

# U.S. Cellular

2005 AWARD WINNER



## History

Founded in 1983, U.S. Cellular initially served small- and mid-sized markets. Over the years, the company has grown to serve major metropolitan areas, such as Chicago, Milwaukee, Oklahoma City and soon, St. Louis. This expanded reach, combined with its customer satisfaction strategy, has fueled company growth. Today, Chicago-based U.S. Cellular Corporation serves more than 5.1 million customers in 148 markets in 25 states. In 2004, U.S. Cellular added 627,000 new customers to its network, sustaining a five-year compound annual growth rate of 15 percent. The company also reported a 19 percent increase in operating revenues to \$2.64 billion.

In April 2000, John E. “Jack” Rooney became the President and CEO of U.S. Cellular. With a focus on customers and customer satisfaction, Rooney and the U.S. Cellular leadership team set about creating a new business model for the company — the Dynamic Organization (the D.O.). The D.O. puts customers at the top of the “organizational pyramid” with the associates

who serve the customers next. Corporate leadership forms the base of the structure that supports the efforts of all associates. U.S. Cellular believes that its frontline associates are the lens through which customers view the company. Therefore, the role of the company’s leaders is to create an environment in which associates are motivated to learn and grow and deliver the best customer satisfaction in the wireless industry.

## Satisfied Associates in the Dynamic Organization

What fuels this internal emphasis on the associate? At U.S. Cellular, the associate is the most important company asset. Developing each associate to his or her highest potential ensures that everyone within the organization understands what U.S. Cellular is ultimately striving for: creating the “Ideal Customer Experience.”

This business philosophy makes workforce training and development an important focus for the company. The D.O. has become the marrow of the U.S. Cellular culture; this transformational



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<b>Name</b>	U.S. Cellular
<b>Industry</b>	Telecommunications
<b>2004 Employees</b>	7,500
<b>2004 Employees Chicagoland</b>	1,771
<b>Location</b>	Chicago (corporate), nationwide
<b>Revenues</b>	\$2.64 billion
<b>Year Founded</b>	1983
<b>Web Address</b>	<a href="http://www.uscellular.com">www.uscellular.com</a>

leadership philosophy is the foundation for the company's success and the foundation for the emphasis on learning and development. *Noel Hornsberry, Area Sales Manager, says, "With Jack came a huge training, learning and development emphasis. He brought focus, structure and passion to the organization. The D.O. is a way of life at U.S. Cellular."*

Training at all levels is important and all courses are linked to the company's vision and mission — the D.O. Training modules are constantly created or adapted based on the feedback and requests of associates. Company communications, be they memos, trainings, rules and regulations or just casual conversation, all strive to provide the "why" behind decisions, policies and changes instead of just the "who" and "what." U.S. Cellular believes that only an informed work force can connect with customers in an authentic way.

## **Learning and Development at U.S. Cellular**

U.S. Cellular uses a variety of formal and informal training methods to support working within the D.O. Informal learning includes peer-to-peer training, mentoring and coaching. Formal learning includes internally generated workshops and seminars as well as tuition reimbursement for undergraduate- or graduate-level coursework. The basics of the tuition reimbursement program are:

- \$5,250 pre-tax reimbursement per year
- 100% reimbursement for FTE, 60% for PTE
- Employees eligible after 3 months continuous service and performance rating of "Meets Expectations" or higher. Depending on the program, the associate may have to pass the course with a 'B' or better.

A series of week-long seminars and hands on classes called the "Leadership Development Curriculum" are tailored to each level of leader-

ship. This curriculum includes "Management Essentials," "Servant Leadership Workshop," and "Performance Planning and Evaluation." The essential training is called the *Leadership Development Workshop* and is referred to as a comprehensive panacea by leaders in the organization. This is the course outline for the "LDW."

### **Leadership Development Workshop**

**OVERVIEW:** This course is designed to teach leaders about leadership in the Dynamic Organization. Specifically it covers:

- How leaders impact the development of a Dynamic Organization
- How Dynamic Organization leadership behavior influences others and how leaders can become better role models for the people they lead
- How new leaders can more effectively transition to management and the pitfalls to be aware of
- How leaders can most effectively determine what associates need from them to be successful
- How leaders can communicate more effectively to improve working relationships and sustain performance
- How leaders can apply the key elements of performance management to bring out the best in others
- How leaders can develop effective action plans to help associates overcome performance difficulties

**AUDIENCE:** Front-Line Coaches & Store Leaders

**DURATION:** 5 days

The "Leadership Development Curriculum" is not only open to leaders but in part to associates. The "Consultative Selling" curriculum follows:

### **Consultative Selling**

**OVERVIEW:** This course exposes Retail Wireless Consultants to consultative selling techniques and why this approach is critical in today's wire-



Participants in “Retail Dynamic Beginnings” prepare for a store opening by learning about sales, systems, ethics and the Dynamic Organization.

less sales environment. Building upon basic selling skills, associates will learn intermediate to advanced techniques in key areas such as:

- Building rapport and establishing customer trust
- Conducting an effective needs analysis utilizing a consultative approach
- Recommending and explaining solutions and how the solutions benefit the customer
- Overcoming objections
- Closing the sale effectively
- Leaving customers with a lasting impression and creating an IDEAL experience

**AUDIENCE:** Newly Hired Associates

**DURATION:** 2 days

Trainings on new technologies are offered when a new wireless product or service becomes available. Workshops, classes, and seminars are designed by Human Resources and customized based on the associate feedback received

through the “Annual Talent Review” or the annual “Culture Survey.” An example of this type of feedback was the desire to learn how to look at one’s career as a whole journey rather than as a series of jobs or positions and how an associate might pro-actively manage her own career. To meet this request, U.S. Cellular will offer a new workshop in June of 2005 entitled, “Your Career Is Your Business” and will aid all participants in creating customized development plans.

Scott Robinson, Store Manager, began his U.S. Cellular career as a sales associate and has taken every opportunity to learn and develop in his tenure with the company. Robinson reported that 40 percent of the associates in his retail store are taking advantage of the tuition reimbursement program and many regularly participate in the internal learning opportunities. Robinson himself has grown immensely through the learning opportunities offered to him. *Robinson stated, “I’ll probably use that knowledge for the rest of my life; I know I will.”*

## Leadership in a Dynamic Organization

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The Dynamic Organization is a visionary model. *As Tom Griffin, Senior Director of Leadership and Organizational Development, explains, “It’s a journey and an ideal.”* The “D.O. Journey” states that customer satisfaction will yield positive business results through the mechanism of satisfied associates who are fully supported by leadership. It takes a special kind of leader to work in this environment, and promoting from within is a priority for U.S. Cellular. Selection and internal application processes are well explained and transparent. At U.S. Cellular, Human Resources is responsible for finding and developing the leaders who build the D.O. They look first to the talent inside the company, and when leaders are hired externally, the interviewing and assessment process is rigorous.

The vision of leadership at U.S. Cellular is clear: leaders are teachers, servants, models, and strategists. Leaders create cultures, and the culture at U.S. Cellular is palpable. The vision put forth by the U.S. Cellular executive team holds all leaders in the company accountable for creating an open, process-oriented, and interactive culture in which all associates can succeed.

It is an **open culture**, meaning that the leadership is very accessible. Each of the company’s executive leaders visit associates in the field at least once a month to hold question-answer sessions, first with frontline associates, and separately with local leaders. The CEO invites associates to phone him directly and to take advantage of “Listen Jack,” an e-mail box associates can use to communicate questions or thoughts directly to Jack Rooney. Two-way or face-to-face communication is defined as U.S. Cellular’s preferred way to communicate with associates at all levels in the company. This access means that learning between and among all levels of staff is an everyday occurrence, that associates feel (and are) heard by senior leader-

ship and that leaders are held accountable for the decisions that are made and implemented.

It is a **process oriented culture**, meaning that constant growth and change are expected, and the processes, resources, and tools for growth must be available for associates. This includes formal classroom training and one-on-one coaching, both for job skills and for D.O. understanding and commitment.

It is an **interactive culture**, meaning that across geography, departments and functions, U.S. Cellular is one team. All departments are represented on major project teams. Both associates and leaders identify themselves as U.S. Cellular employees first and experts in respective fields second. When learning and development is supported for all levels of staff, the knowledge gained is communal. *Lily Stasik, Senior Director of Operations Integrations, explains, “My expertise is what I bring to the table for U.S. Cellular and its customers. The education you receive when working with great leaders is usually underestimated in the workplace. Here, we are both teaching and learning from each other every day.”*

## The Results

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While the company’s strategy is to grow profitably, customer satisfaction is the most important metric. Engaged, committed, well-trained — and therefore satisfied — associates create the “Ideal Customer Experience.” When the emphasis is on the values held and the behaviors exhibited, then increased sales revenue follows.

U.S. Cellular has been following this Dynamic Organization model since 2000. The first quarter of 2005 was the best in U.S. Cellular history, showing that the overall investment in training and development of employees does indeed affect the traditional bottom line, revenue.