

How the Cool Kids... Attract & Retain Talent



#coolkids



HOW THE COOL KIDS ATTRACT & RETAIN TALENT



TABLE OF CONTENTS

In a highly competitive, highly skilled labor market, how are the coolest and most creative companies using processes, technology and a culture of innovation to attract and retain top talent? Learn how from these five award-winning companies.

1

The Motley Fool

2

Chaotic Moon

3

SpareFoot

4

Return Path

5

Y&R Austin

Let's Get Started!

The Motley Fool

Case Study

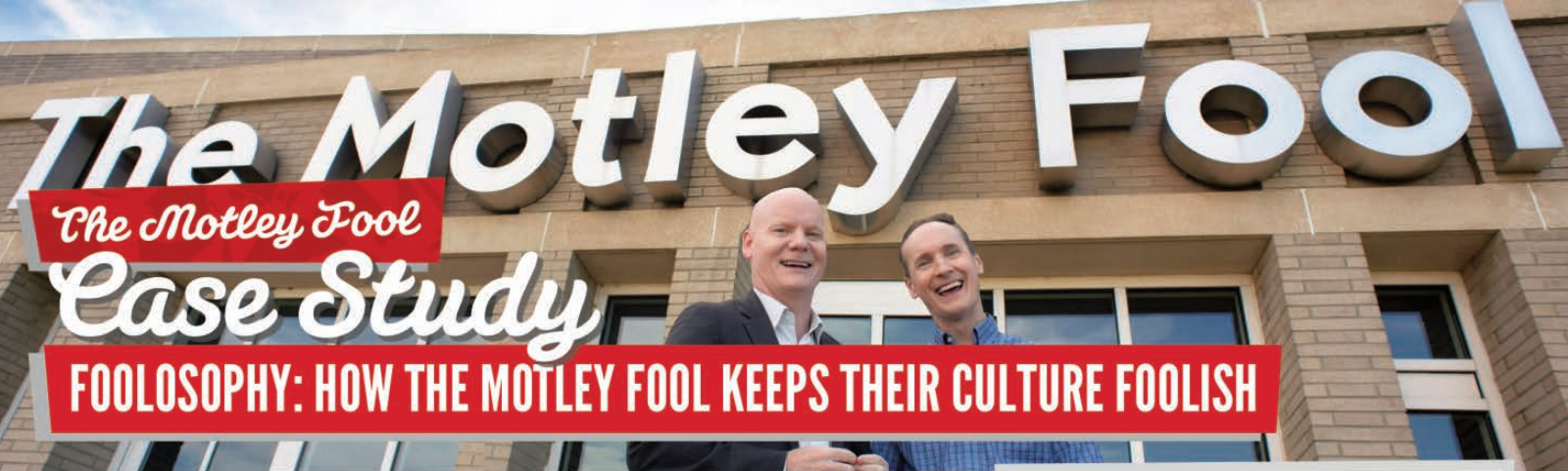
FOOLOSOPHY: HOW THE MOTLEY FOOL KEEPS THEIR CULTURE FOOLISH



The Motley Fool
To Educate, Amuse & Enrich™



YouEarnedit
happiness at work.™



The Motley Fool

Case Study

FOOLOSOPHY: HOW THE MOTLEY FOOL KEEPS THEIR CULTURE FOOLISH

MEET THE MOTLEY FOOL

The Motley Fool's mission is simple, to **"Help the World Invest- Better."** Founded in 1993 by brothers David and Tom Gardner, the web-based company strives to help people better manage their financial life... and they have while fun doing it. In fact, **"fun"** is even one of their core values. The jester-like metaphor encourages everyone in the company to not take themselves too seriously and to make learning fun, even in the financial industry. The company's name was taken from Shakespeare, whose wise fools both instructed and amused, and could speak the truth to the king — without getting their heads lopped off.

ATTRACTING & RETAINING TALENT

While The Motley Fool's culture is built around fun, they take their people very seriously. Top leadership places a tremendous amount of trust in their **"Fools"** to fulfill their mission and purpose within the company. According to CEO and Co-chairman, Tom Gardner, trust starts with recruiting and hiring awesome people who are empowered and feel that their work is meaningful and valued. They believe that a healthy amount of trust leads to high quality work.

We asked Kara Chambers, the VP of Talent Strategy, what has been the best thing they've done that's made a difference in their culture and employee engagement efforts. Her answer:

"Recruiting people you trust and then assume they're wanting to do great work. If our people are aligned with purpose the rest falls into place. We find that A players hire A players and it becomes a virtuous cycle."

The Motley Fool believes that everyone who comes to work for their organization is just as important as a customer. Employees are attracted to the ever-growing and changing environment, where the opportunity to learn, grow and try new things always exists. Failures are not frowned upon. In fact, they're celebrated because someone had the courage to actually try something different.



"We want to highlight and empower..."

We want to highlight and empower every Fool to give recognition.

-Kara Chambers, VP of Talent Strategy, The Motley Fool



The Motley Fool
To Educate, Amuse & Enrich™

COMPANY BACKGROUND

The Motley Fool - Is a multimedia financial-services company dedicated to building the world's greatest investment community.

Employees: 330+

Headquarters: Alexandria, Virginia

Founders: Brothers David and Tom Gardner

Awards: Glassdoor named it the Best Small-to-Medium Sized Company to work for in the U.S. 2 years in a row



Glassdoor® Best Places to Work 2015



YouEarnedit™

continued on next page...

PUTTING EMPLOYEES FIRST

The Motley Fool was built on a very “**anti-establishment**” basis where traditional company structure is flipped on its head. Chief Collaboration Officer, Todd Etter, calls it a “**flat hierarchy**,” where every Fool is treated the same, with equal amounts of respect. There’s no emphasis on heavy titles and the executives sit in the same type of desk and chairs as the employees. They believe that their most important people are the ones who get work done on the day-to-day.

When it comes to listening to what their employees want, they don’t make any assumptions. They find out what employees enjoy and what matters to them and experiment with new initiatives. Whether it’s compensation or appreciation, every opinion matters. Their work environment is filled with open-mindedness and creativity and Fools are encouraged to bring their own “**Motley Personality**” to the table.

Tom Gardner, CEO and Co-chairman of The Motley Fool, “We are working very hard to see every individual... as somebody!”

“...We are working very hard and will continue for the rest of the life of our company to see every individual as somebody who is trying to fulfill their potential and their own opportunity to transform the world.”

THE MOTLEY FOOL CULTURAL DIFFERENTIATORS

- Best Small-to-Medium Sized Company to work for in the U.S.
- Weekly yoga classes, monthly meditation, massage rooms
- Onsite gym with free fitness classes
- No dress code, no office decoration code
- Unlimited vacation policy
- Flexible work hours
- Monthly All-Fools Activities
- Company tradition of “**Bring Your Family To Work Day**”
- PYOD- Pick Your Own Device; employees can pick which technologies they want to use
- Free subscription to Motley Fool Money podcast and nationally syndicated newspaper column
- Fools are provided with up to \$5,250 in tax-free educational assistance for undergrad/grad-level courses
- Everyone is an owner in their Stock Program
- Foolanthropy: Since 1997, they have raised over \$3 million for various charities



The tweet on the street

Motley Fool Culture @FoolCulture

35 times a day, a Fool is saying thank you. How do we show employee recognition? Through @youearnedit! Find out more: wp.me/p1zFnG-wm



THE GOLDEN HALL OF AWESOME

Through their own employee engagement survey, The Motley Fool found that recognition came too often from the top-down. What they really wanted was a way for every Fool to be able to send and receive thanks.

“We want to highlight and empower every Fool to give recognition.”
Kara Chambers, VP of Talent Strategy

That’s when they decided to use YouEarnedIt as their tool to facilitate the type of peer-to-peer recognition employees desired calling the program “**The Golden Hall of Awesome**.” The Motley Fool’s employees have been actively engaging with the program for one year and have sent over 13,000 pieces of recognition!

Chaotic Moon

Case Study

USING BRAND, DESIGN & PHYSICAL SPACE TO ATTRACT & RETAIN TALENT





Chaotic Moon

Case Study

USING BRAND, DESIGN & PHYSICAL SPACE TO ATTRACT & RETAIN TALENT

MEET CHAOTIC MOON

Upon walking into the Chaotic Moon office, a design studio located right in the heart of downtown Austin, you are overwhelmed with a sense of “cool,” so much so that you’re questioning if you are cool enough to even be there. The giant graffiti mural literally screams, “**We’re The Best**” on the wall behind the receptionists sleek white desk, with vibrant red and purple hues accenting the welcoming area. It’s bold, cocky and confident and whether you’re a client or an employee, you’ll forever have the first impression that these guys mean serious business.

The design, layout and tone of Chaotic Moon, which Office Snapshot ranked “**The Top 25 Most Popular Offices**,” didn’t just happen by chance. It took strategic thought and planning from CEO Ben Laam and CCO Ben McCraw, who oversaw the entire design process from the ground up. From lighting to wall color, balance to symmetry, every aspect of the year-and-a-half-old office was treated as a blank canvas.

ATTRACTING TALENT

So how does one of the coolest, most energetic offices in the nation attract and retain talent in the Austin’s competitive creative pool? They don’t have to put much effort into it, in fact, they rarely even post job listings. Chief Creative Officer, Ben McCraw, explains that just being above and in front of the competition helps them get better employees, which results in even better clients.

What they look for when hiring employees is much more than skillset, talent and experience. “**That’s baseline**,” says McCraw. What matters above all is how self-motivated one is, what standards they hold themselves up to, how strong their work ethic is, and if they have the type of mindset that says, “**I’m going to get this thing across the finish line. No matter what.**”

Chad Darbyshire, Director of Marketing & Strategic Relationships, explained that they really look for people with remarkable backgrounds and immersive lives outside of their jobs as well.



*“Talent and experience are just 10% of the equation...”
The rest is made up of ownership and responsibility.*

-Ben McCraw, Creative Officer, Chaotic Moon



COMPANY BACKGROUND

Chaotic Moon - A group of thinkers, builders, designers, developers, leaders, dreamers, and doers hell-bent on changing the world through a better software experience. Founded in 2010 by Ben Lamm and Mike Erwin.

Employees: 150 and growing

Headquarters: Austin, Texas

Awards: Winner of "The Austin Energy Technology Innovation Award" at the 14th Annual Greater Austin Business Awards, Voted the #4 Best Place to Work in Austin - 2014.



continued on next page...



ATTRACTING TALENT (CONT.)

Besides the physical space of the office, what really hooks people to Chaotic Moon? From the outside, it's apparent they have done a good job of communicating what goes on inside based on the multitude of applicants coming in everyday, expressing how much they love the brand and the product. But designers and engineers are looking for a place to explore and be challenged to step further outside of the norm. Chaotic Moon gives people that opportunity to explore and have ownership of their projects.

"If you want a 9-5, go somewhere else. If you want to blend in and go with the flow, go somewhere else. If you're not willing to sacrifice some of your time here and there when necessary, go somewhere else." Ben McCraw

Not only is the office aesthetically pleasing, it's also very conducive to connectivity as well as contemplation. The open space concept and group meeting areas encourage thoughtful conversation, idea sharing and open communication. Team members are encouraged to personalize their work space and some have even contributed to the physical space by creating murals and art for the walls. Dozens of break-out rooms, large and small, offer employees space when they need privacy or quiet. Management really made it a point to make sure their team members were comfortable in their space, ***"because our employees are our livelihood,"*** says McCraw.

"The energy in the office is ceaseless — it's creative, collaborative, & fast-paced."

Our office space represents our philosophy: we work together, push things to the limit, and ensure every detail is taken care of.



-Chad Darbyshire
Director of Marketing & Strategic Relationships
Chaotic Moon

HOW TO CREATE A GREAT PHYSICAL SPACE ON A BUDGET

When asked what other brands could do if they wanted to upgrade their space but are restricted with budget, McCraw said that typically, the things that are conducive for a collaborate space are usually cheaper. He said he treated it as any other piece of design, that it's like storytelling, you want a climax of the story. ***"When someone walks in that door what do you want to hit them with?"***

Extra Advice:

- Buy your furniture from Ikea and Overstock.com
- Pick accent walls for a splash of color
- Rip the carpet up and stain cement floors
- When painting, think of the wall as your billboard
- The painting, flooring & lighting all share a space with each other
- Find one unique statement piece to splurge on

CHAOTIC MOON'S UNIQUE CULTURAL DIFFERENTIATORS

- Everything they do embraces their brand
- Innovation built into the company DNA
- If fun is lacking, they fabricate it
- Options to participate in a variety of experiments
- Experiments like **Shark Punch**
- Their tagline is ***"We're The Best"***
- Their employees have hobbies like building vintage trucks and writing novels
- Award-winning office in the heart of downtown Austin
- Sponsors of the Moon Tower Comedy Festival



SpareFoot

Case Study

HOW TO ATTRACT AND RETAIN CUSTOMER SERVICE SUPERSTARS

SpareFoot




YouEarnedit
happiness at work.



SpareFoot

Case Study

HOW TO ATTRACT AND RETAIN CUSTOMER SERVICE SUPERSTARS

MEET SPAREFOOT

In the early days of SpareFoot, founders Chuck Gordon and Mario Feghali thought their new online self-storage marketplace would be entirely self-service. What they soon realized, however, was that, although their solution was intuitive, consumers still needed help renting storage units.

They started off with a small team of people taking customer support calls but quickly needed to recruit and hire new staff to keep up with the demand. Flash forward a couple of years and the team now has 80 employees, with plans to grow to 110 by the end of this year.

So how does SpareFoot attract and retain top talent in a red-hot tech job market? In fact, how is it that they have 100 applicants for each opening? After all, the storage industry isn't exactly sexy. And, we're not even talking cloud storage. We're talking self-storage -- you know, futons and couches.

How to attract and retain super smart and super creative people to work in what people might call, in hush tones, a "Call Center"

According to Josh Lipton, SpareFoot's VP of Technology and architect of the ACE (Amazing Customer Experience) team, people want to be part of something big and meaningful. Something that can link to significant change. *"What attracts people to the ACE team is an opportunity to change a \$25 billion industry. For example, who would have thought just a year ago that Uber and Lyft would turn the car service industry on its head?"*

In addition, people are drawn to the SpareFoot culture that was built from the ground up with 100% executive buy-in. It was a priority to get it right before getting too big, so the culture was ingrained in every thing they do.

"Our CEO, Chuck Gordon, wanted to approach SpareFoot as a culture first. He gave me the latitude to figure out how to institutionalize his vision on culture into this environment. The ACEs, as we call ourselves, are now running with it, creating all kinds of new culture-building programs, organically," Lipton said.



"...Employee happiness, it costs zero."

If you think about YouEarnedit in terms of what you'll gain in productivity, performance, and employee happiness, it costs zero.

~Josh Lipton, VP of Technology, SpareFoot

continued on next page...

SpareFoot

COMPANY BACKGROUND

SpareFoot - The world's largest, simplest and best marketplace for self-storage. Also providing leading web marketing solutions for storage operators. Founded in 2008 by then-UCLA students Chuck Gordon and Mario Feghali.

Employees: 200+ employees

Headquarters: Austin, TX

Featured in Cities & Universities: All over the US.

Investors: Insight Venture Partners, Silverton Partners, Floodgate and Capital Factory.



 **YouEarnedit**™

SPAREFOOT'S CALL CENTER VISION

In addition to a great mission to change an industry and a great culture, Josh and the rest of the SpareFoot team were inspired by the ability to architect a call center that was going to be built around how well they could serve people's needs. They don't view customer service as a cost center. Rather, they view it as a product not unlike their own website or mobile apps. And, every employee is an owner in building the product.

"We asked ourselves what would we do if we were able to start from the beginning and re-engineer a call center? Let's challenge assumptions about how you are supposed to run one of these things. If you only hire awesome people and then you treat them like grownups and you give them lots of responsibility and accountability, you end up with a pretty good outcome. It's so much more powerful than any top-down method is going to get you."

In terms of incentivizing ACE members, SpareFoot didn't want to give out lots of rewards without getting pigeonholed into a classic reward system or some of the compensation plan challenges. *"If your job is to take calls on our team, it doesn't seem right to get spiffed for taking those calls. That's why you were hired. But **you should be rewarded for all sorts of other things in addition to doing your job well.**"*

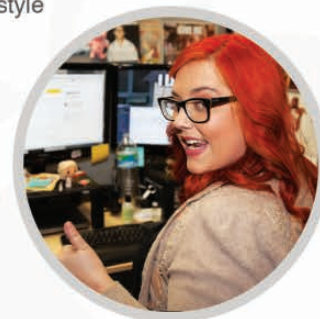
*Cathy Guthrie, head of SpareFoot's People Department, talked about another important cultural differentiator...
... a balanced work-life!*

"When you talk about work-life balance, what does that mean? You have to live your life and you have to work. I call it an integrated life. Where everything fits and you are able to juggle. We have that flexibility where you can do what you have to do to take care of your life. Because guess what? If one part is out of sync, so is the other."

SOME OF SPAREFOOT'S UNIQUE CULTURAL DIFFERENTIATORS INCLUDE

- A culture built around appreciation and respect
- **Frequent and consistent feedback:**

Use YouEarnedit's employee engagement software to drive behaviors linked to core values. Every Tuesday team meetings that start with praise. Once a month they host a Big Foot Award, where peers recognize each other. Twice a year they conduct culture surveys. Every six weeks, CEO fireside chats where Sparefoot employees can sign up for a one-on-one chat to discuss anything they want.
- Limited policies (i.e. no vacation policy, flexible work arrangements, casual dress code)
- Treat employees like grown-ups with lots of responsibility and accountability vs. a top-down management style
- Significant investment in employee training and development
- Small, agile teams
- Free lunch EVERY DAY, and unlimited snacks and beverages
- Free health care insurance for you and your family
- Free Capital Metro pass for commuters
- Free downtown parking
- If you carpool, ride your bike or walk to work, they pay you



RECRUITING - HOW DO THEY GET THE WORD OUT?

For every 100 resumes that SpareFoot receives, only one person gets hired on to the ACE team. How do they get the word out?

- Invest heavily in tech community events in Austin
- Build a brand around your culture and win awards like "Best Company to Work for in Austin"
- Communicate outside of SpareFoot (via blogs, media coverage) what they're doing inside that's so interesting
- Internship programs
- Internal transfers

HOW DO YOU MAKE SURE YOU HIRE GREAT PEOPLE FOR THE ACE TEAM?

One of the only challenges SpareFoot experiences around hiring for the ACE team is digging through the masses and being highly selective about who is hired. The whole team is involved in hiring from ACE, including the CEO. *"It's really, really hard to get hired, but it pays off, as we have super-low turnover -- none of the classic turnover rates most people hear about,"* said Lipton.

What they really look for in a candidate is someone who not only has the experience and technical skills, but more importantly is aligned with SpareFoot's core values and wants to grow.

THE ACE TEAM INTERVIEW PROCESS



"This younger generation wants opportunity..."

And they will go wherever they have to go to get that. And we offer that.

-Cathy Guthrie, head of SpareFoot's People Department

Step 1.

Prospective employee submits a resume and provides a real cover letter, which is more important than the resume.

Step 2.

SpareFoot sends a reply with a set of questions mostly asking prospective employees what types of products and services they use that deliver really great experiences. The goal is to understand how they think about designing a customer experience because everyone on the team is designing the customer experience all the time.

Step 3.

30-minute phone screen designed to test culture fit.

Step 4.

4 hours of interviews with questions linked to company core values: 30-minutes with Josh > Two-on-one interview with Josh and another team member for 30 minutes. > One-hour ride-along sit with different team members and see how they answer calls. > Group interview with six ACE members.

Step 5.

If candidate passes all these rounds, they're set up for a one-on-one interview with Chuck.

WHAT ABOUT YOEARNEDIT'S EMPLOYEE ENGAGEMENT SOFTWARE?



According to Lipton, the ACE team has baked YouEarnedIt's employee engagement software into the culture to help build employee-to-employee trust and camaraderie while rewarding behavior that aligns with its core values. *"It's become assumed that it's the tool we use to recognize people. I'll give you a good example. We're rolling off an offshore test team in Manila, Philippines, with about 15 employees. The ACE team demanded that we reward the people in the Philippines via YouEarnedIt so that we can keep commonality between the teams."*

SPAREFOOT'S RESULTS

YouEarnedIt has enabled SpareFoot to create a currency for recognition and, in essence, an economy that's allowed employees to essentially hack the culture. **Two new programs have emerged: SpareSmiles and the Atypical ACER:**

SpareSmiles is based on a database of everything people like. A secret SpareSmiles person buys cool things for their secret person using YouEarnedIt reward points, makes a cake, or just looks out for someone based on their self-reported interests. *"It's an offshoot of our culture of recognition and doing nice things for one another,"* Lipton said.

Atypical ACER is a person of the week recognized by the team. All of us give a handwritten note sharing things we really like about the Atypical ACER. In addition, a flurry of thank you's and points are given to the Atypical ACER. -via YouEarnedIt's Software

OUTPERFORM INDUSTRY BENCHMARKS FOR:

- Customer satisfaction scores
- Retention
- Revenue per employee
- High scores on culture survey questions linked to feeling appreciated.
- ACE team members serve as cultural filters for rest of company and help with recruiting/hiring new people



"Maintain an amazing culture..."

...and the same great semiannual culture survey scores from 15 people to 50 people to now, 80. This is indicative of good organizational design and good solutions, including YouEarnedIt.

-Josh Lipton, VP of Technology, Sparefoot

Return Path

Case Study

PUTTING PEOPLE FIRST TO ATTRACT AND RETAIN THE BEST





Return Path

Case Study

PUTTING PEOPLE FIRST TO ATTRACT AND RETAIN THE BEST

MEET RETURN PATH

Return Path is a company that is all about helping the good guys in the world of email marketing be successful with their customers. On the flip side, they keep the bad guys out of the inbox. We all know the types - spammers, frauds, phishing scammers...

With customers and offices throughout the world, Return Path has been recognized for its commitment to creating an employee experience that is very hard to replicate. For example, Fortune Magazine named Return Path 2014's *Best Medium-Sized Workplace in the U.S.*

ATTRACTING TOP TALENT

"We put people first, a value which emanates from our CEO and has long-defined the company," says Mark Frein, Chief Performance Officer at Return Path.

Return Path strongly believes that putting people first ensures that everyone sees value -- customers, shareholders and employees.

"We care about customers and shareholders. It's because we have a great set of highly engaged people feeling really good about their involvement in this "community" that we believe the rest will come," says Frein.

The term "community" comes up often at Return Path and it has a lot to do with their high levels of employee engagement. They attract people that want to be part of a team, part of a team spirit, part of a bigger community, and who want to make a difference. For these people, they do a tremendous number of things like making it easy to be part of the social life at the office, providing community-building activities, and supporting participation in voluntary activities outside of work.

"We tell candidates that they have to be willing to be part of a community where active participation is expected. That means giving and receiving feedback, caring about your colleagues, participating in community building activities, being a devoted member of a team... We don't attract people who want to join an organization and be left alone," says Frein.



"...it's fundamental to our values that rewards and recognition really matter"

"We wanted this to be a community-based decision. It's fundamental to our values that rewards and recognition really matter to the community," said Frein.

continued on next page...



Return Path

COMPANY BACKGROUND

Return Path - Return Path analyzes the world's largest collection of email data to show marketers how to stay connected to their audiences, strengthen their customer engagement, and protect their brands from fraud. Our solutions help mailbox providers around the world deliver great user experiences and build trust in email by ensuring that wanted messages reach the inbox while spam and abuse don't.

Employees: 425+

Headquarters: New York with offices in Denver, Sunnyvale, Austin, Toronto, London, Paris, Munich, Hamburg, Sydney and Sao Paulo.

Awards: Fortune #2 Best Medium Workplace; Inc. Top 20 Workplaces in the U.S.; Crain's New York #12 Best place to work in New York.



YouEarnedit™

RETAINING TOP TALENT

Return Path is a company that wants to help great people develop and succeed at both work and life. This emphasis on personal growth is fundamental to CEO Matt Blumberg's ethos about what Return Path is, and should be. It also drives processes and programs including:

- Global Job-Shadowing Program where employees learn what's happening in different parts of the organization. For example, employees in France have shadowed employees in Colorado.
- Unlimited vacation -- take the time you need, combined with a sabbatical program that allows employees to take six weeks of personal development time after seven years of employment, then again every five years. Treat employees like grown-ups with lots of responsibility and accountability vs. a top-down management style.
- YouEarnedIt employee-to-employee recognition and rewards program that aligns positive employee outcomes with core values and business objectives.
- ReturnShip program that provides internships for mid-career women re-entering the workforce as a vehicle to sharpen skills and update resume that attests to their abilities.

Transparency is also a key factor in building trust and maintaining high retention rates at Return Path. For example, each quarter, all employees are given the Board book, which provides the details presented to the Board of Directors including what's going well, what's not going well, and key areas for improvement. In addition to distributing the Board book, the entire leadership team hosts multiple open conversations to talk about the contents of the board book and how the company is doing.

"Some people are almost shocked when they hear about the level of transparency at Return Path. The degree to which we ask to hold ourselves mutually accountable for our continuing growth and performance - I've never seen this in another organization," said Frein.

A critical foundational piece of Return Path's culture is continuous feedback for continuous improvement. Feedback is captured by way of employee surveys, exit surveys, and quarterly check-ins where people are asked to tell how they think the company is doing on objectives, plans, culture and employee experience. This alone is not uncommon. The way the results are shared and taken seriously is unique. For example, the leadership openly shares the survey results including the great, good, bad and ugly. They then host conversations throughout the company to discuss how they are going to act on the suggestions. This process uncovered a source of disengagement around the lack of 401K matching. Within two months, a 401K matching programs was instituted.

SOME OF RETURN PATH'S UNIQUE CULTURAL DIFFERENTIATORS INCLUDE

- Commitment to put "people first"
- Unusually high level of transparency
- Values-based enterprise
- Continuous feedback and acting on employee suggestions
- Programs for learning and professional growth
- ReturnShip Internship program for mid-career women
- Unlimited vacation & Sabbaticals: fully paid break of 6 weeks
- Social committee budget for each office
- Catered meals
- Community matching donations
- Matching 401K
- Massage services
- Work from home flexibility
- Annual volunteer events
- Quarterly hackathons
- Peer nominated high-potential people conference



WHAT ABOUT YOEARNEDIT'S EMPLOYEE ENGAGEMENT SOFTWARE?



"people really feel like they have each other's backs ..."

The way in which YouEarnedIt lets the community recognize each other was incredibly compelling... where people really feel like they have each other's backs and when they do something great for each other they have any easy way to recognize positive behaviors,

-Mark Frien, Chief Performance Officer at Return Path

Return Path's focus on community can be seen in the manner in which they selected YouEarnedIt's software to improve how they recognize and reward employees.

A cross-functional committee of volunteers was formed to research, discuss and recommend to the executive leadership team a change in strategy on rewards. The committee was sold on the nature in which YouEarnedIt equips peer-to-peer and community recognition in an easy way.

Y&R Austin

Case Study

HOW A CULTURE OF RECOGNITION DRIVES RETENTION

Y&R *Austin*



YouEarnedit[™]
happiness at work.

Y&R Austin

Case Study

A CULTURE OF RECOGNITION DRIVES RETENTION

MEET Y&R AUSTIN

The very nature of the work at an advertising agency is a big enough draw for many would-be employees. It's hyper-creative, fast-paced, and the work is tangible. On the flip side, intense deadlines, long hours, and the constant threat of losing a big client are enough to give anyone the jitters. Advertising agencies are well known for having high levels of turnover for these reasons.

Not the case at Y&R Austin. In fact, this division of global advertising agency Young & Rubicam experiences higher tenure rates than the U.S. Bureau of Labor Statistics' report on tenure for ALL occupations (7.5 years at Y&R Austin vs. 4.6 for all industries/occupations in the U.S. in 2014).

Y&R Austin CEO Cherie Cox says it's all about the culture. *"It's our culture that keeps people around here. I've been at this company for 21 years and have seen a lot of changes over the years. But, we've kept our culture strong the whole time."*

A strong culture partially explains why Y&R Austin has been voted one of the best companies to work for in Texas. Nine times! It also provides insight into their designation by AdAge as one of the top 30 agencies to work for in the nation.

A strong culture is made up of great people. When it comes to recruiting and hiring new talent, Y&R Austin has a clear vision of what makes a good fit. First and foremost, they purposely hire people who want to roll up their sleeves and do great work for clients. That's a given. What differs is that they also look for a very specific type of person: One who takes work very seriously, but not themselves. One who cares deeply about their peers, on a professional and personal level. One who's not arrogant. One who wants to be part of a team and wants to do good work with others.

"When hiring new people, they've got to be smart, creative and very personable. We're looking for a visible drive where it's clear they want to take on the world. We care most about the person and their passion about the future, wanting to be part of a team, and wanting to make great things happen," says Cox.

To help cultivate future creative minds and recruit top talent, Y&R Austin has created an award-winning paid internship program. According to Cox, some of their best employees started as interns who spend 1-2 semesters doing real work. The program is one of the best in the nation and was voted the *"Top US Advertising Internships"* award by Internship King.

Y&R Austin

COMPANY BACKGROUND

Y&R Austin - Advertising agency that creates brand stories that move people to think, feel, then act.

Employees: 49

Headquarters: Austin, TX

Awards: Voted *"One of the Best Companies to Work for in Texas"* by Texas Monthly nine times; AdAge *"Top 30 Agencies to Work for in the Nation"*; *"Top US Advertising Internships"* award by Internship King



continued on next page...



RETAINING TOP TALENT

It's a management philosophy at Y&R Austin to view people as individuals, and find ways to accommodate personalities while inspiring people to be the best they can be. The leadership team also believes in frequent and candid communication with all employees. Being transparent about both the good and bad helps employees feel a sense of ownership and understanding that they're all in it together.

"People want to hear what's going on. If it's bad news, we come together to work on solutions. If it's good then we are all coming together to celebrate. It's what keeps us working as a cohesive team," says Cox.

In the spirit of friendly competition and inclusion, Y&R Austin has a volunteer team devoted to planning functions for the organization including events like Wii Olympics, Easter egg hunts, chili cook-offs and Halloween costume parties. These types of events bring employees together who don't always work side-by-side. They also tie back to trying to be the best in a fun and inclusive way.

Another reason Y&R Austin has very low turnover is because of their culture of recognition. For example, in their monthly staff meetings, one employee passes on an award to a peer with an explanation of why they deserve it. They also have an annual peer-to-peer award ceremony at their holiday party where everyone votes on someone who was most aligned with their core values throughout the year. They also use YouEarnedIt's employee engagement software to make it easy for frequent peer-to-peer recognition.

"...if people enjoy their jobs and are having fun they'll be more engaged and will work harder."

"I believe that if people enjoy their jobs and are having fun they'll be more engaged and will work harder. They'll do whatever they have to get the job done because they're committed."

-Cherie Cox, CEO, Y&R Austin

SOME OF Y&R AUSTIN'S UNIQUE CULTURAL DIFFERENTIATORS INCLUDE

- Lots of change and daily learning opportunities
- Award-winning internship program
- Weekly staff meetings where employees recognize and reward their peers
- Frequent, real-time public recognition through YouEarnedIt
- High level of transparency
- Social events to foster community and friendly competition (e.g. Wii Olympics, chili cook-offs, costume parties)



WHAT ABOUT YOEARNEDIT'S EMPLOYEE ENGAGEMENT SOFTWARE?

Y&R Austin has had peer-to-peer recognition and rewards as a fundamental part of their culture for many years. According to Cox, YouEarnedIt helped them take what they were already doing and modernize it into a digital, real-time platform. What's more, they are now better able to align recognition and rewards to their core values and business objectives. For example, during their weekly team meetings, they review and talk about who received the most recognition during the week. It's that type of public recognition that makes people understand why someone was recognized and how they hit a core value or business objective. A natural outcome is that others then want to repeat that behavior so they too can be recognized.

"I've always been asked about how we show the business value of our great culture. It was tough because we weren't able to tie our previous program to goals and company values. People are now rewarding others based on behaviors aligned to our business goals," says Cox.



"Our team loves it. Everyone Wins..."

"What I like about YouEarnedIt is that we can make it work for everyone. It's more about showing how we're all marching ahead towards a common vision and goals, which leads to happy clients and more business. Our team loves it. Everyone wins..."

-Cherie Cox, CEO, Y&R Austin

In addition to recognizing and rewarding behaviors that matter, Y&R Austin needed a reward engine that offered simplicity, flexibility and variety of reward types. According to Cox, in the past, employees would run around town picking up gifts, which was inefficient and expensive. Furthermore, all of her employees have different motivations when it comes to what's rewarding. Some employees are motivated by gifts, others by charity. YouEarnedIt's reward catalog gives them flexibility in the types of rewards available to employees.