organization. The CFO amplifies this point in the excerpt below when he shares SEI’s success story with other CFOs or accounting professionals (CPAs).

I do talk with other CFOs or other CPAs, and I outline our story for them, they really come to understand, at least on its face, the success that we have here. . . . They love it. They buy into it. It makes sense. They can see the success in me and other people here at Service Express, but sometimes it is how you then go back and try to implement something like this at your own workplace. And it really takes everybody’s involvement. If I was the only one who tried to do this or if I were to leave here and go somewhere else and try to
implement this, but I was the only one who has really bought into it, it would fail. But when we have the top leaders and then all of our managers and really all of our employees engaged and wanting to see the same thing accomplished, then it’s a lot easier to get something happening. (SEI CFO)

Although SEI keeps keen attention on engendering a fully engaged organization, it also guards against complacency. SEI believes in the notion that everyone need to be “out of the wagon and pulling.” They identify “heel-diggers” and “free-riders” through 5/15s (SEI’s performance evaluation system).

I need people that are engaged. And so one way to put it is there’s a wagon that we need to move from here to there. There’s people that are on the back end of it holding onto it with their heels dug in. They’re detractors. They’re pulling away from cultures. They’re the ones that are—everything’s negative. I don’t—I can’t—they’re the ones having the little meetings outside the meeting after the meeting. . . Obviously the people we want that are on the front side of the wagon pulling it in the right direction. Those are the people that are making it a better place to work. The danger though is the people that are just sitting in the wagon. And sometimes we fool our self and say, oh the good guy. Good guy. Great. He loves it here and he’s a really good guy. But they’re not contributing to culture. (SEI Chief Operating Officer)

SEI employs three notable avenues to deepen employee engagement, they are 1) inspiring organizational stories and narratives; 2) professional collaboration—leveraging each other’s core strengths, such as using Gallop’s Strength Finders (Rath, 2007); and 3) purposeful and deliberate communication strategies. With the foregoing engagement strategies, SEI’s employee turnover rate fell from the high of 20 percent in 2002 to an average of about 10 percent over the following decade, which is normative for the industry (refer to Appendix D & E).
Inspiring organizational stories and narratives
At SEI, storytelling represents not only an important avenue to disseminate organizational learning but also an effective way to engage and inspire its members to act in ways that actualize the organizational vision. As noted in Theme 2a (and in Appendix C), the three notable ways that SEI uses to tell its inspiring stories are 1) the SEI way eBook, 2) the President’s Blog (website), and 3) SEI Way Training session.

Professional collaboration
SEI supports and encourages professional collaboration. A felt sense of accomplishments in collaborative situations deepens the level of employee engagement. Leveraging each other’s core strengths is valued and promoted. For instance, sales and service actually work collaboratively (generally uncommon in most businesses) to accomplish the organization’s common objectives.

So what’s unique I think about Service Express is we work very well together. So typically sales and service are butting heads. Sales selling things that service can’t service. Service is dropping the ball and losing sales. And then you got the accountants coming in saying we got to count it all and you’re doing it wrong and so on. One thing that we realized a long time ago but we actually used Gallop to help this, Strength Finders, is everybody has specific strengths and you need to value those strengths. (SEI Chief Operating Officer)

I know you’re really strong in this area. Could you take five minutes to look at this? That person’s going to take more than five minutes. They’re going to take like ten minutes to look at it and say I also thought out this, this and this. So you really start collaborating. (SEI Customer Support Coordinator)
With collaborative efforts, SEI implemented an effective real-time inventory management system with 99 percent accuracy that reduced COGs, which in turn resulted in increased gross profit. It has helped to reduce the cost of goods sold from a high of 22 percent to about 12 percent. They designed an inventory tracking system where they allocate the parts just like a library when you check out a book. This initiative highlights SEI’s culture of team cooperation, serving and helping each other, open communications, and the fortitude to drive for performance. SEI shares this story repeatedly (which feeds into the organizational narratives) as an example of how employees not only are the creative source of solutions, but how they are involved in managing the bottom-line profitability of the firm. Although it is hard to estimate, this small example likely has had huge inventory cost savings to SEI over the years. It has created efficiencies that set them above their competition since all companies like this struggle with inventory control and lost parts. The COO narrates this event with enthusiasm.

Inventory is a necessary evil. I don’t want to do inventory. They don’t want to do inventory. No one wants to count parts, but they know the value of it. . . . So the CFO . . . he came to me and said we got to fix inventory. I was an engineer and I was—I just fix things so I’m like, okay. Let’s do it. So he actually helped together. We actually take two days to count inventory. And he and I would travel to every office and count inventory and go out there and have these lists and lists of variances, and as we got inventory tighter and tighter we got it up to about ninety six, ninety seven percent accurate. Our goal was ninety nine or above. We just could not get it beyond that. So what we found though was an engineer would take a part off the office inventory shelf, he could put this on his card and maybe the next day go take care of a customer, take an extra day to verify that it worked, put it on his ticket, close it, then it comes to Grand Rapids and then accounting would take it out of inventory. So with all that time you had sometimes, three, five—if there’s a weekend involved you might have
seven days of lag time. You can’t have a ninety nine percent accurate inventory if you have seven day lag time on your parts. And so what we did was we shared the problem. Exactly what I said. I just shared it with all the engineers and I can’t expect them to do anything different. If they tighten up and don’t take the part off, you know you’re going to use it, that’s not realistic or whatever. So we got it as tight as we could with what we had. So we posed the problem to the entire company which is something we love to do here. We don’t hide problems and try to fix them in closed door meetings. We say, here’s the problem and here’s what we’re dealing with. And here’s how we’re doing it. And I cover these things in my monthly webcast and engineers love being in on the-know of what is going on. . . . And so we had an engineer raise his hand and say I got an idea. Why don’t we allocate the parts just like a library when you check out a book? And so he’s like, we’ll allocate a ticket or a part to a ticket or to an engineer and we’ll know exactly where every part is all the time. It’s like—it’s genius. It’s a simple solution and there’s probably some people listening to this going . . . dah. But to us it was an epiphany. The coolest thing is an engineer brought that up. And a side note on that engineer is funny. I had mentioned to him later and he came up to me after that meeting and said . . . ah, don’t ever mention my name again. He didn’t want recognition. He didn’t want that. And that’s interesting. So anyways we wrote a program internally that created a real time inventory and right now, to this day, you can go to our inventory log pick a part and—there has to be an owner. It’s either on a shelf, in an engineer’s hands or on a ticket and we know where every single part is a hundred percent of the time. And that’s what we needed. It popped us way up above ninety nine percent after that. (SEI Chief Operating Officer)

Finally, employees at SEI have organized numerous informal groups to support each other. One such group is the PPC—People for Positive Culture Committee. The purpose of PPC is to facilitate employee engagement and to organically develop the organization culture. Employees volunteer their personal time to plan various employee engagement (e.g., charity events) and other support activities.

We also have a group called the PPC—People for Positive Culture. It is to get people engaged in SEI and really just starting supporting one
another and find a place where we can grow our culture, so it’s our employees choosing to put in their personal time to work on our culture, to develop our culture. Culture doesn’t happen overnight. We meet at least once a month and plan events in the future . . . different charity events . . . different employee engagement events. We’re making sure that we can get everyone involved and come together so that we have that time separate from work to support one another. And so it kind of comes out in different ways. It’s not directly a support group. We’re focusing on who needs support but it allows people to come together and then find a place of support through their connections. (SEI Customer Support Coordinator)

Purposeful and Deliberate Communication Strategy
SEI has adopted a purposeful and deliberate communication strategy that engages organizational members; it has contributed to building and spreading the SEI culture. New employee training and continuous training (done mostly in-house) also foster communication. Senior leadership has adopted both the traditional communication protocol, where information filters up and down the chain of command, as well as the direct communication channels where information can flow from the lowest to the highest rung. At the field level, a direct communication between engineers and chief operating officer is more prevalent, whereas at the head office, senior leadership utilizes various communication media such as webcast, emails, and phone calls to reach and engage employees dispersed at different regional offices. SEI has also found personal and short communication media such as a quick phone call or a handwritten card to be more effective and authentic than emails in building robust relationships.

I started doing a monthly webcast and the purpose is I cover a lot of information but the purpose is they get a little more exposure to me. . . . So communication and getting that relationship is huge to culture. . . . So you have to be purposeful about it. I put it on my calendar to call
certain people. Yes, it is obvious. . . . stay in touch with managers, make sure they’re having touch points with their people, having conversations, making sure that things are getting to me. If someone really goes over the top and does an awesome job please tell me. I’d love to call that engineer or I’d love to call that employee. If someone accomplishes a huge goal please tell me. I’d love to send them a card or call them . . . They’re certain engineers I call and just joking around and you kind of cross that line of my bosses’ boss is calling me to teasing him about something that happened or telling him a funny story, or telling him about a failure you had in the past. It makes you more real. With the younger generations, a quick email or a text with a really funny response to something they send you is awesome. There’s a few engineers that or a few front line employees that will send me an email and I’ll send them a quick little joke back. It just makes you more real. And I don’t purposely make mistakes, but I make mistakes and I never cover them up or I never say . . . or I never try to be defensive about them. I point to them and say . . . yeah. Sometimes they’ll send an email and misspell a word or I’ll forget something or send it to the wrong person. Those actually become opportunities to be more real. Those become opportunities to say; yeah . . . I’m an idiot. I can’t believe I did that. That makes you more real I think. (SEI Chief Operating Officer)

An engineer came in and he said . . . hey, I just want to thank you for doing those webcasts. That’s really cool. And I said . . . well thanks, but I’m kind of disappointed. He said why? I said well, I don’t get any questions. And I kind of wished I had more interaction. He goes—no, no, no. You don’t understand. Just knowing that we could ask you a question at any time is huge. (SEI Chief Operating Officer)

SEI values honest, transparent, and open communications. The executive team usually engages in passionate dialogue and debate about issues they care about. Their laughter or screams and yells can be heard by organizational members, and this behavior seems to signal and give permission to other members to engage more deeply with organization issues. The VP of Sales describes this dynamics in the following excerpt.
We have all been together for a long time. Very transparent, open, honest. If you walk by one of our executive meetings and I’m sure you’re hearing this from every single person—you’ll either hear us roaring in laughter or screaming and yelling. It’s never about the person. It’s never personal. It’s about the issues. We love dialogue. We love debate. At the end of the day we all come together and have to agree on a decision and ultimately if we have disagreements the President does make the final decision and we back what the President’s final decision is, but we have all the dialog and debate. He listens before we make a decision and there’s times as well we don’t make a decision on that day and we have to come back and make a decision on another day cause it may get a little too heated, but then we can walk out and we can have a beer and we can have fun. We go play golf and like that never happened so it’s purely issues—purely business. Has nothing to do with anything personal. (SEI VP Sales)

SEI leadership engages employees from the ground up. An important aspect of communication is the ability to listen. The leadership listens closely to the employees to create a culture of comfort so that they can challenge employees’ ideas with the view of engendering deeper conversations leading to meaningful collaborations and solutions.

One thing I see our leadership team constantly doing is listening to their employees. Finding out what are the silly rules we need to just get rid of..... . . . You’re trusted to share your real thoughts and opinions and they may give you push back sometimes but I believe what makes them great in giving back to all employees is that they do challenge us. They do challenge us because they want to make sure that we’re really thinking our thoughts and ideas all the way through too. So we have some really good conversations where the challenge comes in, and I love a good challenge because that makes us better. That makes us better when the leadership team and the employees are talking and collaborating together. (SEI Marketing and Lead Generation Specialist)
To summarize, SEI leadership purposefully through numerous communication channels engenders an environment of engaging employees. The senior leadership team models its behavior to create an environment of comfort and trust and by passionately engaging with each other on key issues that impact SEI’s stated objectives.

**Theme 5a: Culture of developing employees at SEI**
This theme focuses on how the SEI leadership team intentionally create and maintain an inspiring organization culture conducive for employee development. Team members believe that investing in employee development will return a healthy dividend downstream. The findings that support this theme are 1) senior leaders who coach and mentor employees—the SEI Way, 2) personal and professional development to help employees achieve their goals, 3) technical and leadership skills development to help crystallize the organizational vision, and 4) 5/15s performance measurement system to help organizational members stay on course. The leadership team takes the position that developing culture and employees is the “hard stuff” that requires effort and patience and acknowledges the notion of “practice fatigue” that organization actors, especially the senior leader, must guard against.

**Senior leaders who coach and mentor employees—the SEI Way**
The senior team takes on the role of coaching and mentoring employees to develop necessary personal and technical skills to succeed at SEI. Employees themselves see the importance in being mentored and developed.
Our style of leadership and how we lead... It’s more of a coaching and mentoring roles as leaders, but on the same token, holding people to very high standards. It’s who we are. It’s how we tick. (SEI Manager of Field Technical Operations and Recruiting)

I guess I’m really big on development. That’s the most important thing to me. The reason I came to SEI is I view [the president] as a coach. He is not someone who says this is how we’ve done it in the past. This is what you need to do. He’s given me the ability to come in and try different things and he’ll coach me and teach me. If I don’t do something right it’s not the end of the world. This is how you could have done it differently. This is how I’ve done it in the past. For me, my marketing team—they’re passionate about what they do. And if I can help them I guess as a coach become better, point them in the right direction to different books they could be reading, open up opportunities where we can invest in them and they can go to different seminars and just become better at their profession, I guess that’s a way I view my job. (SEI Director of Marketing)

It is interesting to note the unique approach of developing its employees that leaders at SEI adopt. They take the position that leaders should not readily supply the answers to problems, they encourage employees to dig deep within themselves to “struggle” and have the employee find answers to their own questions.

It’s not my job to tell you how to fix things. It’s your job to figure out how to fix things. That’s a lesson I try to teach today to our managers and leaders. I knew the answer. I knew the answer even if you knew it. I knew the answer. I knew the answer. Everything inside me said tell him. He’s in front of a customer. He’s dying. He’s struggling. But I knew that all I would have done is just enabled him to call me again or to call support every time he ran into a problem.

I remember Joe Kent, the owner of Great Lakes [SEI’s predecessor company] not telling me the answer and how upset and how mad I got. It was like, just tell me. I know you know the answer and he wouldn’t tell me. And when that snapped and I said hey, I’m taking over the service group I remembered that and so that’s how I started training people. (SEI Chief Operating Officer)
At SEI, people development is considered the “hard stuff” that takes time, effort, and patience.

I think what happens with business owners is they think when business is going great, I’ll invest in the soft stuff and I’ll treat our employees well and we’ll have that fun. But when business is not going well, we’re going to cut that off and it’s back to work. And what they don’t get is the culture, the people development, the engagement—that’s not the soft stuff. That’s the hard stuff. That’s the stuff that takes time, takes patience and effort. (SEI President)

It has not always been easy for SEI to maintain and raise the culture bar. But whenever it had lowered the bar, the outcome had been disastrous. Admittedly, sometimes fatigue had set in, and SEI had to be extra vigilant and careful to guard against it.

So the whole notion of practice fatigue and getting tired of creating this environment and really driving the culture is a great question to bring up and it does happen. There are times that you look and say this is a lot of work. I mean it takes a lot of energy to keep it going in this direction in this way. It’s like raising two hundred and fifty kids and teaching them and coaching them and growing them. And that gets tiresome. The first place the fatigue sets in is at home. We have to be careful on that. . . . The bar has to go back up there. Anytime we’ve tried to lower the bar a little bit, it has never been a positive impact. It has stalled our growth and has a negative impact on the culture. And so you have those reminders. You have those—look, I’ve had to go back a number of times to apologize to leaders, to employees sometimes because I was tired, I was impatient, I was too driven, a little too intense, my tone wasn’t good, my words were not good, and I’ve had to go back and realize that that is not how we behave. That is not walking the talk. They didn’t get any better. I feel terrible. This is not who we are. So you circle back and you apologize and you reset and say I need to be the leader that I’m called to be. (SEI President)
SEI consciously supports and encourages personal development. It contends that “by making oneself better, one will become more productive and efficient, and the company will stand to benefit.”

They’re asking, can you make yourself better, because if you can make yourself better your job will get better. Your production will get better. But to make yourself individually better, personally better, professionally better, to me everything else is behind that and once you’ve achieved that the company is going to be—the company will reap the benefits. And the leadership knows that, and I think that’s where they’ve been really great about getting the most out of people, and they continue to do that. (SEI Corporate Recruiter)

SEI senior leadership challenges employees to engage in continuous personal and professional development by encouraging them to read professional books or journals and to attend professional conferences and seminars. Once the employee’s development reaches a certain level, he or she is expected to turn around and share the information with team members. The excerpt below captures this notion in great detail.

Senior leadership challenges us to make ourselves better. The one thing that we don’t want to do here as employees of Service Express is to rest on what we’ve done. . . . And so what we want to do is improve ourselves personally and professionally and Service Express offers a lot of opportunities for us to do that. . . . Service Express offers opportunities for us as employees to read professional books, to go to conferences, to go to local groups, organizations. Service Express also encourages us to find other people and use them as a mentor. More importantly what it is they encourage us to do those thing. I never worked for a company that truly cared about me professionally enough to want us to develop. I think what it is, it’s an acknowledgement of that desire to be developed. Everybody talks about development. I interview hundreds of people and everybody says they want to be developed, but when the day is done not everybody puts their money
where their mouth is and it’s being able to say as a company we’re going to offer you that ability to be developed. We may not know exactly how it is or what it is to develop you, and part of that responsibility falls back on us as employees. If I see an opportunity where I feel as though I can be developed where it will help me in my development, then my role as an employee is to go to my manager and say, I found this great opportunity and I really do believe that it will help develop me professionally. And my manager will look over it and we’ll have a conversation, approve it, and once it’s approved I know if it’s a conference, if it’s a breakfast, regardless of what it may be I will go to it and then we’ll all come back and share that information with my team. And so now I’m not only being developed, but I’m also turning out that information and giving that information to my team. So hopefully I’m helping develop others. (SEI Corporate Recruiter)

Technical and leadership skills development—Crystalizing SEI’s vision
From a technical training perspective, SEI develops its own technical, sales, and leadership course materials and provides in-house training to further engage the team.

So from training perspective, I lead the training team here at Service Express. We develop our own courseware—technical courseware, leadership development and sales training. . . . We train facilitators so even within our teams, we don’t only have like one facilitator that does the whole company. Ron, our President, does a lot in leadership training himself personally, but others get up and do it. So from a training perspective, it’s from developing the courseware, very specific to SEI and SEI’s values and how we do things because around here we talk about the SEI way. (SEI Manager of Field Technical Operations and Recruiting)

5/15s—an Employee Development Program—Staying the Course
The term 5/15s is derived from the fact that it takes five minutes to read and fifteen minutes to prepare. The 5/15s create a quarterly personal development plan for every employee that articulates the key objectives, priorities and vision goals that the employee seeks to focus on and achieve in the next 90 days. A key element of the process is that employees develop the 5/15s in engagement with their managers.
While reviewing the 5/15s, managers discuss the progress and identify areas where they can help employees to achieve their goals.

So this is our key objectives that we’re going to focus on in a quarterly basis. It’s not a to-do list that encompasses everything, but key priorities that every employee has that they’re going to focus on. Again, I have this and it’s on our internet for everybody to see. And it really turns into an employee development program because an employee will put on there, here’s the key things I want to focus on. (SEI President)

So every employee has five fifteens. You just write down, here are my top five or six goals—the things that I want to accomplish personally, professionally, financially for the quarter. You review them with your manager on a regular basis. Your manager is always looking for opportunities to help you complete those goals so you’re not in it alone. And if your manager says hey, this doesn’t look like this goal is in alignment with the way the department is heading, why don’t we try this. At least you both know that you’re on the same page and you’re focused on working on the right things. (SEI Director of Marketing)

My job is to use SR5 not just to ensure that the company is doing better, but to ensure that my team is growing. That they’re meeting the goals that they’ve written out. So it’s a coach; it’s somebody who provides opportunities for the team; it’s somebody who lights a fire and pushes them when they need it. Sometimes it’s an accountability partner. (SEI Director of Marketing)

A sample 5/15 is illustrated in Figure 10 below.
To summarize Theme 5a, SEI has put in place a comprehensive development program for all its organizational members that is empowered by the coaching and mentoring by senior leadership team, supplemented by in-house training, and enabled by the organization-wide individual performance tracking system (the 5/15s) to monitor employee’s personal and professional development.

**Theme 6a: Culture of serving and helping at SEI**
As the corporate name suggests, the culture of serving has deep roots at SEI that originated with the founder/owner. The notion of service is thus enshrined within its corporate vision. All succeeding senior leaders come with the mindset of serving, and they care deeply about inculcating the servant attitude amongst all organization members. The call to serve radiates outwards to serve and solve customers’ problems. Top performers at SEI not only do their job well, but they do it in a way that helps
others to accomplish their goals as well. Following are four supporting findings that
detail the culture of service at SEI.

**Servant attitude—Mindset of serving**
Senior leaders of the company come with a mindset of serving others. They are wired
to serve and work for their employees. They approach service with purpose-driven
authenticity. Embedded in the excerpt below is a narrative about the CEO’s deferring
prime parking spots for employees as a gesture of serving and caring. This gesture
reinforces the culture of service.

I think it begins with our leadership team and having that servant
leadership mentality. . . . It’s not when you begin a leadership position
they get to start telling everybody what to do. This is what I tell all
new leaders. It’s not—you got to go do this—you got to go do that.
Your first question is, how do I help you? How are you doing? What
do you like? What do you not like? What are your biggest needs and
how do I help you? As leaders, we work for our employees. We’re
there to serve them and I think that sets the tone for our culture right
from the beginning. In our old building we have this long parking lot
and we are in the very back of the parking lot, I call that our leadership
lot. And that meant—that’s where all the leaders park. We saved the
parking spaces closest to the building were for all the employees. And
I remember my dad coming to visit me one time and he worked for
GM for a number of years and real old school, and he said well, what .
. . you’re President of the company. How come you don’t have a
parking space right up in front that says President? And I was like, oh
dad, that’s so old school. What am I going to tell my employees that I
have to park up close and I have the shortest walk to the door? They’re
the ones doing the real heavy lifting during the day. They’re doing the
work. The closest ones are for ladies here so they can get in and out,
and the other ones are for all the front line employees. I’m way in the
back there in the leadership lot. We let everybody else park up front.
The leaders can walk furthest from there. So I think it starts with that
mindset of serving others. And then we hire for that for every
employee. We are looking for that mindset with everybody. (SEI
President)
Serving employee needs—Helping them achieve their goals
The mindset of serving employees’ needs has been carefully threaded into SEI vision, which is to help people achieve their goals. In fact, the CEO asserts that helping employees to achieve their personal, professional, and financial goals is the reason that SEI exists as a company, and the business model of selling service contracts is the vehicle used to actualize the vision.

It all starts with our vision to work with our employees to help them achieve their personal, professional, and financial goals. That is why we exist as a company. Selling service contracts for data center hardware, that’s the vehicle we use to achieve our vision. (SEI President)

SEI actively seeks out like-minded individuals to join SEI. Accordingly, in the hiring process, SEI deliberately identifies indicators of servant leadership or servant attitude and looks for evidence (by having candidates cite specific examples) both in candidate’s personal and professional lives. The idea here is to flesh out demonstrable examples or incidents of service with the view that such positive practices will carry to SEI and enrich the culture.

We hunt for top talent that’s already employed. We look for . . . historical achievement background, but when we bring them in we can find out pretty quickly whether they have the skills to work here in whatever position we’re hiring for, but then we start diving into the person and we start looking for those indicators of servant leadership or that servant attitude. And we really spend a lot of time on questions looking for specific examples. So it’s not good enough for somebody to say oh yeah, I like to serve others too. That’s okay. Give me an example in your last job of an opportunity that you had to serve somebody, or when was the last time somebody came to you for help and how did you respond and what did you do? And when we dive into those specific examples we could usually tell pretty quickly who’s
really living it and who’s really just trying to read what we’re looking for and doesn’t have the real specific examples. (SEI President)

To enrich the service culture, SEI draws inspiration from various sources (books, articles, motivational speakers, etc.). One such source is from the motivational speaker Ziglar, whose organizational members quote “you can get everything you want out of life if you just help enough people get what they want” (Ziglar, 2003, p. 11) and who is the organization’s favorite. Ziglar’s conceptualization of service is reflected in SEI leadership behavior. The leadership encourages employees to share their vision and goals with them so that they can then work with them to realize their aspirations. The president’s assertion that “if you share your goals with us, we work for you” captures the spirit of this practice.

. . . . and then I heard Zig Ziglar give a quote—one of my favorite quotes is. . . . “you can get everything you want out of life if you just help enough other people get what they want.” (SEI President)

One of the things that [the President] said in the last six months that’s really resonated with a lot of people around here is that if you share your vision goals with us, us being your manager and the executive team, we work for you. If you don’t share your goals with us, you work for us. Because all we can do is guess at what you want to accomplish and we’re going to then end up telling you what you need to do. And so that has really resonated with a lot of different people. (SEI CFO)

Senior leadership takes employee’s personal, professional, and financial aspirations to heart. Managers engage employees to map out their detailed action plans and then strive to fulfill them.
So they’re balancing all of those needs of what’s coming into the business with those four objectives, and if those needs meet up with those objectives they’ll create that position. So looking at SEI in five years, I see a bunch of positions that I could make my own. In ten years I see a lot more positions that could be my own . . . If my vision personally was to live in New York City they would take that to heart and they would say . . . we’re not in New York City yet. But what if we’re in New York City in five years? Would you like to be there? (SEI Customer Support Coordinator)

The culture of service percolates up to all the employees. Team members also take care and look out for each other as well. For example, employees extend personal support to colleagues in not only attending to routine work but even on financial matters. These words of a young recruit tell it all.

I have people every day helping me on my tasks and I’m helping other departments on their tasks. We’re working together. We’re able to see what our goals are for the quarter and reach out to someone, or we’ll go directly to a co-worker and say . . . hey, I’m having trouble with this. I know you’re really strong in this area. Could you take five minutes to look at this? . . . I mean, people can tell if I’ve come in and I’m trying to not show that I’m having a bad day. And I’ll have a handwritten card on my desk or a birthday will come around. Nobody’s forgetting stuff here. It’s really—that’s when it starts feeling like family is when the personal attention—the personal detail in regards to supporting day to day things and in really severe traumatic things. That’s when everyone comes together. Even on the financial levels, we have discussions at Service Express Incorporated with our managers and if we’re comfortable we start having those discussions with our teammates so when I say I’m really trying to achieve this “x” financial goal so that I can do this “x” financially, I’ll have people start sending me personal emails. I know so and so that could really get you into a great spot here, or let me pass on this great article I have, or have you checked this out yet. So support here is not just work based. It’s your personal time as well as any other need you have. It’s a full system. (SEI Customer Support Coordinator)
Serving customer needs
SEI’s philosophy as a service company is to take care of the people who take care of the customers. SEI takes a rather counter-intuitive approach in pursuing organizational excellence and profitability in that they do not approach the pursuit of profit directly. They contend that profitability is the lagging indicator of organizational success and well-being. Their central philosophy is that if you look after your employee’s interest then the employees will look after the customer’s interest and profit will follow.

So it seems, especially for a service company, not to be talking all about customer service. Our theory is, take care of the people who take care of the customer. And I think people get that mixed up. If you don’t have the right people and you’re not treating them correctly, you’re not creating an environment to take care of the customer, it’s going to fail. (SEI President)

SEI actively seeks out what the customer needs, solves their problems, and aggressively closes the deal in the best interest of the customer. As a result, they have a net promoter score (a proxy for measuring customer loyalty and delight) of over 92 percent.

I want sales people who can not only do a great job of driving revenue, and I mean closing deals—being out there aggressive, finding out what customer’s needs are, closing deals, but doing it in a way that we’re serving the customer. We’re not there selling—we’re there finding out what their problems are. We’re asking how we can help. And then we put together a plan that says this will solve your problems. And then not only that, they’re going to serve the service team. They’re going to sell deals that set our service engineers up for success. It’s not going to be the old school where you sell the deal and don’t worry about the service and they’ll take care of it. It’s like . . . no. We’re going sell it so they come in and they’re set up, the expectations are clear and they
can do a great job. And then we’re going to handle our administrative work so our billing team can do a great job. (SEI President)

SEI’s customers have a great working relationship with the engineers that service their hardware equipment. SEI engineers are passionate about what they do; they enjoy and take pride in the service role they play. The sample excerpt below tells the story of an SEI engineer joyfully interacting with customers.

Our engineers are different. Our customers know our engineers are different. They love working with our engineers. I was in our Atlanta office a few weeks ago and just the most incredible conversation was going on between our engineer, Ricky down there and one of our customers. He had solved an issue that they had had and he’s on the phone saying . . . who is your daddy? Tell me I’m your daddy! I mean, how many companies—engineers have that kind of relationship with their customer. Typically it’s a very dry relationship. The engineer shows up. There’s no conversation. They fix things and leave and half the time people don’t even know their name. Our reputation out there is we just employed a different kind of person. They love their job. They love to serve people and that’s company wide. That’s not just within our service department. It’s company wide. All of our employees love to serve each other and love to serve the customer. So I think our company’s reputation out there is great because we just employ a different kind of person and our customer’s definitely experience it and that’s evidenced through I think our net promoter survey. (SEI Director of Marketing)

Top performers attitude
Top performers at SEI not only do their job well, they do it in such a way that helps everybody else achieve their results as well. For instance, sales would ensure that they close a deal that the service department can successfully service, and service in turn (through the engineers) will keep the customer happy by effectively and efficiently completing their service calls so customers will renew their contract.
A player around here which we call a top performer is one that not only does their job extremely well and gets great results, but they do it in a way that lets everybody else in the company achieve their results as well. So I gave sales as an example but the same thing goes for a service engineer, the same thing goes for internal operations—everybody has a server mentality of “serve the customer, serve your fellow employee,” and that is the culture that we’ve created here that drives us. (SEI President)

To summarize Theme 6a, the service ethos is so central at SEI that the organization is being defined by the attribute. The servant mindset comes alive when organization members serve each other and customers. The distinctiveness of this positive practice will be discussed in the following theme under servant/enabler identity. The practice of service has not only endured but has even been reinforced over the life of SEI thus far.

**SEI Resultant POI Characteristics**

At SEI, the deliberate cultivation of virtuous positive practices has set into motion the construction of its organization identity. Three sets of identity emerged from the common themes presented by the informants that carry with it the characteristics of centrality, distinctiveness, and durability. The three identity contents are 1) servant/enabler identity; 2) performance prudence identity; and 3) belongingness and meaningful identity (refer to Figure 11).
I discuss each of the emergent identity findings (Theme 7a to 9a) in detail supported by informant quotes.

**Theme 7a: Servant/enabler identity at SEI**
This theme builds on the findings in Theme 6a, which presented the actions SEI took to serve employees and customers alike. Theme 7a presents findings to explain the emergence of the servant/enabler identity at SEI. At SEI, the founder and senior leadership initiated the positive practice of serving and helping that, over time, has been reinforced and endured and has given it the identity of an enabler. Three more supporting findings offered up by the informants help illustrate SEI’s servant/enabler
identity: 1) help employees achieve their goals, 2) use the four core objectives to make business decisions, and 3) create new opportunities for employees.

Enable employees to achieve their goals
Given the centrality of this theme, the vision at SEI is being reintroduced here again. SEI fundamentally believes that if the employees’ goals are met, the company’s goals will take care of themselves. SEI leaders are so confident with this orientation of serving employees, they contends that the company will be successful irrespective of the business they are in (could be a car wash or selling flowers) simply because their core values and culture are “genetically coded” to help people/employees accomplish their goals. Therefore, in response to the question of identity, their self-referential response might be “who we are is a servant/enabler—to serve, help or enable others.” It is important to note that the word “enabler” is used in a positive sense: enabling acts empower. It is not used in the negative or inverted sense to define dysfunctional behavior.

Our vision at Service Express is to work with our employees to help them accomplish their personal, professional and financial goals, and that is more of our vision than creating maintenance contracts and fixing computers and doing all those things. That is the vehicle that we use to accomplish our vision, which is helping people accomplish their goals. But ultimately no matter what we did as a company, whether it’s fixing computers or car washes or selling flowers, it would be to work with our employees and help them accomplish their goals. And we have seen that play out time and time again. (SEI CFO)

Our vision to help our employees meet their personal, professional and financial goals—that is our growth engine. That is what’s going to drive us. We’re firm believers that if all the employees meet their goals the company goals will take care of themselves. (SEI VP Sales)
SEI culture carries life-changing attributes. The president feels that SEI has helped him achieve far more than he could have imagined, and he would not trade it for anything else.

On a personal level Service Express has been life changing to me. I could quote my start date. The vision was born because through Service Express I’ve been able to achieve far more than I ever imagined on a personal, professional and financial basis. (SEI President)

Utilize the four core objectives to help make decision
SEI uses the four core objectives—excellent customer service, employee engagement, margin retention, and revenue growth—to translate the vision into actionable items and as a framework to help organization members make business decisions. All proposals and decisions are assessed from the view: Does the proposal/decision satisfy all the four core objectives? How will a decision affect the four core objectives? Will the impact be balanced? SEI thus deliberately plans for revenue growth rate that will sustain margin retention, provide for continued excellence in customer service and still allow for employee engagement. This clarity in decision making empowers employees, groups, and departments to work together in symbiotic synergy. The two excerpts below describe how SEI uses core objectives to help make decisions.

Now how we run the company and make decisions and empower our employees are the four core objectives. And that is excellent customer service, employee engagement, revenue growth and margin retention and margin growth. And so every decision we make we try to impact these four core objectives in a positive way. Whether we decide: should we sell this customer or not? Should we sign up this deal? What impacts revenue in a positive way? Do we make money on it?
We say look at the four core objectives, break it down and you make the decision. That creates an environment for an employee to be independent, to be empowered and to really have an impact on the company. And that’s the people that we’re hiring. So if we’re going to hire those kind of people we can’t bring them in and then put chains around them and not let them make any decisions. (SEI President)

I’ve watched my leaders at Service Express Incorporated really use those to make decision when they’re planning something or trying to make—come to a point of decision. I’ve heard how is this going to affect the four core objectives? What’s the impact? Who is this impacting? And you’re going back to those four core objectives. What is what we’re doing right now—these actual items, how are those going to affect our four core objectives? Are they satisfying our four core objectives? If we’re going to put in a pool table, what’s the point of that? The point is to bring up employee engagement. And we need those four to be balanced. (SEI Customer Support Coordinator)

Create new opportunities for employees

SEI continues to seek new opportunities to provide grist for its employees’ growth. They have recently set a target of doubling the company’s revenue—100 million dollars by 2020. Senior leadership contends that this goal is driven primarily by the need to fulfill the goals (financial) set by the employees and not the other way around.

So our goals for growth in the future are our BHAG as Jim Collins would call it—our big hairy audacious goal is to get to a hundred million dollars in revenue by 2020. And I share that with all of our employees and I make sure that they know that the reason that is important is not to hit a revenue numbers not just to get bigger as a company, not to give more money in the owner’s pockets. The reason that’s important is we’ve surrounded ourselves with these growth-driven oriented people who want to serve and who want opportunities, so in order to give them the opportunities and help them hit their vision goals we need to continue to grow as a company. (SEI President)

BHAG—a big hairy audacious goal. And back when we were smaller—probably about half of the size as we are now, one of the goals that we decided that we would throw up there is a hundred
million dollar revenue goal. And at the time we had no idea how we would accomplish that. It was more just—if we were at a hundred million dollars how many opportunities could we create for our current employees and all the additional employees that we would have to bring in along the way. So at the time there was no financial model or anything put in place to do that. It was just something that we could share with ourselves and with our current employees to say . . . hey, here’s where we want go and then what’s your role in that. If we are going be a hundred million dollars someday what’s your role? What part of that are you going to have helping us create that? (SEI CFO)

To summarize Theme 7a, the sustained practice of “service before self” has created the identity of a servant/enabler, which is central and distinctive for the company.

**Theme 8a: Performance prudence identity at SEI**
Theme 8a focuses on the *performance prudence identity* that SEI has engendered through their deliberate cultivation of positive practices, as discussed in Theme 1a to Theme 6a. SEI’s positive practices in conjunction with focus on the four core objectives seemed to have allowed the company to deliver superior financial performance, as defined by top- and bottom-line growth year after year. SEI has also been a recipient of numerous industry awards to recognize their business excellence. This theme will present three supporting findings to explain the construction of the performance driven identity: 1) SEI financial performance, 2) industry recognitions and awards, and 3) performance tracking system.

**Superior financial performance**
Over the decade leading up to 2012, SEI has averaged 18 percent growth (in sales), a 19 percent growth in EBITDA (earnings before interest, taxes, depreciation, and amortization), a gross profit of 80 percent, due in part to the reduction of cost of
goods sold (COGS) and an effective inventory management system (refer to Figure 12), a 98 percent customer retention rate, and an over 90 percent net promoter score, which equals or betters the best in the industry. Employee turnover rate has reduced from approximately 22 percent in 2002 to stabilize at about 10 percent for the last 8 years. With the aforementioned performance result, SEI’s identity is ostensibly performance driven.

**Figure 12—Decrease in Contract Cost of Goods Sold**

**Industry recognitions and awards**
SEI has been a proud awardee of “101 Best & Brightest Companies to work for” in West Michigan, Atlanta, Metro Detroit, and Chicago area each year since 2005; the Alfred P. Sloan Award for Business Excellence in Workplace Flexibility (three-year recipient); and *Inc. 5000* list of America’s Fastest Growing Private Companies. SEI
attributes the key to their success to the unique culture and business philosophies they promote. In fact, the CFO asserts that although he cannot prove over a short period of time that the investments in culture yield financial returns, he is comfortable with SEI’s orientation of focusing on culture first rather than profits, and he believes this strategy will lead to continued financial success as well.

Again, it comes right back to our four core objectives. We’ve been able to grow our revenues, incrementally increase our profits, strengthen the excellent customer service that we have and have engaged employees and we’ve more than doubled the size of the company so it’s not that just a few employees were engaged, all of our employees are engaged and it’s because we keep focused on our culture and it really leads to the results that we want. Now for an accountant that’s sort of difficult. Can I prove in the given period of time—short period of time, the investment in culture that we have? No, probably not. But as I’m able to look back into the past and then being able to see things that we’re doing and how they’re going to be able to impact our future, I’m very comfortable that the things that we’re doing from a culture perspective and the focus on culture first . . . rather than on profits first . . . is really going to lead to our continued success. And it really leads to us being able to help our employees accomplish their goals, which again is our vision . . . so it continues to wrap around our vision, our four core objectives and it starts with our culture. (SEI CFO)

SR5 performance measurement and tracking system
SEI utilizes a performance tracking system called the SR5 to track all the variables that are key to employee development and organizational performance. The premise here is “what gets measured, gets done.” The purpose of the SR5 metrics is not to beat people up; rather it helps the organizational actors understand what is happening and devise and or augment strategies to achieve the desired individual and organizational outcomes.
But as they saw the sales and operations teams were utilizing this, and they really then were able to trust the service leaders that we were not going to use these numbers to beat them up, but it was really to understand what’s really happening in our company and then if we weren’t getting results it probably wasn’t their fault, it was more of a process issue, we could then work with them to change the process. They spent less time, were much more effective at what they were doing, and they saw how everybody worked together to get better results. . . . Sales people are great with it—at least top performing people. They’re used to getting measured. They like it because they can see the information and they can see the results, and a very quick snapshot of what’s going on. Administrative people when we first started this process, they were very open to it because they were frustrated because they weren’t really sure what was expected of them, weren’t getting the best results, and so it was very frustrating. And so as we helped them see this is what’s expected of you in this role, here’s how we’re going to measure your results, here are your goals, and we all worked on that together. I didn’t say, here’s your goals. We worked on those things together and they were part of putting those together. And then as we started tracking the results and then identifying where we needed to improve and then we started to see improvement, they were all on board. (SEI CFO)

SEI seeks to create an open environment where the employees understand the strategy of the company and feel empowered to make decisions. SEI’s SR5 performance measurement system stands for scorecards, ROI’s (key responsibilities, objectives and indicators), and five fifteens. Each year, managers and employees at SEI brainstorm together to identify, review, and update measures that represent their department’s key performance indicators. They set a monthly goal for each measure. These scorecards are then put on the company’s intranet so that everyone has real-time access. Sharing scorecards internally helps educate departments on all aspects of the company’s business and shows how the work of one department affects another. The scorecards on a department level also drill down to the regional or office level to
identify areas that need support. Scorecards help SEI to identify needs and address them through resources and/or training to help offices and employees achieve their performance goals.

The ROI’s are individual measurable job descriptions, and every employee in the company has an ROI. For example, a key responsibility can be revenue; an objective could be contract revenue, hardware revenue, billable or time and material; and indicators are the measurable that tell if the goals have been met. Every employee reviews them with their manager on a monthly basis. The ROI provide periodic feedback to the employees on their performance. It helps SEI to recognize excellence and provided support and training where needed. All the ROIs funnel up into the scorecards, and they are located on the company’s intranet for everybody to see.

The last is the Five-Fifteens, the idea behind this is it takes five minutes to read and fifteen minutes to prepare. The Five-Fifteens create a quarterly personal development plan for every employee that articulates the key objectives, priorities, and vision goals that the employee seeks to focus on and achieve in the next 90 days. A key element of the process is that employees develop the 5/15s in engagement with their managers. While reviewing the 5/15s, managers discuss the progress and identify areas where they can help employees to achieve their stated goals.

To summarize Theme 8a, the performance prudence identity has become evident with SEI’s superior financial performance and industry recognitions and awards. This has
been facilitated by SEI’s comprehensive performance tracking system known as the SR5.

**Theme 9a: Belonging and meaningful identity at SEI**

SEI culture has created amongst the employees a sense of “belonging,” of being involved, valued, and wanted. The identity of belonging is made evident by the following supporting findings offered up by the informants: 1) engendered work–life balance, 2) family environment, and 3) having fun at work.

**Creating more meaningful lives: Engendering work–life balance**

The culture at SEI has impacted employees’ family relationships and created work–life balance. Two examples exemplify this culture. The CFO contends that SEI had helped him to be the husband and father he wanted to be for his daughters and the corporate recruiter to be the “recess dad” for the boys in his son’s class. Both examples illustrate SEI’s concern for employees’ contented family life.

> It’s impacted me personally in my relationships with my wife and my kids, it’s created the work–life balance that I didn’t have in public accounting or in the other company that I worked for. It’s helped me to be the leader at home that I need to be. It’s helped me to be the father that I wanted to be for my daughters. (SEI CFO)

> When I drive by and I’ve got my boys in the car and I have three sons and they go . . . that’s where daddy works and they’re proud of the work I do and they’re proud of when I find people to—I help people find careers and . . . but the other things that they like is the fact that they like it when I come in and I’m recess dad at their school and I have that flexibility in my schedule to go in and typically what I’ll do is at eleven o’clock or so . . . I think their lunches are at eleven thirty, I’ll go to McDonalds and I’ll buy both my boys a Happy Meal and I’ll buy thirty five or forty small fries because I give the French fries to all the other classmates in their class and I’ll go and I’ll have lunch with both my sons, and then I’ll go out at recess with them after lunch and
I’ll be the all-time quarterback and I’ve got sixteen kids—sixteen boys against sixteen boys and they all want me to throw them the ball and then when the bell rings and we’re walking in I’ve got thirty two boys coming over to give me a high five and my ten year old and seven year old give me a hug and they say thanks dad for coming in. To me, that’s what it means. I mean, it doesn’t get any better than that. (SEI Corporate Recruiter)

SEI culture has spawned an infectious environment where a positive group of people make work delightful and a privilege. A young customer support coordinator sums up this culture eloquently.

But everyone around here has that attitude. So it’s infectious, I guess what it is like to be at SEI. It’s a positive group of people that are infectious to be around and it makes our results better. It makes working here a delight and a privilege in a way.

I have my friends saying... I can’t even relate to what you’re talking about because my company is so polar opposite. I’m a number. We don’t—I can’t go directly to my CEO. . .COO. I can’t bring in other managers to help me with issues. It’s my problem and they’re unhappy. They are stressed when Sunday comes around, where I’m not. (SEI Customer Support Coordinator)

Life changing—For the better

For some members, SEI is not only an environment that engenders work–life balance it is also a place for life changing experience for them and their families.

I chose Service Express every day because I believe it’s the best opportunity for me. I would not trade it to go anywhere else. I would not look for a little bit more money, a little bit more anything. I believe I can get everything I want in life right here. (SEI President)

It means opportunity. It really does. It... I can make—SEI is what I make of it, I guess. It is not an eight to five job. It is not—I don’t compartmentalize work with my personal life. I mean, I am... I am an SEI person. SEI affects my family. And I know other jobs do too, but because I have the ability to kind of craft who I want to be a SEI and develop my own value for the company and the opportunities are
endless, I am willing to do—to do what it takes that I’m successful at
SEI. I love the company. I love what I’m doing. I believe in the
mission. There really is a sense of mission for me. It’s provided me
opportunities. (SEI Director of Marketing)

SEI is like family
SEI has engendered “family” culture, where employees feel assured and comfortable
in expressing themselves openly and freely. The family spirit of the company is very
pithily captured by the words of the Corporate Recruiter, “Sometime we argue,
sometime we fight. . . . we all tuck each other in at night, we are family.”

Culture encompasses a lot and to me at Service Express the most
important part of our culture is the family aspect........ It’s sort of
special like a family. Sometimes we argue, sometimes we fight, but I
think when it’s all said and done we’re all fighting for the same cause
and we all tuck each other in at night and we all—we’re family. (SEI
Corporate Recruiter)

It’s not about computers, it’s not about work, and it is not about a
paycheck. I don’t even look at my paycheck anymore. . . . And so to
me it’s a mission and what I mean by that is I get to impact people’s
lives and I said earlier we’re people and we have so many components
of us. We have our faith. We have relationships—our family, our
health—everything about it and one slice of the pie of work. (SEI
Chief Operating Officer)

Service Express sometimes means too much to me because it takes
away from home right where my focus really should be. But it’s—
what Service Express really—if I put it in a nutshell and say what it
means to me, everything, every position, everything I’ve done up until now, every
lesson I’ve learned prepared me to be here. I have found my home. I
have found where I’m comfortable, where my opinion matters, where I
can have a positive impact every single day. And every day I walk
away saying I did something that mattered because what we’re about
is people. (SEI Manager of Field Technical Operations)
Fun drives great business result
SEI subscribes to the philosophy of work–life balance. Employees are encouraged to have fun at work, and, over time, have expressed their loyalty and love of the company.

If you go out amongst the offices right now you’ll see laughter and talking and joking, and fun is a huge part of it. But I think where people lose the connection again is back to the fun drives great business results. And they all go hand in hand. (SEI President)

I love the company. I love what I’m doing. I believe in the mission. There really is a sense of mission for me. It’s provided me opportunities. (SEI Director of Marketing)

To summarize Theme 9a, SEI employees look forward with expectations of “tomorrow” because they sense involvement, connectedness, and belonging in their work life with a clear sense of meaning.

**Tasty POI Construction Process**
At Tasty, the POI construction process is quite similar to that of SEI in that both companies started the construction process with virtuous intent followed by inspirational narratives. However, Tasty’s use of positive practices is a little different from that of SEI. At Tasty, the emphasis is on empowerment and on respect, forgiveness, and trust (refer to Figure 13—Theme 1b to 6b).
Theme 1b: Virtuous intent—Conception of core values at Tasty

Similar to SEI, Tasty also subscribes to a set of (seven) core values that provide the organization with strategic and day-to-day operational guidance. Unlike SEI, the culture at Tasty was defined and created by staff members. The owners had no part in the construction. In fact, the owners were allowed in the room during the planning sessions, but they did not participate in the decision-making process. The owners’ participation was limited to backing up what the staff decided. The critical point is that the culture is employee created. Tasty fundamentally believes that its core values drive the corporate culture and that practicing the espoused values is a way of life.
Three sub-themes are explored to tell an integrated story of how the core values were conceived and practiced at Tasty.

Core values purposefully generated by employees and senior leaders

Tasty’s core values were purposefully generated jointly by both employees and senior leadership. In fact, the seven core values that Tasty abides by were collectively arrived at by employees and blessed by the senior leadership team. In 2006, stifled by the traditional command and control management style at Tasty, two employees (the CEO’s son, Tim, who is now the CFO of Tasty, and another employee, Jamie Pritscher, who is now the co-founder and Chief Communication Officer at Nuphoriq, a spin-off) confronted the owner/CEO and delivered an ultimatum—either the organization shifts to an employee-generated and employee-maintained culture that allows employees to define the way they work or they will quit. The incident represented an inflection point for Tasty. The three owners (CEO, COO, CPO) along with the senior leadership team agreed and initiated a team-based self-reflective process to collectively identify and define values that are meaningful to all organizational members. The following excerpt of the CEO captures the salient points about the incident.

We’re in an open office and two young people came to my desk—a twenty four year old named Tim and a twenty three year old named Jamie. I said what can I do for you? It was about 9:00 o’clock in the morning, the Monday after Thanksgiving in 2005. Jamie blurted out if you don’t change we’re leaving. I said change what? And she said, we don’t like command and control. I said what should we change to? And Tim said, we want an employee generated employee maintained culture. We want to define the way we work. We’re tired of command and control. We’re tired of your brothers yelling at us, you yelling at
us, spending the first twenty or thirty minutes of every day figuring out and trying to understand what mood the owners were in, who should we listen to, whose orders are being countermanded by another owner’s orders. We don’t want to work this way and so either you change or we’re leaving. I sat there for four or five seconds while looking at them and I realized that I’m old, they are future, they are my exit plan, I’ve known these kids since they were four, five, six, seven years old, these are the best of the best and the brightest of the brightest and I could not afford to lose them. I told them I did not know how to change but I would support them if they led the change.

Fast forward to March of 2006 and on a white board in our conference room one representative from each team started listing what their team felt were their core values. And that white board filled up very fast. There must have been forty to fifty core values on the white board. Those team representatives decided our first core values should be always be moral, ethical and legal, I looked at my brothers and I said oh my heavens, that’s what dad said to us. If you’re always moral and ethical you never have to worry about being legal. (Tasty Catering CEO)

To further contextualize the incident, the Director of Key Accounts recounts part of the story and how the next generation’s desire for a value-based culture engendered the creation of the Good to Great Council at Tasty.

Our Good to Great Council was formed I believe in 2006. It was shortly after we moved into this building. And there was a shift in the vibe here at the company. We were very centralized. We had a lot of command and control within the organization. The three owners basically—it was our way or the highway. And our younger bucks who are new out of college came in and said, knish knish no . . . we don’t like that vibe. We don’t want to work under these kinds of conditions. We think in order for your company to grow there has to be a change and how we were going to bring about that change came from reading the book Good to Great by Jim Collins. (Tasty Director Key Accounts)
Seven core values drive Tasty Catering culture
At Tasty, their seven core values are 1) always be moral, ethical, and legal; 2) treat all with respect; 3) quality in everything we do; 4) high service standards; 5) competitiveness: strong determination to be the best; 6) an enduring culture of individual discipline; and 7) freedom and responsibility within the culture of individual discipline. Tasty contends that these seven core values drive their organizational culture and organizational decision-making process.

Like I said, every day, I mean as long as you treat all with respect and I mean... be moral, ethical, legal... as long as you do the right thing I think you can get along with everybody here because everybody understand those values. Sometimes we have to let clients go because they don’t fit in our culture. So every day we read those core values because they are our culture. (Tasty Director of Operations)

The priorities of how to make those decisions are clearly defined and identified and people make decisions based on the culture statement. And when the decision making process is tough and hard and difficult that means your culture is broken. (Tasty Catering CEO)

Tasty subscribes to the philosophy that a value-based culture drives performance and hence it deliberately cultivates values as an organizational norm. Employees understand and appreciate the importance of having organizational values. For example, when Tasty spun off Nuphoriq, a marketing company, the CEO of the new company conducted deep introspection to figure out a set of core values that will guide the new organization.

So we took a step back and said, all right. What really matters? Why do we show up to work every day? Like why do you show up to work every day? Why do you want to work with everyone else here? Why do you want to serve our clients? And through that conversation we were able to figure out what were the values that mattered to us?
What do we care deeply about and then right alongside that it was what do our customers care deeply about? So when you are starting your own culture you have to figure out what you care about, what do your customers care about and how does that connect? Not just at the service level. You got to go as deep as possible. So you got to figure out at the core what do each of you value and how can you connect to them? And if you don’t do that and if you just kind of take culture statements and core values from different companies it may look like it’s working on the surface but I genuinely think it’s not going to work in the long run because it’s not what you as a company are all about.  
(Nuphoriq CEO)

Valuing is a way of life

For most organizational members at Tasty, the practice of values has become a way of life. They view the core values as if they are commandments, so much so that before every meeting, they recite the complete culture statement and refer to a specific core value by number during the meeting to make a point.

So for example, number two, our core values is to treat all with respect and you hear that in some places but that’s truly how we are. If we are out of line and sometimes you get in a heated conversation in a meeting, we’d say you’re violating number two. It’s sort of like a commandment, I look at it. And that’s—it becomes again your way of life. It’s something that you realize you should do at work and at home which is instill this kind of culture and you’ll see everybody here, we all genuinely care about each other. We genuinely care about our clients too which is a key. It’s not about a transaction to us with a client. We get on the phone. We’re friends with them. (Tasty Account Executive)

To summarize Theme 1b, since 2006, Tasty’s employees formalized and enshrined its seven core values (with the blessings of the three owners). The employees at various levels have engendered a culture that they deemed desirable. These seven values are proudly posted throughout the company and referred to repeatedly in meetings by number. Also, every team meeting begins with the culture statement and a recitation
of the seven values, as one member starts and recites value one (be moral, ethical, legal), followed by the next person citing value two (treat all with respect), and continuing to the last value (freedom and responsibility within the culture of individual discipline).

**Theme 2b: Inspiring organization narratives at Tasty**
The CEO at Tasty is also the Chief Culture Officer and as such disseminates much of the narratives. He enjoys philosophical matters and often performs speaking engagements on his entrepreneurial exploits and the importance of value-based cultures in business. The organization—in particular the CEO—focuses on three key narratives to promote the company (external focus) and to inspire and empower the employees (internal focus). The three narratives are 1) Tim and Jamie’s story—confronting the CEO; 2) stories about spin-offs and new startups (companies) supported by Tasty; and 3) account of establishing TC University to develop employees. The narratives deliver two main messages with strong identity claims: inspiration and empowerment. Tasty also leverages various media outlets to get their narratives out to their stakeholders constituency. The following set of three narratives was extracted from reports by various media outlets.

*Tim and Jamie’s story—Confronting the CEO*
The CEO uses the narrative of how his son, then 24, confronted him about the need to shift Tasty’s operating paradigm from command and control to a value-based culture that is generated and maintained by employees (see Theme 1b). He considers the incident an inflection point in Tasty’s history and the genesis of creating a value-
based culture. He often uses this narrative to inspire and captivate audiences, internal and external alike. The following excerpt was extracted from an article written by *Inc.* magazine’s reporter, Nicole Carter:

> It started in 2005, when the CEO, who runs the company with his two brothers [COO and CPO], got an unexpected earful from his college-aged son and Tasty Catering intern, Tim. “He just came to me one day and said that he wasn't going to continue working here if things didn't change,” says Tom, who started the company in 1989. “He also gave me a tremendous business plan for how we should turn the company around.” (Carter, 2011)

**Entrepreneurial stories**

The five start-up companies (e.g., T. F Processors, That’s Caring, Nuphoriq, Touhy Capital, and Rios Ventures) spawned and funded by Tasty rank high in providing inspirational contents for the narratives. The CEO routinely uses these narratives to empower its employees and to engender further entrepreneurial activities. It is interesting to note that with the exception of Rios Ventures, a truck rental company, all other start-ups were initiated by relatives. The following excerpt was extracted from an article written by *Inc.* magazine’s reporter, Nicole Carter. The article briefly walks the readers through some of the start-ups incubated and funded by Tasty.

To date, the company has nurtured and funded six start-ups [five not six]. Most of them have in some way helped Tasty Catering's business, and all of them run by current employees under the age of 30.

Tim was the first.

“In 2005, a client said that if Tasty Catering can get us low-calorie, low-cholesterol muffins that actually taste great, that we'd have an annual order for nearly 800,000 of them. At the time, we didn't have anything like that to offer,” the now 29-year-old says. “I realized there were some unique possibilities in specialty foods, so I presented a start-up plan to my dad and his brothers and they gave me [$85,000].”
What he presented soon became T.F Processors, http://www.tfprocessors.com/, a specialty commercial baking company. Of course, it initially supplied goods to Tasty Catering, which previously had bought some baked goods from outside companies.

“They saw the value and savings they could get internally,” he says. Since its foundation, T.F Processors has grown, and now has “several large local contracts” other than its mother-ship, Tasty Catering.

Soon after T.F Processors came into its own, Jamie Pritscher presented an idea for her own company. It was 2008, and she was the Director of Logistics at Tasty, while also finishing up her graduate degree at Roosevelt University. One of her class assignments was to create a viable business plan.

“We had a division in Tasty Catering for corporate gifts, but it was one of those things that we only did at Christmas time. I saw room for expansion,” she says. “I asked Tim for help on the numbers and got a presentation together. Tim said that his dad and uncles would want to know what I was working on in school anyway.”

She went into a meeting, and walked out with a check to fund her idea. She started green gift-giving company That’s Caring right before the holiday season of 2008. The company sells gift boxes and baskets that include everything from cookies to gourmet cheese.

“At first we focused on corporate gift giving, because I already knew a lot of vendors and clients that did that sort of thing,” Pritscher, 28, says. “But after the recession hit, corporate spending was cut back, and we now market to the everyday buyer, for year-round holidays like Mother's Day.”

Other start-ups spawned from the young staff include a marketing company called Nuphoriq, which both Pritscher and Tim, who is still also Tasty's CFO, were involved in from its conception and execution. But ask Tom about his role in the success of Tasty and its spawn, he wouldn't take a dime of credit.

“It's all the young guys. I just trusted their energy and knew that if I gave them a chance, they could do great things for us and for themselves,” he says. (Carter, 2011)
Establishing TC University and Good to Great Council

The essence of the final narrative is about employee development—Tasty takes pride in this form of aspiration. The CEO makes it a point to remind stakeholders that his success is really dependent on the success of his employees. The following is an excerpt from an article published in *Crain’s Chicago Business*: ‘Their success is my success,’ Mr. Walters says of his employees. The company recently introduced an education program called Tasty Catering University, offering up to 30 hours of paid class time in courses ranging from English to business” (“Best Place to Work No. 2: Tasty Catering Inc.,” 2012). Note that the 30 hours of paid class time was subsequently reduced to 24 hours.

Inspiring and disseminating organizational learning

The Chief Culture Officer, who is also the CEO, provides inspiration and organizational learning through multiple channels.

Tom is the Chief Culture Officer so he’s kind of the guiding ship on where we go and helping to make sure everything that he learns on the road or everything that’s in his head—all his visions are coming to light and being taught throughout the company. So whether it’s through our TC University or that we taught the *Good to Great* book or . . . let’s see . . . what else do we do . . . we do a lot with employee surveys and then following up on communication so Tom really guides that ship and I’m kind of there to help with a lot of his communications there. (Tasty Nuphoriq Co-Founder)

The organization pursues numerous avenues to seek out ways to inspire and develop their employees’ human capital. For example they used Jim Collin’s book, *Good to Great*, extensively to motivate and inspire action on some key best practices (Collins & Porras, 1994).
So we searched for years and we continue to search and we’ll never stop searching for ways to develop our individual human beings. We call our staff our human capital. I think business needs human capital, financial capital and psychological capital. Leaders have to have the psychological capital. . . .So we brought in the book *Good to Great*, studied as a team and broke down the departments—the silos, got rid of the word department and got rid of the word manager and changed everything to teams. (Tasty CEO)

To summarize Theme 2b, Tasty ensures that the narratives about the way they conduct business is reinforced through various channels at all opportune moments.

The next four themes (Theme 3b to Theme 6b) present the findings that relate to the virtuous or positive practices used by Tasty to construct a positive identity.

**Theme 3b: Hiring and firing for cultural fit at Tasty**

Similar to SEI, Tasty also subscribes to Jim Collins’ philosophy of getting the right people on the bus and in the right seat. Accordingly, Tasty instituted an organic recruiting process in which they place great emphasis on cultural alignment. The four sub-themes tell a comprehensive story of Tasty’s recruitment process: 1) screen for skills but hire for attitude; 2) assess for attitude; 3) recruit through internal referral; and 4) fire for cultural misfit. At Tasty, the employee turnover is much lower (at approximately 4 percent) than at SEI (at approximately 10 percent). SEI’s higher employee turnover may be due in part to the sustained growth for the last 10 years (sales grew on average of 18 percent per year) and, to a lesser extent, to the competitive dynamics of the industry.
Screen for skills, hire for attitude
Similar to SEI’s recruiting strategy, Tasty’s strategy emphasizes the importance of cultural fit and accordingly they “screen for skills, hire for attitude.” Although Tasty assesses prospective candidates for required competencies, they hire based on the candidate’s attitude. They seek out strong character contents such as integrity; positivity; passion for work; and values similar to the ones nurtured by Tasty. Some of the employees started working at Tasty during their teens on a part-time basis. The two excerpts below describe their approach.

One of the things that we do to develop our staff is that we screen for skill but hire for attitude. We then provide the opportunity to develop necessary skills. Most of our staff started at the age of fifteen or sixteen or seventeen—in their teens, working on seasonal outdoor events.

I mean, these are like free agents. They are the best and brightest in their high school classes. After their first year, we hire the best back for the next summer. We know they are learning skills but we hire them for their attitude because they have made significant improvements in skills and maturity.

Throughout the industry and throughout the Chicago land area Tasty Catering is known for the quality of its people as much as anything else.

The older people that we hire, that we recruited, we have watched for years in our profession. I had my eyes on a sales director for about seven years and when he became a free agent he called me up and I asked if we could have breakfast. During our conversation over breakfast, I asked him a lot of questions and he said are you recruiting me? I said yes, you’re a free agent and we want you. (Tasty Catering CEO)

Assess for attitude
To assess for attitude, Tasty uses an unconventional approach to determine a candidate’s attitudes by probing the candidate’s enjoyment factor with the following
question: “How many days in a week do you wake up happy?” The premise of this approach is that a happy employee is a productive employee. The probing question may also uncover the candidate’s hopes, dreams, and the depth of their psychological capital. The following excerpt by the CEO captures how Tasty assesses a candidate’s attitude.

Okay, the assessment for attitude. At a young age it’s real easy to assess for attitude because they have one year and if they don’t make it in one year they’re not asked back. We tell them that we want them to have fun and if you’re not smiling and if you’re not having fun, see your supervisor and explain why. That allows us to remove disruptors or coach them. We try to have a senior leader meet them as they come back in from the off-site events—the outside jobs to ask about the event? Was it fun? Did you enjoy it? And if not we try to correct the issues. We want to build optimism, happiness and efficacy. Positive psychological capital, psyche-cap is hope, optimism, self-efficacy and psychological resiliency. We build it around having optimistic people that have hope and help them reach their goals through efficacy and then build their resiliency to handle the crises. . . . The most critical question of all is . . . how many days do you wake up happy? If it’s not five or more you don’t get the job. Oh I’m happy on Saturday and Sunday because I don’t have to work. Well, you’re not hired. . . . So hiring for optimism and hiring for those that have hope and want to be leaders are the points that we stress, and we do that through a series of questions that we just ask of people in the interview process. (Tasty Catering CEO)

Recruit organically via internal referral

Tasty uses internal referral as the primary strategy to recruit candidates. The premise for adopting this strategy is that the candidate comes pre-vetted—employees put their reputation on the line when they recommend a candidate. Most of the start-ups were initiated and later maintained by members related to the owners. Tasty encourages familial hiring and actively discourages nepotism—no relative is shown favoritism. In fact, the owners’ families as well as the staff’s families hold their offspring and
relatives to high standards of performance and behavior. As a result of this practice, the sense of connectedness among employees is high, and this may help explain the relatively low employee turnover rate (less than four percent). Given the seasonal nature of the catering business (busier in summer), Tasty has a significant number of part-time employees, and this pool of part-time workers is made up in large part of high school students. Some of them may later join Tasty on a full-time basis after graduating from college.

Everybody who works with us currently has come to us as a referral. We’ve only done head hunters twice. It was two different chefs and neither one of them worked out because they could not adhere to the core values. So when we go looking for staff we put out the word internally—do you know anybody. Therefore, every Tasty Catering staff member has a connection to somebody else who works here, worked here or is part of the family. Who’s going to refer somebody who isn’t perceived to be a hundred percent fit for the company? The referring staff member’s reputation is on the line for their recommended person. We have become a program of attraction because of happy workers which helps to recruit great talent. We’ve got a marketing company and a couple of those kids started with us when they were fifteen and now they’re owning and operating a successful company. We’ve recognized early on that they had the smarts, the brains and the push to succeed. (Tasty Catering CEO)

Fire for Cultural Misfit
At Tasty, a part of creating and sustaining a viable culture is to prune away detractors who may potentially violate the culture and stifle growth. In the excerpt below, the CEO narrates an incident where he fired a famous chef for violating Tasty’ second value, which is to treat all with respect. Incidentally, this chef was brought on board through a placement agency.

Anybody that violates the culture—seriously violates the culture we terminate instantly. Hugo Rios is a fabulous kid that works for us. He
told us a story about a recently hired chef. He was an excellent chef. He had agreed to follow the culture and understood that his behavior should follow the culture. One day Hugo said, Tom, what do you think about the chef . . . ? And I said I think he’s very good at culinary arts but what do you think? Hugo said that he abuses us. He calls us names. He calls us dumb Mexicans. He pushes our ladies around. I said, really. How come you haven’t said anything? Hugo said that the chef was going to fire us if we tell on him. I asked Hugo if he believed in our culture? That’s why I’m talking to you Tom, Hugo said. This was one of those organizational defining moments. . . . So the next day I called the chef into a meeting and asked him if he did call them these names—scurrilous names, and if he did push the women. He said yes. I said, well you’re not following core value number two (treat all with respect). He said to me that I didn’t know how to run a kitchen. He said those people are like animals that have to be pushed. I said no, you’re the animal and you have to be pushed out of the company. We gave him a two month severance package because his family did not deserve to be fired because we did not do a good job in screening him for a fit, but he had to leave the building immediately. Hugo told me a few days later that everyone was grateful. I retorted that we should not wait that long to get rid of those that aren’t like us. (Tasty Catering CEO)

To summarize Theme 3b, Tasty has a comprehensive hiring and firing protocol to help manage their human resource and to ensure culture fit. They screen for skills and hire for attitude, and they rely primarily on internal referrals to source potential candidates. When a hiring mistake is made, they do not hesitate to fire to preserve their culture.

**Theme 4b: Culture of respect, forgiveness, and trust at Tasty**

Theme 4b, addresses positive practice of respect, forgiveness, and trust at Tasty. The organization values these virtuous traits and purposefully cultivates them. The following five supporting findings contextualizes this theme: 1) fundamental
 Fundamental respect—“Everyone is a somebody”

The fundamental principle of respect is enshrined in one of Tasty’s core values. The value of respect ranks second on the list of Tasty’s seven core values. Tasty conceptualizes respect with the CEO’s favorite phrase “everyone is a somebody,” the four words highlight the importance of acknowledging a person’s basic humanity in that they all have needs and wants; hopes, doubts and fears; and desire for a life well lived. Tasty strives to engender a culture of respect. Some employees at Tasty even consider the value of respect as one of the most important values.

The employees that work for us are somebody. That everybody that I’m surrounded with is somebody with hopes and needs and fears and anxieties. . . . So a defining moment for us was to realize that everybody is somebody and everybody has tremendous talent. (Tasty CEO)

I think the one that—the core value that always pops in my head the most would probably be treat all with respect because every single interaction that you have is about being respectful. And there’s different levels of respect and making eye contact or listening to someone can be respect, but I think it’s also respect on the follow through a lot of time. And no matter what, people get really busy and now more than ever everyone’s wearing a million different hats trying to do different—all different things, but it’s that respect factor that comes into play and at the end of the day do I really want to go home at six thirty at night and I worked twelve hours? Yeah, but I have respect that I know I have to get something back to a team member so I’m always going to get that done. And I think for other team members too, that they think the same thing. They always just need to—respect is always first and foremost the one that sticks out to me. (Tasty Nuphoriq Co-Founder)
The core value of respect has been tested in various instances. An example of how Tasty handled an incident of infidelity demonstrates the value of practicing respect; the organization emerged from the experience with stronger values. The example below illustrates the extent to which the CEO uses all instances to reinforce their stated values and is likely pivotal to keeping an effective work environment.

Since the affair involved two culinarians who spoke English as a second language, we brought all the culinarians into the warehouse and I stood underneath the culture signs that are in Spanish and English. We called the two people to the front of the room and had them stand on either side of me, underneath the core values and asked if everybody knew what happened. Heads nodded. I said those that haven’t sinned—those that haven’t done something like this or something to this extent, come up here and slap them in their face. Everybody put their head down. Then I said okay, according to our core values they did nothing in our building, on our property or in our vehicles. It had nothing to do with our company and we will respect their privacy. (Immanuel Kant’s four principles of ethics we follow—the second is to respect one’s privacy). Their adultery was their family’s issue. It’s not our company issue. But from this point on according to number two we treat them with respect and if you don’t treat these two with respect we will fire you because they’re innocent of any wrong-doing within the company. The man started to cry and turned to me and thanked me, and I said you have a pregnant wife you need to make reparation with and a son. The next day the woman gave me a hug and said thank you for giving me my pride back. From that day on no one has ever bothered them about the incident. I believe that proved that our culture is the decision making process that everyone trusts. Our core values gave us the reason to accept them. Doubt, anger and disruptors were removed from the minds of everybody involved. We have to treat them with respect because they didn’t do anything immoral within our building—within our company. So that was an organizational cultural defining moment. (Tasty CEO)

Forgiveness and redemption
This practice is rooted on the premise that mistakes do happen, and how one responds to them determines whether the organization will move in a more generative
direction. At Tasty, they chose the practice of forgiveness, which is openly practiced and encouraged to deal with mistakes as they arise. Forgiveness presents an opportunity for the offenders to redeem themselves and allows the organization members to deepen their engagement at work. The following story is about how the chief operating officer’s angry outburst and his subsequent apology affected the organization in a positive way.

Larry had a blow out after a very stressful weekend out on a picnic event and this was our biggest event of the year . . . and at one point a server asked the wrong question, set him off and it was a little bit of a scene. There was probably forty to fifty staff members out there. Many of them witnessed it. Of course you have a lot of high school kids and college kids—rumors fly of what happened. . . . He had every right to be angry and fly off the handle in the situation, but was that treating people with respect? Absolutely not and it wasn’t living our core values. So huge public apology went out to all the serving staff, so people who didn’t even know about it knew about the situation and what happened. At lunch, Larry stood up and got up and publicly recognized the situation, apologized to everyone. And the person that he got into a little tiff with . . . he sent them flowers and a personal letter. So I think it’s just a whole reaction of treating people with respect. We all try. We all have human error. But I think you always kind of get a second chance to treat people with respect and the leaders of this organization show that. (Tasty Nuphoriq Co-Founder)

Autopsy without blame

At Tasty, they prize the notion of confronting the facts—performing autopsy without blame (Collins, 2001), which means tell the truth the way it is without blaming someone or something—in essence taking responsibility. They focus on the question “what happened?” Learn from the mistakes with the intent of not repeating the same mistakes in the future. The two excerpts that follow describe how Tasty put this
principle in practice. The last excerpt by the driver is noteworthy. He brings home the point that autopsy without blame includes “not beating yourself, fix it, let’s go.”

It’s probably easier for me to describe what happens when something goes wrong. There’s a thing we call an autopsy without blame, and it’s hard for new people to understand when they come into a new company because I don’t know where it comes from but a lot of people are thinking—well, I don’t want them to think it’s my fault and they try to cast blame and go around. It’s hard for them to understand we don’t care whose fault it is, what we’re looking for is why did it happen, what process broke, what can you do to fix it so it never happens again. That’s an autopsy without blame. (Tasty Chief Operating Officer)

I said to one of our sales people, we’d made a $4,000 error in a job and I said to her, how could you do this? It was a simple error. She forgot to put the charge on even though she had stipulated that it was a full liquor bar. She forgot to put the charge in so it never showed up in the cost on the invoice. And I said how could you do this and I started to lose my temper. And she looked at me and she said is this number two, which is treat all with respect and I looked at her and I apologized sincerely and said I’m sorry. That was not number two. Could you tell me if what you did number three, five or seven? And I called her right out on the core values that she had violated. She smiled and said, I’m sorry too and that was the end of the problem. We confronted the cold brutal facts, did the autopsy without blame and we moved on. It was a sincere human error and there was no point in getting upset but I cherish the fact—she was one of the first employees ever to call me out in not following the culture. (Tasty CEO)

Working at Tasty helped me out as a person to always be the same regardless of what happens. Always stay respectful, mindful of others, determined to be just an all-around good individual, not just as sometimes. Even when things not going right. Even when you make a mistake. Not suggest say oh man I messed up and get down and out on yourself. Being at Tasty because mistakes can be made here and I made a few mistakes here at Tasty but working with my co-workers and not just the co-workers and talking to the people in the office, several departments, sales rep, marketing, even the owners—that you know okay, things happen. Don’t beat yourself up about it. Fix it. Let’s go. Because there’s always a fix. (Tasty Driver)
Customer partnership—Earning trust

Tasty treats customers as partners and considers earning their trust to be the key ingredient to business success. It achieves customer trust by providing comprehensive solutions and quality service when it matters most.

We have actually a two prong approach to strategic partnerships. We of course on the customer side believe that our customers are partners. We like to tell our customers that it’s my job to make you look good. We also need to earn their trust and confidence. We prefer to say that we’re their partner, not their caterer—friendlier term—more hospitable, break down the barriers, catering should never be scary.

(Tasty Director Key Account)

Tasty encourages employees to go beyond the call of the contract, by paying attention to small details and provide service with authenticity and heart. The following example of how a driver’s small gesture of removing some garbage earned a “wow” from the client.

So doing one pick up I noticed that the garbage was full and the lady had a table cloth—we had a table cloth and bows and things. They were disposable that we usually don’t pick up. So I asked the lady. I said I can take this disposable stuff and throw it away because I see your garbage is full and so she was like oh wow you don’t have to do that. I was like no problem and she really appreciated that. It’s the service. . . . I’m like no. I’ll take it to where you need it set up and I’ll set it up for you. And at first I didn’t understand how they didn’t know I was going to set up, but they’re like oh wow you set up too. So I came in, set up real quickly in the way we are trying to set up and so they was wow about the service we provided. (Tasty Driver)

Trust in employees

Tasty trusts employees to make significant and even financial decisions. Tasty contends that trusting employees motivates them to be more responsible and to take initiatives, which will translate into better outcomes for Tasty. A driver at Tasty is the
face of the company because he interacts directly with clients and therefore carries the burden of flawless execution. According to this excerpt from a driver, the trust and responsibility bestowed on him by Tasty motivated him to deliver a higher level of performance.

Oh it means a lot . . . to be trusted. . . . It really means a lot because . . . a person like me not working a lot in my history . . . you get this much responsibility. . . . The driver’s responsibility is. . . . the face of the company and it’s like what we do, what we say and how we do it in front of the client either makes or breaks the company. It adds on to our economic growth or it decreases it. . . . It motivates me to be the best—the best driver. Try to be the best driver. Try to be the best sales person. Try to be the best clean up person. Even on the pick-up you try to clean up extra well. The responsibility is always there. You direct your energy in the right way like I said. It’s a great motivation. (Tasty Driver)

The following excerpt is about the CEO describing the functioning of the Good to Great Council, which deals with strategic, operational, and tactical issues. All the teams at Tasty have representation and one vote in the Council, the three owners having only one vote. The owners at Tasty have dispensed trust to their employees to such an extent that the CEO contends that if the Council decides to sell the business, then they the owners would “sell the business.”

We have a Good to Great Council that meets on the third Monday of every month and each team receives the agenda about two weeks in advance. They meet in team meetings and talk about the issues. Some are strategic and some are tactical questions. Then they send a team representative to the Council meeting to voice their opinions and participate in the decision making process. The last one that I moderated was in May of 2012. Only one owner with one vote is permitted in the meeting. That is because we don’t want three owners—or the eight hundred pound elephants in the room
To summarize Theme 4b, Tasty has engendered a culture where organization members can tell the truth with minimal fear of a blowback. They encourage the practice of forgiveness and allow the offenders to redeem themselves. Respect and trust greases the organizational engine for deeper trust and engagement.

**Theme 5b: Culture of empowerment at Tasty**

Theme 5b focuses on Tasty’s culture of empowering employees. According to Tasty, empowering employees has the capacity to motivate and engage, which in turn can enhance organizational effectiveness. Four supporting findings help explain the mechanics of how Tasty empowers their employees: 1) empowering employee decision making, 2) transparency and open book management, 3) removing disruptors to increase effectiveness, and 4) guidance from the Good to Great Council.

**Empowering employee decision-making**

Tasty judiciously empowers all its employees, at all levels, to make decisions in accordance to the seven core values. Even drivers are empowered to solve problems on site—they are licensed to give away whatever is needed to solve the problem. For example, a driver gave away a four thousand dollar job because the company made an error. The COO summarized the incident below.

> Our drivers are our brand. We realized what they do... what they look like is very much our brand. We realize that they’re our brand ambassadors out there. And you know a brand is the promise you make to a customer about the product you sell them. And we go so far as giving them complete license to give away whatever they want to
solve a problem. So if they showed up fifteen minutes late or they’re missing the entrée and it’s the board room, the CEO and the Chairman of the Board—all the big wigs are in there and this poor person who had to order this food now we’re really letting her down. And so they realize that in order to take care of the customer, they can give the whole job away. Three, four thousand dollars—they’ve done it when the customers is really upset and she needs something to go back to her superiors and say well the caterer screwed up but we didn’t pay a nickel for lunch, and usually that takes care of it. Rather than saying, well I’ll have my boss call you like the old sales deal like when you go buy a car—let me get the manager. (Tasty Chief Operating Officer)

The company empowers employees to figure the most efficient way to do a job or solve a problem as that would ultimately help and benefit the company to become more competitive.

Everybody says well we tried that and it didn’t work, or yeah, why don’t we try that. So our processes are constantly evolving due to the transparency and then the competitiveness—one of our core values of how can we do our job better. How can I do my job better? And we have not set—hey, this is how you have to pack a box. We’re not going to dictate anything like that but this is your job, figure out the way to get it done in the best most efficient way it’s going help the company. (Tasty CFO)

One of the line workers in our processing company suggested that we get another oven so that we could increase our productivity and our efficiency and they figured that—they calculated that we could do an additional ten thousand cookies a shift if we got that second oven. And sure enough we got the oven and we increased the efficiency of the processing line. (Tasty Chief Purchasing Officer)

Transparency and open book management
Transparency has helped the company to grow organically and the open book management to empower employees to act, feel, and behave like owners. Financial transparency enables employees to access the company’s financial statement, including the cost structure. As a result they have an understanding and appreciation
of the cost of line items they are responsible for and therefore manage these prudently.

Making our business an open book manager really empowers the employees to act, feel and behave like owners themselves on a daily basis. (Tasty Chief Purchasing Officer)

Transparency has helped our company grow profitability more than it’s helped us grow from the top end. People, our staff—especially our sales staff are not as much concerned about top line sales growth as they are about bottom line profit growth. And what’s amazing is everybody in the company understands that. (Tasty Chief Operating Officer)

We began practicing the *Great Game of Business* (Stack & Burlingham, 2013) model in place. In our Ops Room, where we have lunch as a family daily—we have an entire wall that is our P&L statement. It’s broken down into line items that starts with the income on the top—corporate sales and special event sales—and then the cost of goods sold and finally all the expenses. And everybody in the company owns one line. At the end of this 30 minute “huddle” everyone in the company knows the current financial status of the company. (Tasty CEO)

Financial transparency and open-book culture provide employees with psychological security, which in turn engender positive behavior. With open-book management, all the organization members bear the same risk and reward. The bonus plan is tied to financial performance—if the company is not doing well then the employees will act in ways to help turn things around. The two excerpts by the CFO below capture the dynamics of financial transparency and open-book management.

We really embrace open book culture and we’re extremely transparent with our numbers and we realize that we don’t want anybody to wonder what’s going on or where we’re headed or how we’re doing . . . if we’re making money; if we’re losing money. We want everybody
to know, number one, is job security and if we’re transparent people understand that their job is secure. And if we’re doing bad then they understand . . . okay we need to turn things around to keep their job secure. (Tasty CFO)

The reason we’re transparent with the open book is we want everybody to have the same kind of risk and reward that we do and with the open book we have a nice bonus plan or profit sharing where everybody is included on the upside, and everybody is aware of the downside. So while they also—they understand that there’s more risk of being the owner—being ownership—having their name on the loans and having their name—their own personal finances on the line for the company to sustain the company if things were to happen, but with that risk that the owner has they understand there should be some sort of reward as if in their own lives. (Tasty CFO)

Removing disruptors to increase effectiveness
Tasty’s management listens attentively to employees’ needs and to their frustrations.

They then methodically work to mitigate and remove obstacles or disruptors.

Removal of even seemingly insignificant disruptors for employees yield great dividend in efficiency and morale as the excerpt below demonstrates.

The topics of the last meeting I moderated were employee engagement, disrupters and communication. The team representatives brought in feedback from their teams and we listened to all there points. And these weren’t just complaint points, these were serious issues that are adversely impacting staff. A sales person, Jodi, mentioned that the door opening and shutting next to her cubical was driving her nuts and as she said that yeah . . . bang, bang, bang, bang . . . So that night my brother Larry had the door changer switched and he had the clicker stop taped closed. Within three weeks we had new cubes put up—taller cubes around that door to silence the door and within two months we had her moved to a different area of the building and her productivity just increased tenfold because the disrupter was removed. So did the frequency of her smiles. I don’t believe you can monetarily incentivize anyone that uses cognitive skills, I believe you can remove disrupters and take the disrupters out of their lives and then reward them by recognition for what they do well. The result will be increased engagement and personal reward. (Tasty CEO)
Our internal communication tool is called “Inside the Dish”. It is a simple Word for Windows template that resides within Word for Windows. Everybody has access to it. On Friday afternoons, the team scribe reports about what went well that week, what didn’t go well, and there’s something they did on their own that was just so amazing—they put in phrase and appreciation for other teams and individuals. They are praising each other! It’s peer to peer. The CFO starts off the document by identifying our cash position. Everybody in the company knows what our cash position is, compared to last year same time period, and last month. So is the cash position dipping or growing? He then lists the revenue streams by sales team compared to the same period in the previous year. How’s the money coming in? Is the money coming in better or worse than it did a year ago or the best previous month? Then the sales director lists the amount of money in the sales pipeline. How much sales are under proposal and under contract? This allows everybody in the company to know immediately where their future business is. Will they have hours or will they not have hours. That removes disruptors and communicates openly to everybody in the company what sales is doing and where financial controls are. The communication tool also lists information from the sister companies and each team. It is peer to peer communication. Everyone has a need to “know” and what they “know” at Tasty is the truth due to this tool. (Tasty CEO)

**Guidance from the Good to Great Council**

Since 2006, Tasty has put in place a Good to Great Council to discuss culture items, keep them fresh and updated and to address any emergent cultural issues. Tasty’s CFO explains the functions of the Council and its influence in the company.

We have a monthly Good to Great Council where we get to discuss culture items and it gives a platform for every person in the company to have his voice heard. And we have an open door policy and a lot of times people will say this is what I think and this is my issue today. But sometimes it takes a platform where we have a meeting—a monthly meeting where they would like to get their idea heard that way. So we have a member from every department sit in on the meeting and it’s about a two hour meeting and we have a predetermined agenda that we do annually where we touch on certain topics to make sure we’re still keeping our culture fresh and updated and we’re addressing any concerns there might be. In addition to the
culture side we do have some operational issues or I guess agenda points that we talk about . . . completion and where we’re headed in the organization, issues and processes . . . things like that. (Tasty CFO)

The following excerpt outlines the usefulness of the Good to Great Council.

I believe one of the biggest impacts by Good to Great Council’s had on our company was when they decided to put the special event sales people together in a meeting weekly with the operations people so that the operations people could really understand the vision of the sales person and the client before they even step one foot on the site with the customer to execute the event. It really prepared them well to go in and execute an event flawlessly. It lets them know the human side of the event about the person that booked it, what the party’s for, what their expectations will be and it really increases their chances of pulling off a very successful event. (Tasty Chief Purchasing Officer)

To summarize Theme 5b, the empowerment theme is an important positive practice at Tasty. The management empower and enable employees through transparency, removal of disruptors, and being guided by the Good to Great Council.

Theme 6b: Culture of development at Tasty
Tasty recognizes that for empowerment to take root they need to develop their employees personally and professionally. They have adopted a three-pronged strategy to develop their employees: 1) simulation games to facilitate learning, 2) TC University—an in-house learning center, and 3) external advisors—industry experts.

Use simulation to facilitate organizational learning
Tasty believes in developing its employees professionally. It utilizes simulation games such as “The Great Game of Business” to help facilitate organizational learning.
A critical part of our open book management and The Great Game of Business is the weekly huddle. At twelve forty nine every Wednesday—we make it twelve forty nine because that’s a memorable time and everybody remembers when it’s twelve forty nine it’s huddle time, till one nineteen. Everybody that’s working that day brings their binders. Everybody has a binder with the financials in the binder into the huddle and every line item on our profit and loss statement is up on the wall, and every person in the huddle has some link to those line items in the wall. For example, Mary Carmen, our second command in the kitchen is responsible for the food costs. Francisco, one of our operations events executors is in charge of disposable costs. So they’re responsible to report on that line what their forecast is for where the month is going to end in dollars in their line. (Tasty Chief Purchasing Officer)

Another great example of a mini game that we played here at Tasty Catering was the culinary staff. They developed a waste mini game to track food waste because in our business waste is money. They separated and weighed the organic waste for six consecutive weeks and determined that for every hundred dollars in sales we threw out 1.66 pounds of food scraps. So they set a target to make improvement at ten, twenty and twenty five percent of their levels. I believe level one was they got to pick what we had for lunch; level two they went out to dinner as a team; and level three they all got personalized brand new chefs coats, which once again was way less than we were willing to offer them to reduce twenty five percent of the waste. They ran it over a twelve week period. They reported weekly at the huddle where their status was and they hit all three of their targets and they got to plan what we had for lunch, they went out to dinner as a team and they got their personalized chef’s coats. (Tasty Chief Purchasing Officer)

**Establish TC University to facilitate organizational learning**

Given its demographics, Tasty established TC University (in house) to facilitate organizational life-long learning. It teaches a variety of subjects—language, financial budgets, personal finance, and business startup.

TC University is an in-house learning program where everyone has twenty four hours of paid time a year, during their workday, to go into a classroom (our conference room) and learn with their peers. It’s amazing to see sales people sitting next to dishwashers, sitting next to production people, next to bar tenders learning about how to read a
financial statement. They’re learning how to do a family budget and we’re fortunate that we have on staff a lady with a master’s degree in finance, is a certified financial planner who teaches that course. We also have classes on emotional intelligence, leadership and organizational behavior.

TC University also has an optional entrepreneurship class which explains how to start a company. One resulting company was started by four siblings who work in our kitchen and wanted to start a trucking company and lease trucks back to Tasty Catering. So they learned how to do that through TC University and then we helped fund them. We believe in lifelong learning and education. (Tasty CEO)

We used to bring all these people in this room and teach them every single part of the culture and what that means. (Tasty Director of Operations)

Understood the value of advisors
Tasty appreciates the value of external expert advisors and values their advice. In fact, they shifted their core business of hotdog stands to custom catering under the advisement of their advisory board.

Our business advisors are invaluable and they give us great perspective on things outside of our walls. Sometimes entrepreneurs are in the trenches and even if you’re working on the business, not necessarily in the business it’s hard to have the vision of an advisor who works with twenty five other companies has seen. It is comforting to know that we have the ability to make a phone call and say hey, what do you think about this or what’s your take on this or what do you feel’s coming up in the overall business or the economic climate. We have those advisors and to use the advisors I think is rare for a company of our size, but it’s another reason that sets us apart. (Tasty CEO)

So as part of the advisory board’s role they give us advice on different business strategies. One of the best pieces of advice they gave us was to get out of the hot dog business. After thirty four years of owning and operating hot dog stands, our catering grew to the point where it needed the full time attention of all three owners. (Tasty CEO)
To summarize Theme 6b, Tasty believes that a knowledgeable workforce is an asset. Accordingly, it has established an in-house learning facility that is available on company time to the employees. In addition, the company relies on external experts for specialized knowledge and advice.

**Tasty Resultant POI Characteristics**

At Tasty, the deliberate cultivation of virtuous positive practices has set into motion the construction of their organization identity. Three sets of identity emerged from the common themes presented by the informants that carry with it the characteristics of centrality, distinctiveness, and durability. The three sets of identity (refer to Figure 14—Theme 7b to 9b) that emerged from the identity construction process are 1) empowerer/enabler identity, 2) performance prudence identity, and 3) belongingness identity. Next, I discuss each emergent identity findings in detail supported by informant quotes.
Figure 14—Tasty Resultant POI Characteristics

**Theme 7b: Empowerer/enabler identity at Tasty**
Theme 7b represents the first resultant POI characteristics. This theme builds on Theme 5b, by empowering employees on a daily basis, Tasty has constructed an identity that can be best characterized as an enabler (used as a positive term, positive and generative). Sustained empowerment led Tasty to inculcate an entrepreneurial spirit; it leverages the team’s existing talents to help them break the proverbial glass ceiling resulting in a win-win situation for both employees and the organization. The employees reap the fruits of their venture (for example, a spin-off company like Nuphoriq), and Tasty gains alternative revenue streams.
Leverage existing talents
Tasty encourages organization members to tap the vast network of industry advisors for counsel regarding possible new ventures and spin-offs. Members can also leverage Tasty’s existing infrastructure (office space, kitchen/food preparation facilities, and information technology) and staff members with requisite talent to test new ideas and ventures.

We have a really good spirit for spin offs and entrepreneurial activity. . . . I guess a resource point of view we have a nice facility, we have nice contacts, we have a group of advisors that help us if we’re looking to start a different venture and it allows us to have this great infrastructure where if we do have an idea we can take it and run with it, and it’s not like we’re going off to buy a new building or lease more space or add on staff, we kind of pull from our staff to get the venture up and running but it’s a great infrastructure where it doesn’t take too much to get a new venture started. It kind of just, okay let’s take this idea; run with it; it’s not going to be too big of an expense to get it going. (Tasty CFO)

As an example, Tasty leveraged its existing marketing know-how in the catering business to spin off Nuphoriq to capture new markets. Nuphoriq shares the building infrastructure with Tasty and currently sells marketing know-how to caterers in Phoenix, Los Angeles, San Francisco, Milwaukee, Atlanta, Miami, and Boston. Nuphoriq continues to serve Tasty’s marketing needs as well.

But catering is obviously a national industry. We have such a great team of marketing; we feel we can sell that in different markets. So we said let’s spin off our catering marketing, start a new company where we sell marketing to caterers in Phoenix, California, out in L.A., San Francisco— we even do Milwaukee, we do Atlanta, Miami, Boston—so we sold this package that we developed our menus and websites and social media and everything else that goes into marketing and we sell it in different regions because we’re not going to compete with
ourselves in Miami so why not sell what we do here, out there. (Tasty CFO)

So I grew with that department in the Director of Logistics role till about 2010, and then we started a new company called Nuphoriq which is our marketing company and I decided to branch off a little bit into that. (Nuphoriq Co-Founder and Chief Communication Officer)

Helping employees break the growth ceiling
By leveraging existing talents, Tasty helps its employees break the growth ceiling.

Tasty Catering is an owner-operated small business, and as such the business structure imposes a ceiling on employees’ growth and opportunity. For example, a marketing person’s talent may be underutilized, which may lead to disengagement or losing the talent altogether if the employee leaves Tasty. The entrepreneurial and spin-offs are ingenious ways of retaining talents.

Another reason why we are so heavy into the spin-offs is if a marketing person working for Tasty Catering is going to have a ceiling, you’re only going to be able to do so much and they’re going to be limited as far as what kind of marketing Tasty Catering needs. So when we start the spin-off . . . there’s no ceiling anymore. Now they’re doing marketing for every possible company that’s out there looking for marketing. Opportunities are endless. So with another value of the spin-off is we’re allowed to keep our people. We’re not going to lose them to another opportunity. We’re actually creating the opportunities for them by allowing them to go out and do marketing for whoever they want to do marketing for. (Tasty CFO)

Never did I imagine that I would be where I am now owning other companies with them, but there certainly wasn’t a glass ceiling. (Nuphoriq Co-Founder and Chief Communication Officer)

The owners at Tasty empower the entire spin-off process. They help incubate the individual’s idea, fund it, and help set up the business. More importantly, they
provide psychological support to keep the person’s angst away so that creative ideas can continue to flow.

How can we keep this great human capital engaged and not limit their growth at Tasty Catering. As part of that we’ve had some spin off companies develop where it was the person’s idea or worker’s idea. We help fund it. We help set up a business. We help take some of the angst away from somebody who’s got an idea and wants to get in business because we’ve started so many businesses it’s easy for us, and just let their creative ideas flow. We fund them, we like to think we give them some wise advice. We open our networks to them to help them flourish along with us. They become our partners for hopefully a long time. (Tasty Chief Purchasing Officer)

The excerpt below illustrates how the owners provided financial support to fund a start-up called That’s Caring. The owners were so impressed with the business plan the employee presented that at the end of the meeting they wrote a check to the employee to fund the plan.

The business plan I wrote for That’s Caring actually came out of grad school. So I had written that business plan and I decided . . . do you all want to see it. I’ll present it to you like I presented it in class if you have any interest. . . . they said yes. . . . I walked out of that meeting—that presentation with a check for a company because they saw the research was done, they saw that I had been listening in every meeting. . . . So that was the first company we had started. Then two years later [the CEO of Nuphoriq] and I had started Nuphoriq. (Nuphoriq Co-Founder and Chief Communication Officer)

Generate alternative revenue streams
Tasty has put in place a business model for spin-offs where the company generally retains 50 percent ownership, thereby adding new revenue streams for the organization.

Well, when we did split off the company we took the two people that were the driving force behind it and said, here’s your equity for getting
this thing going . . . Tasty is going to retain some equity as well. It’s about fifty-fifty split and we said run with it. And we still get our marketing from that company. (Tasty CFO)

The other spin-off companies also pay rent and utilities back to Tasty so the building that might have been only used Monday through Friday as primarily a corporate business is now being used on weekends and there’s other alternative revenue streams coming in for Tasty Catering so it all funds down to the bottom line and makes Tasty more profitable as well as growing the employees and making sure there is no glass ceiling for everybody else. (Nuphoriq Co-Founder and Chief Communication Officer)

Evidence of spin-offs
To date, Tasty had spun off five entities: 1) T.F Processors, 2) That’s Caring Incorporated, 3) Touhy Capital, 4) Rios Ventures, and 5) Nuphoriq. Generally, the three owners of Tasty have equal ownership in the new spin-off companies. Sometimes, it is 20 percent, such as the case of TF Processors and That’s Caring, and in Nuphoriq’s case, it is 16.66 percent.

TF Processors was started by the CFO in 2006. It sells specialty baked goods including muffins with no trans-fat and preservatives but with added vitamins and fiber. It sells the products to one of the largest amusement facilities in the country, legacy airlines, and diet companies in school districts.

That’s Caring Incorporated was started by Jamie Pritscher in 2008. It is an online, eco-friendly, green gift basket company that offers green gifts and targets the green market. The covering of the box is made with recycled banana leaves, and they pack in coconut instead of paper raffia. The CFO was also a Co-Founder. Tim helped
Jamie with her business plan, each has 20 percent ownership, and they are also the two operating officers.

*Touhy Capital* was started by the CFO in 2008 as an employee-assistance program helping staff with small loans for unexpected emergencies. It has evolved into an entity that provides funding for internal capital investments.

*Rios Ventures* was started by Eugene Rios, Director of Operations in 2009, as a truck rental business. Rios Ventures rents it trucks to Tasty. The idea started out with Eugene noticing a need. As director of operations, he rents up to 20 trucks in one weekend for Tasty.

*Nuphoriq* was started by two employees in 2011. It is a marketing company that specializes in branding, strategizing, and promoting catering and special events organizations. They currently sell marketing know-how to caterers in Phoenix, Los Angeles, San Francisco, Milwaukee, Atlanta, Miami, and Boston. Nuphoriq continues to serve Tasty’s marketing needs.

To summarize Theme 7b, Tasty as an empowerer has successfully fostered an entrepreneurial spirit that has resulted in spinning off five entities.
Theme 8b: Financial prudence identity at Tasty
This theme presents the second resultant POI characteristics Tasty constructed using virtuous positive practices. Tasty’s focus on a values-driven culture does not necessarily mean they pay less attention to organizational performance. In fact, the positive practices they have adopted allow them to channel organizational energy to performance. A performance prudence identity is made evident by the following supporting findings offered by the informants: 1) instituting financial discipline to enhance performance, 2) managing to tide through the 2008–2009 financial crisis, and 3) attending to employee financial needs without compromising financial performance.

Instituting financial discipline to enhance performance
To deliver superior financial performance, Tasty reviewed their business model and realized that they needed to grow the business profitably. Tasty shifted its focus to bottom-line growth (profitability), not just to top-line sales growth. They realized under the CFO’s guidance that sales growth cannot happen at the expense of bottom-line profits but that sales and profit should grow lock-step. For profit to grow, Tasty needed to streamline its cost structure and curtail spending. The three excerpts below view the same situation from three different perspectives (CPO, CFO, and CEO), in which they all agree on the importance of growing bottom-line profit.

The first fifteen to seventeen years of our company in Tasty Catering’s existence we focused on sales growth. We’d do anything we could to grow sales. We’d undercut competitors, match price quotes—do whatever it took to keep fueling that growth because we knew that that growth was the key to our future. Well after fifteen years of that we realized we’re not getting as much profit out of those sales even
though they were growing twenty five to thirty two percent a year, the profit wasn’t growing—it was staying the same. So spurred by Tim, our CFO’s guidance we focused on profit. (Tasty Chief Purchasing Officer)

Instead of looking at top line growth, we said okay . . . let’s focus on bottom line growth and after we made that change in 2008, before the recession, we came out and sales growth was maybe at ten percent for the next couple years but the bottom line was over fifty percent growth. (Tasty CFO)

Yes. We averaged for many years double digit growth. It’s usually up over twenty percent and then our advisors—we’ve had a board of advisors since we started and they told us, all right, let’s not focus so much on growth as far as growing profit. We’re real good at growing the top line but we’re struggling with the bottom line.

Okay. A real clear cut example of what I mean when I say we had to really start focusing on the profit, in our five thousand square foot building I think our break-even was right around a hundred and ten thousand dollars a month okay, which made it very comfortable because we’re doing over three million dollars a year when we left that building. And then once we moved in here we realized that our break-even point had shifted to four hundred and fifty thousand a month which was quite a shock so we got into real trouble real fast because we were watching the top line—growing the top line and we just spent a lot of money on building this place out and so we had to shift gears and start looking at the bottom line, looking at expenses and we have to move fast. (Tasty Chief Operating Officer)

Managing through the 2008–2009 financial crisis
Tasty’s financial discipline, in particular their cost containment strategy to boost profitability, cushioned the company during the 2008–2009 financial crisis. The year before the financial markets collapsed, it had a fifteen percent sales growth, and about fifty percent profit growth which allowed them to build up their cash reserves.

Although they were better positioned than previous years, when the 2008–2009 crisis hit, Tasty had to curtail spending—cut salaries, educational spending, and even 401k matching. More challenging was the layoff of three people. By exhibiting financial
transparency, rolling out the numbers for all employees to see, the owners impressed
upon the employees of the necessity for a course correction. The two excerpts below
by CFO capture the pivotal event.

We rolled it out to the Good to Great Council and said here’s the
numbers. This is what we’ve done this year. We lost four hundred
thousand dollars—four hundred fifty thousand dollars in the first eight
months—or seven months. We said if we keep on this path nobody’s
going to have a job. . . . . . And we said we’re going to have to make
some decisions and it’s going to be better for the people—it’s going to
be better all around. If we’re going to lose five jobs rather than fifty
five jobs let’s lose the five jobs and keep the fifty people going. And
everybody embraced that. We were transparent throughout the whole
process. We said these cuts are going to translate into this amount of
dollars, and this amount of dollars is going get us back to where we
need to be. And everybody understood. (Tasty CFO)

Well the decision was that we would lay off five people and cut
salaries ten percent across the board. The owners’ salaries were cut
thirty percent. We cut back on a lot of our spending, our educational
spending and some of the other perks I guess you would say—401k
matching funding was cut and we cut back on our education
reimbursement—tuition reimbursement. A lot of the benefits were cut
and we had the best fourth quarter we ever had that year and it kind of
put us back on track to where we needed to be (Tasty CFO)

Balancing employee needs with organization performance
During the 2008–2009 financial crisis, Tasty’s owners worked diligently to strike the
fine balance between fulfilling their employees’ needs and maintaining viable
organizational performance. Tasty’s employees demonstrated solidarity with the
owners; they chose to collectively reduce work hours so a general layoff could be
averted while they continued to deliver high productivity within the reduced hours.

Tasty’s CEO recounts the incident, captured in the excerpt below.

We approached the hourly team captains and said the time had come
for 5 people to be laid off. Mari Carmen asked if we were a family and
if we would survive as an organization. When assured that we were indeed a family, and if the US was to survive, so would Tasty Catering, she said, then we lay off no one. She said that everyone had looked for a job and there were no jobs to be had. Everyone had families and those families had to be fed. So I looked at her and for some reason I said what do you think we should do Mari Carmen? And Mari Carmen said . . . we all decided if we cut back twenty five hours from 40 hours we could feed our families and you’ll save the equivalent of seven jobs cut instead of five. I was dumbfounded. Here comes another great solution from a line level employee and it was a brilliant solution. We agreed provided we have high productivity. We would work as hard as we can for those twenty five hours. (Tasty CEO)

As Tasty plodded through the 2008–2009 crises, senior leadership attended to employee’s financial needs. They set up a structured employee assistance plan to assist employees monetarily. The assistance was not a “charity”; it included interest and a defined payment period at employees’ convenience. They managed to tide over the crises by maintaining a fine balance helping the employees without compromising organizational performance.

We’re going to focus on this company—and the Walter Brothers will lend money to Touhy Capital, which is our employee assistance program, by taking money out of our 401 (k) Rainy Day Funds and transfer them into Touhy Capital and loan it to you at Wall Street prime plus two points for handling. (Tasty CEO)

And they could pay it back—they can borrow it and pay it back under their own conditions. Ten dollars a paycheck or they could wait till the summertime when there would be a lot of overtime, or whatever would work for them. We stated that we wanted no one to worry about money for their families. No financial disruptors. We asked them to focus their energies on building our company. The next day instead of doom and gloom it was positive and radiant and once again the culture saved the company because the human capital saved the company. (Tasty CEO)
To summarize Theme 8b, Tasty exercised financial prudence by paying particular attention to organizational performance, especially its finances, without sacrificing its core values and while still maintaining the integrity of the workforce. The focus on overall performance allowed them to institute financial discipline, which allowed them to successfully work through the financial crisis of 2008–2009.

**Theme 9b: Belonging and meaningful identity at Tasty**
Theme 9b represents the third and last POI characteristics. This theme captures the employees need to belong. The identity of belonging at Tasty can be best characterized by the following three supporting findings offered by the informants: 1) family orientation, 2) happiness and enjoyment at work, and 3) flourishing at work.

**Family orientation**
For a number of employees, Tasty is like family both figuratively and literally. The company is owned by the three brothers, and some of their children work at Tasty as well. For instance, the CFO is the CEO’s son, and the CEO of Nuphoriq is the daughter of Tasty’s CEO. According to the COO, working with family members can be tough, and they have a simple protocol in place, where the elders are treated with respect and given the final say. In a figurative sense, the owners also treat the other 52 full-time employees as extended family. The excerpts below of the COO capture the family dynamics at play at Tasty.

> Tasty Catering has been my life’s work. Okay. A lot of companies that are family owned companies; it’s tough to work with siblings. It’s tough to work with parents. We’ve been able to make it work because we all have our own responsibilities and there’s always the natural
pecking order that the elders were always right. (Tasty Chief Operating Officer)

(Tasty Chief Purchasing Officer): Tasty Catering is like my family to me. The fifty five full timers for the most part are the age where they could be my little brother or little sister. And it’s really enriching to come to work and to work with these great people and it’s just an honor to be considered a leader of these great people.

According to Nuphoriq’s CEO, Tasty is like a functional family in which the people matter most; they grow and make mistakes together. Her emphasis on the people aspect is so strong that she contends that it is not about the business. Rather, it is about the people. She believes that Tasty could be in the business of heat treat sheets and still be successful. The excerpts below capture her sentiments.

The first thing that comes to mind is the family. It’s all about the people and that’s what matters here. It’s not about the business they’re in. I feel like Tasty could be in the business of making heat treat sheets for all I know and they would still be successful. It’s the people that matter and it’s that family environment and just like a family they’re going to grow and they’re going to make mistakes and things are going to happen and people are going to be unhappy at times. (Tasty CEO Nuphoriq)

It’s family. I love the people that I work with. I look forward to seeing them every single day. They’re my friends; they’re my family. And so it’s not work, it’s my future and I love the thought of spending every day for the rest of my life working on Nuphoriq and as long as Tasty doesn’t fire us working for Tasty Catering. So it’s just—it’s a lot of positive feelings and just a lot of growth and because of that growth it brings me a lot of joy. (Tasty CEO Nuphoriq)
Happiness and enjoyment at work
At Tasty, the happiness and enjoyment dimension at work is greatly valued, in fact their hiring process drills into the candidate’s life to assess the “happiness factor,” as discussed in Theme 3b, where they ask the candidate “how many days in a week do you wake up happy?” The chief purchasing officer contends that for him a 70 hour work week is rather enjoyable.

I would imagine it’s hard to find a job where you work seventy hours a week and you really enjoy working those seventy hours. . . . It is really rewarding. I feel a responsibility to everybody that works here to do my part to pull the train down the tracks because if I don’t . . . if I want to take a day off or slack in my work I’m letting fifty four people down beside myself and that just really weighs on your conscience. You never want to take a day off. (Tasty Chief Purchasing Officer)

For some employees Tasty is a place for personal and professional growth; it is also where they belong and find happiness and enjoyment.

It’s just—the first thing that comes to mind is it’s just—I want to say happiness as weird as that sounds. It’s giving me a place—Tasty is a place that I grew as a professional and as a person and I learned so much given the reigns of the marketing department of a multi-million dollar catering company when I was twenty two years old and I wasn’t helped as much as I wanted when I started my own business. We started our business and I was asking for help and I was like—why aren’t you helping me more. And I didn’t get it at the time and I was frustrated but now it’s—it’s that type of challenging and that type of freedom that has allowed me personally to grow and to be happy. (Tasty CEO Nuphoriq)

Others agree that they wake up happy and excited to go to work.

I mean, I love my job. Every day I wake up and I’m so excited to be coming to work because it’s like I said to work for this company is unique. I mean, before I come to work at Tasty Catering it was . . . I working in a car wash before which is completely different. I mean,
sometimes I sit down at night and drink a cup of coffee and I say, where’d I be right now if I never came to Tasty Catering. (Tasty Director of Operations)

But in Tasty it’s like you want to come to Tasty. I was like man, I used to be in the lot an hour early because I want to come to work here. I want to come and be around people that’s willing to help you grow as far as the driver (Tasty Driver)

Every day that my feet hit the ground out of my bed is a great day for me because it’s one more day that I’m alive. I work seven days a week if I don’t have family obligations because it isn’t work—it is fun. (Tasty CEO)

Flourishing at work
Tasty workplace means so much to the employees, and some have even professed that the company would have to lock the place to keep them out.

They are going to have to lock the doors when I find another job. They’re going to have to lock the doors to keep me out of here. Every chance I get I’m coming back to Tasty. So just even to see if they need help. Tasty means so much to me, just to see can I volunteer because I was here in the summer and I see the amount of work even going out to a park and serving some hot dogs and burgers to corn to setting up. It’s a lot of work so just to come back and say hey, I got two days for you. Do you need the help? Can I help you because I’m working at Tasty also makes me want to become more of a helper because they help us so much and I can see how much they help others. So, man, Tasty, that’s how much it means to me that when I leave here they got my time if they need it for free. That’s how much I volunteer. Here’s my new number, my new email. I’ll be back over here until you all lock the doors and tell me stay away. That’s how much it means to me. It’s like a new parent. It’s like a new mom or a new dad and it’s great. (Tasty Driver)

To summarize Theme 9b, the enjoyable work atmosphere has carved out in the life of Tasty’s employees a niche of belonging to a caring family. As a result, people feel enthused and eager to come to work at Tasty.
**Conceptual Framework**

Figure 15 illustrates a conceptual framework used to contextualize the emergent themes from both SEI and Tasty.

The conceptual framework responds to the research inquiry in two parts. The first part, *POI construction process*, addresses the overarching research question as to how organizations use virtuous positive practices to construct a positive organization identity. *Thoughts, words, and deeds* summarize the POI construction process. Based on the data, the framework suggests that the process of POI construction begins with *thoughts*, followed by *words*, to engender *actions* or deeds. Thoughts in this instance refer to the virtuous intent of the founders or senior leadership. Words refer to the inspiring organization narratives or stories. Nesting between virtuous intent and
organization narratives are a set of four virtuous positive practices (deeds) that SEI and Tasty use to construct their organization identity. The second part of the framework, *POI characteristics*, addresses the secondary research question, which inquires about the characteristics of the identity thus formed. The construction process resulted in a set of three POI characteristics for the respective companies, which in essence answer the self-referential question “who we are.” This construct will be further developed and explained within the context of relevant literature in Chapter 5.

**Summary**
The data from this qualitative case study yielded nine basic themes for both SEI and Tasty. The first six themes describe how the organizations construct their organization identity using positive practices. These six themes respond to the primary research question. The following set of three themes addressed the POI characteristics that emerged from the data. These three themes respond to the secondary research question. Both SEI and Tasty began the identity construction process with virtuous intent, as exhibited in organization narratives. This was followed by a set of four positive practices resulting in three positive identity characteristics. The next chapter analyzes and interprets these findings within the context of relevant literatures.
Chapter 5: Discussion

The purpose of this study is to investigate and understand the relationship between the cultivation of virtuous positive practices and the construction of a positive organization identity. The study, including analysis and interpretations of the findings, was guided by the overarching research question followed by two associated sub-questions:

How do organizations use virtuous positive practices to construct a positive organization identity?

a) What are the identity characteristics that form and why?

b) Are there any virtuous positive practices that are more important than others?

This chapter presents the analysis and interpretations of the key findings of this dual-site qualitative case study. The landscape of the chapter is as follows: first, I provide an overview of the emergent model; second, the emergent themes from Chapter 4 are analyzed and interpreted within the context of relevant literatures; and third, I revisit the both the primary and secondary research questions. To help make sense of the findings, I use literature in the field of positive organization identity (POI), positive organizational scholarship (POS), and virtue ethics. Based on the data and my analysis, I propose an emergent model, the POI Virtuous Spiral Model, to help shed light into the process of positive organization identity construction and its resultant
characteristics. The emergent model builds on the conceptual framework from Chapter 4 (refer to Figure 15).

**The POI Virtuous Spiral Model**

The emergent model contains two main components—*POI construction process* and *POI characteristics*. The first component addresses the primary research question, and the second component speaks to the associated sub-questions. The model suggests that both organizations, Service Express Inc. (SEI) and Tasty Catering Inc. (Tasty), initiated the construction of their positive identity with *virtuous intent* (thoughts) initiated and inspired either by the founder, senior leaders, or (in the case of Tasty) employees themselves as represented in Figure 16.
The founder and senior leadership then create a set of *inspiring narratives* (*words*) to strategically clarify and reinforce the message. A cluster of four positive practices (*deeds*)—*hiring and firing for culture fit; engagement and development; respect, forgiveness, and trust; and service and empowerment*—is used to execute a strategic intent and, in so doing, to set in motion the construction of an organization identity.
The positive practices adopted by both SEI and Tasty resulted in a set of three identity characteristics that are imbued with positive attributes. In essence, it answers the self-referential question of “who we are.” If we personify the organization and give it voice, the response will be “we are servant, enabler, and empowerer; we are prudent about performance; and this organization is where I belong.” The model contends that the resultant POI characteristics provide an effective feedback loop, which further motivates organizational members to continue its positive practices, sending the organization into a virtuous upward spiral—“what we think, say, and do define who we are, and who we are determines what we do.” Positive identity engenders actions (“being and doing who we are”), which in turn feed into the collective understanding of “who we are” and coalesce into “what it means to be who we are” (Glynn & Walsh, 2009). Embedded in the model is a set of five propositions. These five propositions (P1, 2, 3, 4, and 5) will be presented in the next section.

**Key Findings and Interpretations**

**Consolidated themes**
For each company, the study identified nine basic themes and a series of supporting findings or sub-themes. Together these themes tell the story of how the two organizations used virtuous positive practices to construct a positive organization identity. The calculus of the analysis is both “differential and integral,” differential in that each emergent theme is analyzed within the context of relevant literature, and integral in that all the themes were aggregated to allow for the unfolding of the emergent story. The emergent basic themes for the two companies contained more
similarities than differences (refer to Table 19 below and Figure 15 for conceptual model). To facilitate a concise analysis, I merged the basic themes (by removing some redundancy) from SEI and Tasty to form a unified set of nine themes.

### Table 19—Consolidated Themes

<table>
<thead>
<tr>
<th>SEI Themes</th>
<th>Tasty Themes</th>
<th>Consolidated Themes</th>
</tr>
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<tbody>
<tr>
<td>1 Virtuous intent</td>
<td>1 Virtuous intent</td>
<td>1 Virtuous intent</td>
</tr>
<tr>
<td>2 Inspiring organization narratives</td>
<td>2 Inspiring organization narratives</td>
<td>2 Inspiring organization narratives</td>
</tr>
<tr>
<td>3 Hire for culture fit</td>
<td>3 Hire and fire for culture fit</td>
<td>3 Hire and fire for cultural fit</td>
</tr>
<tr>
<td>4 Culture of engagement</td>
<td>4 Culture of respect, forgiveness, and trust</td>
<td>4 Culture of engagement, and development</td>
</tr>
<tr>
<td>5 Culture of development</td>
<td>5 Culture of empowerment</td>
<td>5 Culture of respect, forgiveness, and trust</td>
</tr>
<tr>
<td>6 Culture of service</td>
<td>6 Culture of development</td>
<td>6 Culture of service, and empowerment</td>
</tr>
<tr>
<td>7 Servant/Enabler</td>
<td>7 Empowerer</td>
<td>7 Servant/Enabler/Empowerer</td>
</tr>
<tr>
<td>8 Performance prudence</td>
<td>8 Financial prudence</td>
<td>8 Performance and financial prudence</td>
</tr>
<tr>
<td>9 Sense of belonging and meaning</td>
<td>9 Sense of belonging and meaning</td>
<td>9 Sense of belonging and meaning</td>
</tr>
</tbody>
</table>

For both SEI and Tasty, themes 1, 2, 3, 7, 8, and 9 in Table 19 above are almost identical, so the consolidated themes (1, 2, 3, 7, 8, and 9) are therefore quite self-explanatory. However, consolidated themes 4, 5, and 6 require some clarification (see Table 19 above in italics). SEI’s themes 4 and 5 were merged with Tasty’s theme 6 to
form consolidated theme 4, *culture of engagement and development*. Theme 4 from Tasty is not combined with any other theme, and consolidated theme 5 is *culture of respect, forgiveness, and trust*. SEI’s theme 6 is combined with Tasty’s theme 5 to form a consolidated theme 6 called *culture of service and empowerment*. These themes were merged to facilitate ease of analysis without compromising analytic rigor. I now use relevant literature to analyze the consolidated themes in two categories, *POI construction process* and resultant *POI characteristics*.

**POI construction process**

This section addresses the primary research question: *How do organizations use virtuous positive practices to construct a positive organization identity?* The positive organization identity construction process may be conceived as a harmonious blending of thoughts, words, and deeds. Intentions (thoughts) are made manifest through inspiring narratives (words) to provide organization members with the necessary stimulus and energy to implement and act on the intent (deeds). According to the model (Figure 16), like-minded individuals are brought on board, meaningfully engaged, and provided with personal and professional development to ensure they can perform their task. They also engender a culture of respect, forgiveness and trust, which creates redemptive opportunities for members to re-engage and stay engaged. Finally, the practice of serving/helping and empowering each other strengthens the team-based environment. Six themes under the POI construction process will be examined and discussed. The first theme for discussion is virtuous intent.
Virtuous intent (Thoughts)
A major theme that emerged for both SEI and Tasty is virtuous intent (*thoughts*), which underpin the POI construction process. For SEI, the founder and senior leaders set in place the notion of helping employees achieve their personal, professional, and financial goals. This exemplary approach of leading and managing by senior leaders was subsequently enshrined in the company’s vision. For Tasty, it was the second-generation employees that yearned for a value-driven culture. In both instances, *intention* played a key role in forming and constructing the organization’s identity.

According to the Merriam-Webster dictionary, intent means “a determination to act in a certain way.” Intent is more than just desire or expectations; intent has commitment involved in it. For both organizations the intent was fueled by virtues.

In their four-part typology on positive identity construction, Dutton et al. (2010) posit that work-related identity is positive when the identity content is imbued with universal virtues or character strengths (Park & Peterson, 2003; Peterson & Seligman, 2004) such as justice, fortitude, temperance, prudence, humanity, and transcendence. Dutton et al. (2010) contend that a virtue perspective can build social resources that are critical for organizational members and organization functioning. Social resource may be viewed as assets with relational wealth (Leana & Rousseau, 2000) that can help individuals adapt and cope (Frederickson, 2000). Tasty’s value-based predisposition allowed them to adapt and cope with fortitude the 2008–2009 financial crisis. The CFO had the foresight of the impending crisis; he, along with the senior leadership team, planned a viable course of action (including voluntary salary cuts,
minimal layoffs, and financial loans to employees) that successfully led the organization through the crisis. For SEI, their relentless focus on service (as a virtuous attribute) allowed them to harness the fortitude required to consistently grow the organization in a balanced way. From 2001 to 2012, SEI achieved a revenue growth of 18 percent per year and an EBITDA (earnings before income taxes, depreciation, and amortization) growth of 19 percent per year.

In intentional change literature, Boyatzis and Akrivou (2006) introduced the idea of the ideal self; they contend that “the ideal self is the primary source of positive affect and psychophysiological arousal helping provide the drive for intentional change” (p. 624). They defined the ideal self as the convergence of three major components: 1) image of a desired future, 2) hope, and 3) a core identity. They further contend that the ideal self drives personal vision which, in turn, motivates and drives sustainable intentional change. For SEI, the founder (and later senior leadership) was amply clear about his intent in creating a future anchored in service of others; he engendered a sense of hope and possibility among the employees, and the service identity was seared into SEI’s psyche. This identity is central, distinct, and has endured (Albert & Whetten, 1985) since the organization’s inception. In the case of Tasty, the employees were clear on what they wanted—an employee generated and maintained culture—and it was hope that motivated them to confront the CEO about their untenable situation. Tasty then generated a set of core values that now empower the organization and have come to define it.
In identity change literature, studies highlight the importance of the founder or leader’s role in identity construction (Gioia et al., 2010; Hannan, Baron, Hsu, & Kocak, 2006; Kroezen & Heugens, 2012). These studies show that founders or leader’s beliefs and values “give sense” to organization members asking “who we are as an organization.” They also engender an environment for organization members to “make sense” on their own and, to an extent, to “buy in” to the organization identity. For SEI, the founder’s vision of helping others to achieve their goals was simple but effective in “giving sense” to their employees. They can easily “make sense” of the organization’s vision because it is framed in personal and pragmatic terms, which has led to the buy in by SEI employees. In the case of Tasty, the employees made sense of their environment by defining and engendering an employee-generated and employee-maintained culture.

To summarize, for both SEI and Tasty, the founder or senior leadership intentionally sowed the seeds for virtuous positive practices, which became the foundation for constructing a positive organization identity, leading to the first proposition.

*Proposition 1: The more an organization’s intent is imbued with virtuousness, the stronger the foundation on which to construct a positive organization identity.*
Inspiring organization narratives (Words)

The second theme that emerged within the context of the POI construction process is inspiring organization narratives (words). Undoubtedly, the names of Martin Luther King Jr. and Mahatma Gandhi conjure up, among other things, an inspirational image. Both of these leaders provided inspiration to their fellow citizens by shifting sociocultural gestalt to create a new paradigm—King inspired the civil rights movement in America and Gandhi inspired his nation to win independence from British rule, both through non-violent means. In organization studies, leadership theorists (Bass & Riggio, 2006; Yukl, 2007) noted that inspirational leadership is a widely studied form of effective leadership. Inspirational appeal is an “attempt to develop enthusiasm and commitment by arousing strong emotions and linking a request or proposal to a person’s needs, values, hopes, and ideals” (Yukl, 2007, p. 112). The ability to inspire is a requisite quality to engender follower confidence, trust, and admiration in the leader (Conger & Kanungo, 1998). At SEI, senior leaders (including the founder) arouse strong emotions in their employees by committing to helping them achieve their personal, professional, and financial goals. At Tasty, stories about entrepreneurial success by employees (such as spin-offs like Nuphoriq) inspire other organization members to act on their entrepreneurial ideas, which directly benefits Tasty.

Organization narrative or story telling is the key to understanding human action and identity (MacIntyre, 1984). Narratives play a significant role in organization identity construction by facilitating the sensemaking process of organizational actors and
allows them to read meanings into their lives (Humphreys & Brown, 2002). Wertsch (2012) posits that the use of narratives by members of a group establishes and reinforces a collective identity. In formulating a positive identity, Frederickson (2003) provides a compelling proposition that focused narratives imbued with positive emotions engender interest, joy, hope, and pride and provide the impetus for positive action. For SEI, the narratives as articulated by the organization’s vision allowed organizational members to make sense of their life at work, engender an identity of belonging, and help integrate work–life with life at home. The narrative of “helping employees achieve their goals” is clearly imbued with positive emotions and has engendered joy, hope, and pride among SEI employees. Similar to SEI, Tasty’s inspiring and empowering narratives give a sense of confidence and dignity to the organizational members and provide them with the impetus for positive change. Tasty has helped incubate and fund six spun-off companies fueled by their employees’ entrepreneurial spirit.

To summarize, inspiring organization narratives have provided crucial avenues for both SEI and Tasty to construct a positive identity. By repeatedly telling stories about past successes, key organization inflection points, and organization vision and purpose, both SEI and Tasty have verbalized their virtuous intent and thus laid the foundations for positive practices, leading to the second proposition.

*Proposition 2: The more inspiring an organization’s narratives, the stronger the foundation on which to build a positive organization identity.*
Virtuous positive practices (deeds)
I discuss next a set of four themes that examines the use of specific virtuous positive practices by the two organizations, addressing both what and how questions. These four themes are interconnected and influence each other, as indicated by the double-edged arrows in Figure 16. Although the following four virtuous positive practices adopted by both SEI and Tasty are presented sequentially, they are neither linear nor sequential; in fact, they are dynamic and interrelated, and they impact each other.

Hiring and firing for cultural fit
For an organization, the tradition of recruiting and retaining top talents is a major contributor to its success. Collins and Porras (1994) used the metaphor of “getting the right people on the bus and in the right seat” to make this important point. Voluntary (employee-initiated) or involuntary (employer-initiated) turnover represents a significant challenge in managing an organization’s human resource because it entails not only the loss of investments in recruiting and training, but, more importantly, it disrupts the organization’s cultural equilibrium. Both SEI and Tasty ensure that the people they bring on board identify with the organization culture. SEI has an elaborate hiring protocol, at the heart of which is to determine “fit,” both from the employer’s and candidate’s perspectives. This finding is in agreement with O’Reilly III and Pfeffer’s (2000) study of six exemplary companies (Southwest Airlines, Cisco Systems, The Men’s Warehouse, SAS Institute, and New United Motors Manufacturing, Inc.) that have accomplished superior results with ordinary people. They suggest that when these exemplars recruit and hire for culture fit; they seek out prospective candidate’s attitudes that complement the organizational culture.
Organizational identification refers to the process by which organizational members have linked their membership to their self-concept. They feel a part of the organization, internalize the organization’s values, and take pride in the membership (Ashforth, Harrison, & Corley, 2008; Riketta, 2002). Mael and Ashforth (1995) and Pratt (1998) suggest that this form of identification, strongly related to positive work outcome, leads to lower employee turnover. Consistent with this line of thinking, both SEI and Tasty inspire, engage, and develop new hires (and incumbent employees) to intensify organizational identification and “buy in” to its culture.

Engaging and developing
In an organizational context, employee engagement may be construed as the modernized version of job satisfaction, where employees in general are involved and enthusiastic about their jobs. Employee engagement may be viewed along a continuum—the negative end may be manifested as high employee absenteeism or disinterest, and the positive end can include a high degree of employee participation and creativity. When an organization works with the employees in meaningful ways, employees are invested, fully deployed, and therefore engaged (Kahn, 1990). Some organizational scholars (Csikszentmihalyi, 1990; Maslach & Leiter, 1997; Schaufeli, Salanova, Gonzalez-Roma, & Bakker, 2002) have conceptualized employee engagement with three constructs—vigor, dedication, and absorption. Vigor refers to the willingness to invest a high level of energy (physical and mental) in a work situation. Dedication indicates the level of an employee’s identification with the
present work situation. And absorption is characterized by the employee’s concentration and engrossment at work and is usually captured by the phrase “time flies.” At SEI, the evidence of vigor, dedication, and employee absorption was in full display during the research team site visit and as evidenced by high employee morale. At Tasty, the dedication of employees was palpable in their “going beyond the duty” to ensure customer delight.

The notion of personal and professional development is important for both SEI and Tasty. Both organizations place significant value in developing their employees. At Tasty, the development programs are both formal and informal, considering the formal educational level of employees; they have a TC University to teach employees about language, finance, entrepreneurship, etc., with courses such as the Great Game of Business. At SEI, they not only focus on the technical and professional side of development, but they also work on personal and financial side of development with their goal setting that is made public. The company has developed its own sets of courses, and with the help of SR5 performance measurement systems, they periodically identify areas for development for the employees. If an employee cannot keep up with the change over a period of time, he or she is de-hired with dignity. Dutton et al. (2010) and Hall (2002) suggest that as employees move forward in their careers, their identity changes as well. Career development is equivalent to personal development (Hall, 2002). During this process, employees construct new identities with new elements (skills) added and progress towards their ideal view of their career.
Respect, forgiveness, and trust
Almost without exception, cultural and religious traditions have promoted the practice of respect and forgiveness. Forgiveness provides organization members with a second chance. It allows members re-engagement and serves as an internal gyroscope that enables the organization to stay on track when it strays off course.

Organization scholars consider forgiveness to be a virtuous strength (Peterson & Seligman, 2004); it is the choice to accept the faults of others, reconcile, and move beyond a perceived betrayal (Caldwell, Davis, & Devine, 2009). Forgiveness benefits both the parties, the forgiver and the person forgiven, and the act produces a sense of freedom for both parties to start anew (Enright, 2001). At Tasty, forgiveness is openly practiced in what the organization terms “autopsy without blame.” As noted in the anecdotal story of how a young caterer gave away $2,000 of business and was not admonished for it. Finally, trust is related to forgiveness. Organization members that cultivate forgiveness engender respect and build credibility and trust (Covey, 2004). Trust implies risk—the possibility of betrayal (Solomon & Flores, 2003) or of unfavorable outcomes. At Tasty, the owners took a chance and allowed second-generation employees to deliberate and then frame a set of value principles (seven in total) to help nurture a positive culture for the future. The degree of trust extended by the owners resulted in employees feeling empowered.

Serving, helping, and empowering
As discussed in Theme 6a, at SEI the need to serve and help is woven into their cultural fabric and formally captured in their vision statement. A sustained cultivation
of this practice makes the employees feel empowered as in the case of Tasty. In
empowerment literature, scholars generally approach the subject either from the
perspective of psychological empowerment (e.g., Spreitzer, 1995) or structural
empowerment (Eylon & Bamberger, 2000). Psychological empowerment influences
employees’ attitude and behavior; it affects their perceptions of their job’s
meaningfulness, competence, and impact (Conger & Kanungo, 1998; Spreitzer,
1995). Structural empowerment focuses on organization structure and management
policies that explicitly support decision making and employee productivity (Eylon &
Bamberger, 2000). At Tasty, employees were both psychologically and structurally
empowered. For example, Jaime Pritscher felt psychologically empowered in that she
felt confident to present her business plan to the owners with the knowledge that the
owners would listen to her presentation without prejudice (structurally empowered)
and would provide seed money to fund her business plan.

The four positive practices discussed above, work synergistically to yield outcomes of
positive benefits. Although I discuss these findings in a linear fashion, clearly these
are interrelated. For example, the practice of respect influences how people are fired
(that is with sensitivity and dignity), forgiveness allows others the opportunity to “get
back on the bus” to re-engage, and sustained meaningful engagement has
empowering attributes. This leads to the third proposition.

*Proposition 3: The greater the synergy between the positive practices
of a company, the more coherent will be the organization identity.*
Viewing the construction process through the lens of POI scholars

According to Glynn and Walsh (2009) there are three collective *processes* that underpin the construction of a positive organization identity. The processes are resourcefulness, relationship building, and meaning making (Table 20).

**Table 20**—POI Processes

<table>
<thead>
<tr>
<th>Positive Identity Processes</th>
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</thead>
<tbody>
<tr>
<td><strong>Resourcefulness</strong></td>
</tr>
<tr>
<td>Power to originate and propagate. Focuses on how positive identity can be a collective resource—by increasing capabilities of the collectives.</td>
</tr>
<tr>
<td><strong>Relationship building</strong></td>
</tr>
<tr>
<td>Builds relationship that creates, connects and strengthens the social structure of the collective.</td>
</tr>
<tr>
<td><strong>Meaning making</strong></td>
</tr>
<tr>
<td>Meaning making that matters to the collective—focuses on how meaning is derived from being and doing in the organization.</td>
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</table>

The *POI construction process* adopted by SEI and Tasty is resourceful, builds relationships, and provides sensemaking for their organizations.

**Resourcefulness**

First, a positive identity construction process involves resourcefulness, which is the ability to collectively engender and create something new that would otherwise not exist (Rousseau & Ling, 2007). Resourcefulness possesses directive power with generative attributes. For example, SEI fosters a unique approach to employee development by refraining from just “giving the answers” to the employees. Instead they encourage their employees to come up with their own answers. This approach motivates the employees to dig deep and maximize the possibility of a new approach
to problem solving. Tasty empowers employees to explore entrepreneurial ideas and partners with the employees to bring the ideas into fruition by providing seed money and business know-how. This resourceful tact also allows Tasty to retain top talents within the company. However, Wright and Manning (2004) have extended and broadened the concept of resourcefulness to resourceful sensemaking. They define resourceful sensemaking as an “uncoerced dialogue wherein validity claims are backed by good reasons, not a bigger stick—can be observed. However, the background conditions that make it possible are usually tacit and taken for granted and hence unobservable to the untrained eye” (p. 624).

An example of resourceful sensemaking is Tasty’s practice of empowering employees to figure out the most efficient way to do a job or to solve a problem and not forcing them to a set method. SEI’s practice of resourceful sensemaking is also to empower and to rely on employees to fix problems that the company faces. The solution provided by a field engineer to combat high inventory resulted in a simple but ingenious inventory system with over 99 percent accountability and significant reduction in costs.

Relationship building
Second, the identity construction process involves relationship building that creates, connects, and strengthens the social structure with both internal and external stakeholders and is vital to cultivating a positive organization identity (Glynn & Walsh, 2009). At SEI and Tasty, employee engagement and, by extension,
relationships building are practiced and valued. Both SEI and Tasty reach out to the community within which they operate to build and strengthen community relationship via their respective organization narratives (e.g., SEI eBook; industry awards).

Meaning making
Third, the identity construction process involves sensemaking that matters to the collectives and focuses on how meaning is derived from doing and being in the organization (Hamilton & Gioia, 2009). The symmetry of identity labels and their meaning is also important because they serve as a guide for actions. These interrelated positive identity processes—resourcing, relationship building, and meaning making—undergird the social system of the collective so as to craft positive identity that connects a broad set of actors and that can yield positive outcomes.

POI construction: The necessity for alignment and consistency
It is important to note the alignment factor throughout the POI construction process. Although virtuous intent (thoughts), inspiring organizational narratives (words), and virtuous positive practices (deeds) are necessary ingredients in the POI construction process, by themselves, they are insufficient. Consistency between thoughts, words, and deeds is the catalyst that engenders desirable POI characteristics. For example, at SEI, the founder’s philosophy of serving employees is consistent with the organizational narratives (e.g., The SEI Way captured in their eBook), which explicitly articulates how SEI will help its employees accomplish their goals. The set of four virtuous positive practices that follows aligns well with the organizational narratives. At SEI, they hire for cultural fit, and they know exactly what “fit” means.
(e.g., servant leadership qualities). Then then engage, develop, and serve them to unleash their inherent talents. Peeling back another layer, SEI’s SR5 performance measurement system precisely measures the employees’ goals jointly set by management and employees. In fact, part of the performance measurement system (the 5/15s) is designed as a personal development tool. At Tasty, the three key ingredients—virtuous intent, inspiring organizational narratives, and virtuous positive practices—are also well aligned.

To summarize, the POI construction process involves resourcing, relationship building, and meaning making. Nested between virtuous intent (thoughts) and inspiring organization narratives (words) are a cluster of four virtuous positive practices (deeds), which are interconnected, and each of these influences each other, leading to the fourth proposition.

Proposition 4: The stronger the alignment between thoughts, words, and deeds, the more attractive and desirable will be the organization identity.

Resultant POI characteristics
This section addresses the secondary research question: What are the identity characteristics that form and why? The set of four positive practices employed along with virtuous intent and organization narratives yielded an organization identity characteristics infused with positivity. The next section discuss the three resultant positive organization identity characteristics—servant/enabler/empowerer identity; performance driven identity; and belongingness and meaningful identity.
Servant/enabler/empowerer identity
The sustained practice of serving and empowering has led to the formation of the servant/enabler identity. For both SEI and Tasty, this identity is central and distinct and has endured over time. Doing has led to being—consistent with the virtue ethics principle, their continued practice of service and empowerment have formed an identity of servant/enabler/empowerer. When practiced over time, from youth to adulthood, good values become habitual and part of the people themselves. By telling the truth, people become truthful; by giving to the poor, people become benevolent; by being fair to others, people become just (Northouse, 2010). In organization studies, servant leadership literature suggests that servant leaders not only care about organizational performance but also deeply care and have genuine concern for their employees (Van Dierendonck, 2011). This is evidenced in thoughts, words, and deeds in the two organizations.

Performance and financial prudence identity
Within the current social construct, an obvious and inescapable fact is that both SEI and Tasty are business organizations; as such, they are genetically coded to strive for profit by providing goods and/or services to their customers. Within this paradigm, performance becomes paramount because an organization’s very survival depends on how well it performs. Therefore, from an organization identity perspective, all organizations can and most do make claims that they are performance driven. That said, the contentious issues are how well or poorly an organization is performing and who determines the criteria. At SEI, the organization defines its own performance
targets, fueled in part by the need to help its employees achieve their financial goals. And they have exercised prudence to balance the organizational need with the need of its employees. Prudence has a perceptive quality that promotes effective decision making. At Tasty, the senior leadership team exercises similar practical wisdom. For example, they led the organization through the 2008–2009 financial crisis by intricately balancing employee financial well-being with Tasty’s financial well-being. Both SEI and Tasty have exercised prudence to balance growth and benefits with employee well-being and customer retention. In virtue ethics literature, prudence is considered to be a master virtue. It describes the ability to find the balance between extremes and to make appropriate decisions, minimizing harm and maximizing the good. Prudence has the directive capacity over other virtues in that it lights the way and leads people in the right direction (Delaney, 1911). Both SEI and Tasty have demonstrated prudence in realizing a balanced organic organization growth consistent with employee well-being.

Belongingness and meaningful identity
The study of belongingness has a long history in psychology, and researchers (e.g., Maslow, 1968) view the sense of belongingness as a basic human need. According to Baumeister and Leary (1995), the need to belong is characterized by the need for regular affective personal contacts and the perception that the relationship will be ongoing and stable. To satiate the need to belong, an individual must be able to confirm the other’s authenticity and caring through subjective direct experience. The satisfaction of these needs leads to the experience of positive and generative emotions
such as contentment, happiness, and joy. The absence of belongingness can cause the negative emotions such as anxiety, stress, depression, and general dissatisfaction with life to arise. Belongingness is closely associated with well-being. Philosophers and mystics alike have pondered the notion of a good life and the nature of happiness. In the field of psychology, research efforts in this domain resulted in two constructs, personal or subjective well-being (Diener, 1984) and psychological well-being (Ryff, 1989; Ryff & Keyes, 1995). Study in personal well-being suggests that desirable outcomes are often caused by well-being and not the other way around (Diener & Seligman, 2004). Seligman (2002) defines well-being as an individual’s positive evaluation of their life—positive feelings, engagement, and meaning. Employee well-being predicts customer satisfaction. Study in this domain found that happy employees engender customer loyalty and profitability (Fleming, 2000; Harter, Schmidt, & Hayes, 2002). The data from this study also suggest that SEI and Tasty’s resultant identity of positive subjective well-being may also have contributed to positive outcomes. For SEI, over the decade preceding 2012, SEI averaged a 20 percent growth rate, gross profit of 80 percent, a 98 percent customer retention rate, and over 90 percent net promoter score¹, which equals or betters the best in the

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¹ The Net Promoter Score, or NPS®, is based on the fundamental perspective that every company’s customers can be divided into three categories: Promoters, Passives, and Detractors. By asking one simple question — How likely is it that you would recommend [your company] to a friend or colleague? — You can track these groups and get a clear measure of your company’s performance through your customers’ eyes. Customers respond on a 0-to-10 point rating scale and are categorized as follows:

- **Promoters** (score 9-10) are loyal enthusiasts who will keep buying and refer others, fueling growth.
- **Passives** (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings.
- **Detractors** (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth. Sourced from: http://www.netpromoter.com/why-net-promoter/know/
industry. SEI’s employee turnover rate has been reduced from approximately 22 percent in 2002 to stabilize at about 10 percent for the last 8 years.

**Viewing the POI characteristics through the lens of POI scholars**

According to Glynn and Walsh (2009) positive organization identity tends to have attributes that are inspirational, generative, authentic, and adaptive (Table 21), and these characteristics are central and distinct to who they are as an organization (Albert & Whetten, 1985).

<table>
<thead>
<tr>
<th>Positive Identity Contents (Attributes)</th>
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<tbody>
<tr>
<td><strong>Inspirational</strong></td>
</tr>
<tr>
<td>Inspiring to the collective; organizational and community members see these identities as attractive and aspirational</td>
</tr>
<tr>
<td><strong>Generative</strong></td>
</tr>
<tr>
<td>Enabling increased resource capabilities and enhanced well-being for the collective.</td>
</tr>
<tr>
<td><strong>Authentic</strong></td>
</tr>
<tr>
<td>Faithfully and realistically represent the foundational character of the organizations and collectives. They offer credible account of “who we are as an organization” to members and outsiders.</td>
</tr>
<tr>
<td><strong>Adaptive</strong></td>
</tr>
<tr>
<td>Charting new courses of change for organizations while still remaining authentically true to their character and espoused values.</td>
</tr>
</tbody>
</table>

The four POI attributes (inspirational, generative, authentic, and adaptive) discussed above can be found in SEI and Tasty identity.

**Inspirational**
Positive identities are cognitively and emotionally inspiring to the collective (Glynn & Walsh, 2009) and stimulate commitment to local businesses and communities at large (Marquis & Davis, 2009). For SEI, the servant/enabler identity is infused with inspiration that supplied the fuel for the organization’s ability to maintain its organic growth for the last decade. For Tasty, the empowerer identity inspired employees to test new entrepreneurial ideas, and to date Tasty has spun-off five entities.

Generative
Brickson and Lemmon (2009) theorized how positive organization identities can enrich and cultivate stakeholder relationship. They suggest that positive identity elicits a series of organizational goals and actions, which in turn give rise to specific stakeholder resources.

Authentic
Positive identities are authentic in that they offer a credible and realistic rendition of “who we are as an organization,” both to members and to outsiders.

Adaptive
Positive identities are agile and adaptive, plotting a new course of change for the organization but remaining true to their character and espoused values. For SEI, the fundamental mission of helping employees achieve their goals and providing excellent customer service has endured even under the company’s rapid growth.

The virtuous spiral
The virtuous positive practices of the two companies have resulted in three positive organization identities: servant/enabler/empowerer identity, performance and
financial prudence identity, and belongingness and meaningful identity. They moved from *doing to being*. Virtue ethics emphasizes *being* over *doing*, while deontological ethics emphasizes *doing* over *being*. For a virtue ethicist, *actions* manifest from *being* (Pojman, 2005). Data from this study seem to also support *both* views. For instance, SEI, with an enabler identity (*being*), continues to seek (*doing*) new avenues to help its employees achieve their goals and accordingly has set a new aggressive growth target—100 million dollars in sales by 2020. There seem to be a symbiotic relationship between *doing* and *being* (process and results), where virtuous positive practices engender positive identity, and positive identity in turn influences practice, resulting in an upward positive spiral (refer to P4 and P5 arrows in Figure 16—POI Virtuous Spiral Model). Organization identity enables organization’s goals and actions (Ashforth & Mael, 1996; Dutton & Dukerich, 1991), process drives results, and results in turn drive process, which leads to the fifth proposition.

*Proposition 5: The more positive and virtuous an organization identity, the stronger the virtuous intent and resulting practices, which will increase the upward virtuous spiral.*

To summarize all five propositions, P1 and P2 highlight the importance of virtuous intent (thoughts) and inspiring narratives (words) as necessary *foundations* for engendering virtuous positive practices, and both propositions build on the work of Dutton et al. (2010), where they posit that work-related identity is positive when identity is imbued with universal virtues. P3 suggests that a *synergy* in positive practices will engender a more coherent positive organization identity and builds on
the findings of Cameron et al. (2011), where they highlight a cluster of positive practices (caring, compassionate support, forgiveness, inspiration, meaning, respect, integrity, and gratitude). P4 encapsulates the POI construction process into the more colloquial notion of thoughts, words, and deeds. Finally, P5 captures the symbiotic relationship between doing and being (process and results), mutual influence and interdependence.

**Revisiting the Research Questions**

This study began with the intent of exploring and understanding the relationship between virtuous positive practices and positive organization identity. The study was guided by an overarching primary research question followed by two secondary research questions:

How do organizations use virtuous positive practices to construct a positive organization identity?

a) What are the identity characteristics that form and why?

b) Are there some virtuous positive practices more important than others when constructing positive organization identity?

To present my findings in a coherent manner, I used a conceptual model (Figure 16) to contextualize my findings. The model responds to the research inquiry in two parts. The first part, **POI construction process**, addresses the overarching research question as to how organizations use virtuous positive practices to construct a positive organization identity. Thoughts, words, and deeds summarize the POI construction
process. Based on the data, the framework suggests that the process of POI construction begins with *thoughts*, followed by *words*, to engender *actions* or deeds. Thoughts refer to the virtuous intent of the founders or senior leadership. Words refer to the inspiring organization narratives or stories. Nested between virtuous intent and organization narratives are a set of four virtuous positive practices (deeds) that SEI and Tasty use to construct their organization identity. The four virtuous positive practices are 1) hiring and firing for culture fit; 2) engagement and development; 3) respect, forgiveness, and trust; and 4) service and empowerment.

The second part of the framework, *resultant POI characteristics*, addresses the secondary research question (a), *what are the identity characteristics that form and why?* The construction process resulted in a set of three POI characteristics for the respective companies, which in essence answer the self-referential question “who we are.” The three POI characteristics that form are 1) servant/enabler/empowerer identity, 2) performance and financial prudence identity, and 3) belonging and meaningful identity.

For the secondary research question (b), the findings are rather inconclusive. No single virtuous positive practice could be indubitably identified as more important than the others. The founder of SEI considers the practice for hiring for culture and empowerment as basis for their flourishing:

> And we didn’t have to hire people that had all these super technical skills or super great sales skills. I just felt like we could train skills but
it was important for us to hire those un-trainable soft skills and I think that was the big difference. And the people - especially our key management team, they’re just solid individuals. It has nothing to do whether they can sell or count numbers or fix things. Their core values are super strong individually and so by bringing those super strong core values to the table we could teach them to be champions in the specific technical things that we did within our business and I think that’s what allowed us to flourish far beyond other organizations. (SEI Founder)

The president of SEI has extended the founder’s perspective and has become more nuanced; he considers that service to employees and the performance measurement and tracking system are the keys to their culture:

I think the key components of our culture is… I think it begins with our leadership team and having that servant leadership mentality. And that’s requirement here. It’s not when you begin a leadership position they get to start telling everybody what to do. This is what I tell all new leaders. It’s not—you got to go do this—you got to go do that. Your first question is, how do I help you? How are you doing? What do you like? What do you not like? What are your biggest needs and how do I help you? As leaders, we work for our employees. We’re there to serve them and I think that sets the tone for our culture right from the beginning.

And your goals and priorities in your five fifteens need to align with your ROI’s which is going to align with those scorecards. And so that is the certain elements of our culture. Working with our employees to help them achieve their goals, making the right decisions for the business and then measuring our success, and those all go together and the more success we’re having the more goals we’re achieving, the more the companies growing, the more engaged the employee is, and that’s what’s driven us over the past ten years. (SEI President)

Even within SEI there is no unanimity as to their positive practices that are more important than others. At Tasty, the CEO always highlights the positive practice of respect, forgiveness, and trust by quoting that “everyone is a somebody” and “autopsy without blame.” In the words of Tasty Nuphoriq’s Co-Founder, “I think the one
that—the core value that always pops in my head the most would probably be treat all with respect because every single interaction that you have is about being respectful.”

Further research, specifically aimed to differentiate the contribution of the specific positive practice on POI constituents, is needed to conclusively delineate the practices that are more rewarding than others. But more importantly, the findings suggest as in proposition 3 that the greater the synergy between the positive practices of a company, the more coherent will be the organization identity.

The next chapter will address this study’s limitations, discuss the theoretical and practical implications, and recommend possible future research avenues.
Chapter 6: Implications and Future Possibilities

I undertook the study to investigate and understand the relationship between the cultivation of virtuous positive practices and the construction of positive organization identity. I believe that I have taken a small step to uncover the process of how organizations use virtuous positive practices to construct a positive organization identity. The pattern of POI construction of both firms shows remarkable similarity; it begins with thoughts, followed by words, to engender actions or deeds. Thoughts refer to the virtuous intent of the founders or senior leadership; words refer to the inspiring organization narratives or stories; and nesting between virtuous intent and organization narratives are a set of virtuous positive practices (deeds) that the companies use to construct their organization identity. This notion of identity construction is succinctly captured in the words of Mahatma Gandhi (Sustainable Man, 2013):

Your beliefs become your thoughts,
Your thoughts become your words,
Your words become your actions,
Your actions become your habits,
Your habits become your values,
Your values become your destiny.

Although there is no unique process of POI construction, the proposal outlined in this study is definitely one approach, which has conceptual simplicity and practical utility.
Admittedly having positive practices is not enough to create POI; it requires a synergistic connection of virtuous thoughts, inspiring words, and empowering deeds.

Gioia et al. (2013) called on researchers to contribute by “additional research into what identity content forms and why?” (p. 182). This study, in a modest way, responded to their call. It uncovered three near-identical identity characteristics or contents in both companies that are imbued with positive attributes. These are only a few of the positive attributes; there could be others. This study also suggests that the relationship between virtuous positive practices and positive organization identity is cyclical rather than linear. The entities do, however, influence each other (positive practices engender positive identity and vice versa). This symbiotic relationship has the potential of sending the organization into an upward virtuous spiral, which has implications for both theory and practice.

**Implication for Theory**

In ethics literature (e.g., Pojman, 2005), a virtue ethicist emphasizes *being over doing*, with the focal question, what kind of person should I become? A deontic ethicist emphasizes *actions*, with the focal question, what should I do? The findings (the Virtuous Spiral Model) from this study seem to suggest that being and doing need not be mutually exclusive; in fact, it points to a sweet spot where virtue ethics and deontic ethics converge and complement each other. The sweet spot seems to have provided relief to the classic chicken-and-egg question; sometimes who we are (character) comes first, and sometimes actions (e.g., doing the right thing) come first. For
practitioners this is welcome news because practitioners are ostensibly focused on practical utility.

**Implications for Practice**
At the pragmatic level, this study suggests that the construction of a positive organization identity is indeed possible, in fact according to the Virtuous Spiral Model, it can enter the virtuous spiral either through *actions* (positive practices) or by cultivating attractive character strengths rooted in *being*. The conceptual simplicity of the colloquial notion of thoughts, words, and deeds contextualizes virtuous positive practices and makes it easier for practitioners to imbibe. Although the Virtuous Spiral Model does not offer a “recipe” for constructing a positive organization identity, it does provide definitive directional pointers for what is possible. For instance, an entrepreneur may espouse virtuous intent but may lack the ability to structure an effective narrative to manifest the organizational intent. On the other side of the spectrum, an organization may be so process driven that it lacks a good sense of who it really is—what is central, distinct, and enduring about its identity. The Virtuous Spiral Model offers an integrated and balanced approach for practitioners.

**Limitations of the Study**
First, notwithstanding the modest contribution of this study, there is still a lot unknown about the “how” question—the actual process of how organization use positive virtuous practices to construct a positive organization needs further investigation. The findings of this study only represent a certain level of understanding. To facilitate deeper insights, the study must dig deeper into the
construction phenomenon. Much is known about the factors that lead to POI, but the process of how it happens will require deeper sustained investigation into this phenomena; perhaps the use of grounded theory research methodology will help further uncover emergent paradigms.

Second, although the focus of the study was on positive practices and conducted from a constructivist’s perspective, critics (with a reductionist, logical, cause-and-effect orientation) may still point to the lack of comparative data from organizations that do not explicitly adopt virtuous positive practices.

Third, critics may contend that this study could have benefited with a deeper and more sustained data collection process; instead of a two-day site visit, perhaps multiple visits with more in-depth interviews and observations may have uncovered deeper layers of the process with which the two organizations construct their positive organization identity.

Finally, the study postulates that virtuous intent, inspiring organization narratives, and positive synergistic organizational practices are necessary conditions for constructing positive organization identity. These may not be sufficient. The postulates may address the centrality and distinctiveness aspects, yet endurance is to be tested over time and in distress conditions. In the case of SEI, the time criteria may have been met; however, the distress aspect has not yet been tested. In the case of Tasty, distress
may have been tested, but not time. The five propositions presented are based on findings from two privately owned (service) companies in a specific geographic setting. It would be interesting if these propositions are investigated by researchers for other industry sectors, company size, and geographic settings.

**Recommendations for Future Study and Research**

Notwithstanding the limitations discussed earlier, there is much to be excited about here. Both SEI and Tasty seem to have taken the position that organizational performance (including profit) is a lagging indicator, while positive practices (including the cultivation of virtues) are leading indicator of organizational performance. Both organizations assert that given their operating philosophy, they can be successful irrespective of the business they are in.

Our vision at SEI is to work with our employees to help them accomplish their personal, professional and financial goals, and that is more of our vision than creating maintenance contracts and fixing computers and doing all those things. That is the vehicle that we use to accomplish our vision, which is helping people accomplish their goals. But ultimately no matter what we did as a company, whether it’s fixing computers or car washes or selling flowers, it would be to work with our employees and help them accomplish their goals. And we have seen that play out time and time again. (SEI CFO)

It’s all about the people and that’s what matters here. It’s not about the business they’re in. I feel like the company could be in the business of making heat treating sheets for all I know and they would still be successful. (Nuphoriq CEO)

This study did not explicitly explore the relationship between POI and performance; therefore, a valuable future contribution would be to investigate the question of whether positive organization identity is one of the leading indicators of
organizational success or performance. Continuing along this trajectory, would it be more meaningful for organizations to focus on positive practices or cultivating virtuous organizational character instead of obsessing on organizational performance?

Other avenues of research inquiry that will contribute to theory and practice of positive organization identity would be:

1. Do the POI characteristics change when organizations move across national borders?
2. Are the characteristics of POI of family-owned companies affected by the second generation of family leadership?
3. Does life cycle impact how an organization construct its positive identity?

**Concluding Thoughts**
Throughout history, humans have faced overwhelming challenges, and the human species as a whole has prevailed and flourished. Notwithstanding the challenges ahead of us, I take an optimistic stance that humans on earth will continue to flourish. My optimism is deeply rooted in humanity’s desire for the good of the first intent and its historical ability (evolved and developed over time) to self-reflect, innovate, and generate new ideas to exploit opportunities and/or eliminate threats. The POI, POS, and virtue constructs discussed in this paper operate within that paradigm. As evidenced by the two case studies argued throughout the paper, a strong positive organization identity rooted in virtues result in stakeholder flourishing.
Epilogue

As the dissertation curtain falls, I would like to use the following verse from the serenity prayer to help echo the cry of the heart.

*God grant me the serenity to accept the things I cannot change;*

*The courage to change the things I can;*

*And the wisdom to know the difference.*

Although the dissertation journey has come to a close, the river of life continues to flow as it has for thousands of years. With tears of gratitude, I close out this chapter of my life with a fervent wish/prayer—that His invisible hand continues to guide this mystical dance of life—and I long for the day when He feasts on the sacred bread He so meticulously baked.

*Thy will be done*
Appendix A: Interview Guiding Questions

1. **What Attracted You to Your Company?**
   To begin, I’d like to learn a bit about your personal story. Think back to when you first decided to join your company, what attracted you? What were your initial excitements and impressions? What do you find most meaningful, valuable, challenging, and exciting about your work?

2. **High Point Experience**
   During your time with your company, I’m sure you’ve had some ups and downs, some peaks and valleys, some high points and low points. I’d like you to reflect for a moment on a high point experience, a time when you felt most alive, most engaged, most proud of your involvement . . . tell the story. What happened? Who was involved? What brought it about? What role did you play? Why was it significant to you? How is this unique in the sense of being different from other you’ve been involved with?

   Possible Probes: What made the experience possible?
   - What was it about you that made it a great experience (e.g., your skills, values, commitments, relationships)?
   - Who were significant others and what was it about them that made it a high point?
   - What was it about your company as an organization that made the experience possible?
   - What were some of the twists and turns in your story? For example, what was the biggest obstacle or challenge? How did you or others overcome any obstacles or challenges? What resources and strengths did you or others draw on to get through the rough spots?

3. **Positive Impact**
   Consider for a moment the impact of this experience on you as an individual, on your company, and on others such as coworkers, customers, your local community or society. How do you personally measure the impact of the experience? How would you describe the tangible impact of this experience on others? How would you describe its impact on your company as an organization? Have you seen any financial, cultural, or social indicators of impact?

4. **Motivation and Purpose**
   Nearly every action or activity is motivated by a philosophy or set of beliefs about what is right and good. What were the motivations behind the experience you just described? What values, beliefs, or assumptions about people, business,
organizations, and society were fundamental to the actions and activities in your story? What do you think were the motivations of others? Where the decision makers at your company involved? If so, what do you think were their motivations? Were there specific events or actions that are indicators of their motivations?

5. Valuing
Taking into consideration the whole picture, what do you value most about your company as an organization? Can you give some examples? What is the core factor that gives life, health, and vitality to your organization (without it the organization would cease to exist)?

6. Lessons Learned
Think about the lessons you have gained from the story. What do you think others can learn about building a great company from your story? What message would send to people who are inclined to build a business like your company?

7. Images of the Future
Imagine that tonight you fall into a deep relaxing sleep, and you don’t wake up until the year 2015. When you awake, you see that a miracle has occurred. Major changes have taken place, and your company has become everything you ever hoped it could be. You can truly say, without reservation, that this is the organization of your dreams. What do you see? What does it look like? What’s going on around you? What’s happening that’s new and different? What do you see in terms of purpose, values, systems, people, ways of working, fiscal performance, others?
Appendix B: SEI—EBITDA & Sales Growth Rate

Basil Chen

From: Basil Chen <basil_chen@hotmail.com>
Sent: Tuesday, September 03, 2013 2:49 PM
To: [Redacted]
Cc: 'Mike Manning'
Subject: RE: Thank You

Many thanks for sharing the EBITDA information. We will keep you posted about the SEI Case as we shape and finalize the study. Also, just to reiterate, we will not disseminate any information you furnished us without first vetting it with you.

With Appreciation,
Basil

From: [Redacted] [mailto: [Redacted]@seiservice.com]
Sent: Tuesday, September 03, 2013 2:17 PM
To: 'Basil Chen'
Cc: [Redacted]
Subject: RE: Thank You

Basil,

It was a pleasure speaking with you again. We always love to talk with anyone who is interested in SEI about our culture and success. There have been many hard lessons learned along the way, but we are excited about our future success.

In following up on our conversation today, and in looking at how our culture has positively impacted our financial success, I can share the following with you:

2001 – 2012 Revenue Growth – Average Annual % Growth 18%
2001 – 2012 EBITDA Growth – Average Annual % Growth 19%

And though we cannot share the EBITDA dollars or % of Revenue with you, the growth percentage in EBITDA has been greater than the annual revenue growth percentage.

Let me know if you have any questions.

Thanks

[SEI logo] Chief Financial Officer
ph: 616.698.2221 - fx: 616.698.2218
info@seiservice.com - seekservice.com
For Service - 1.800.940.9585

Delivering Exceptional Data Center Maintenance
Appendix C: SEI—Professional Development Blog

We focus on employee engagement

At SEI, we don’t just focus on fun, we focus on employee engagement. Employee engagement certainly includes fun activities, but it also includes activities that help employees to be fully involved at work and have a great impact on others.

Employee engagement is not an event, it’s one of our Four Core Objectives. We equip leaders with resources that help to ensure employees are engaged with the work that they do, feel connected with each other and understand how their work matters. At SEI, employee engagement includes helping employees to understand how the work that they do impacts each other, the company and our customers.

We focus on personal, professional and financial goals

SEI’s Vision is to “work with our employees to help them achieve their personal, professional and financial goals.” I can’t think of a better way for a company to engage employees than for the company to be a stakeholder in helping them reach the goals that they have for themselves and for their family.

I want SEI employees to say that they achieved their goals because of SEI, not in spite of it.

We focus on performance measurement

People want to work for more than just a paycheck, they want to know that what they do matters. At SEI, we help employees prioritize their work and measure their progress so that they see the progressive impact that they’re having. We do this through our SR5 performance measurement system, which utilizes Scorecards, ROIs and 5/15s.

Without a performance measurement system, employees who want to succeed have:

- No written priorities that show them where their greatest impact will be
- No objective way to measure their progress
Leaders develop high-performance teams by creating a culture where high-performers engage with one another, push each other to do more and where they celebrate success together. A performance measurement system provides a great foundation for teams to do just that.

**We focus on professional development**

At SEI, we believe that our people are our greatest competitive advantage and so we invest heavily in their development. Great results begin when employees are at the top of their game professionally.

We believe that *what got us here, won’t get us there*. In other words, we can’t be content to rest on our laurels. The skills that helped us to achieve such great success in the past, aren’t enough to ensure that we’ll achieve great success in the future. We have to sharpen our skills and develop new ones if we’re going to continue to succeed in the future.

The investment that we make in professional development also represents a strong commitment to our employees. It’s a commitment that says SEI is not just interested in what *they can do for us today*, but that we’re committed to what *we can do together in the future*.

At Service Express we have a lot of fun and we get great results, and these are four areas that we focus on to ensure that we’re doing both.
Appendix D: SEI—Employee Engagement
Appendix E: SEI—Employee Engagement Survey
References


