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## **Leadership and Communications Assessment**

### **Executive Report**

#### **Background**

Founded in 1940, *Santa Energy* is a third-generation, family owned and operated, full-service energy company that has developed an excellent reputation within the industry and the community. They operate a successful retail, commercial, industrial and wholesale business selling petroleum products, natural gas and energy-related products and services. With annual sales of over 200 million gallons, the Santa Company's three companies are Santa Fuel Inc, Inland Fuel Terminals Inc, and Buckley Energy Group Ltd. Within Buckley resides the relatively new, and rapidly growing, Natural Gas organization and within Santa Fuel is the transportation division.

As a forward-thinking leader in the industry of privately-held energy providers, Santa has maintained an aggressive strategic position for growth. Besides looking at additional energy products, they have acquired companies that enable them to control their ability to provide exceptional services and products to their customers, ensuring that value consistently exceeds price.

With this influx of people, and the expansion of products and services, the organization has grown from a small, family-based operation where everyone was known individually -- into a more standardized, fact-based organization where people may begin to feel less significant to the enterprise. Studies show us that the most important aspect of work to an employee (the one that drives retention, loyalty and satisfaction) is knowing they are "of value" to the organization.

In this environment, Shared Results International was asked to conduct a Leadership and Communications assessment to sharpen the company's competitive edge which resides in its people.

#### **Assessment Process**

We reviewed background materials, interviewed senior managers, held employee roundtables, and conducted a survey in the areas of *Leadership* and *Communications*.

- 14 managers were interviewed individually.

Darren Ledoux  
Dennis McCarthy  
Doug Goodman  
Ed Santa  
Jan Falco

John Santa  
Joyce Porto  
Kevin Lloyd  
Linda Fucci  
Peter Russell

Russ Lacey  
Tiffany Beecher  
Tim Costello  
Tom Santa

- 23 employees attended two roundtables, representing a cross section of *job functions* (such as customer service, sales, administrative, drivers, installers, technicians) and *divisions* (Santa, Inland, Buckley, Admiral, Gas).
- 75 out of 204 (37%) individuals completed a *Leadership and Communications* survey by hand. These were returned directly to Shared Results or collected in sealed envelopes at the main office and forwarded to us.

The first section of this report contains narrative summaries of the comments made by the interviewees and roundtable participants. To understand the context of the summaries the following comments should be remembered.

1. The summaries provide what we believe to be the most significant remarks made by the interviewees and participants. They are not transcripts of the entire discussion.
2. To avoid repetition we did not repeat themes expressed over and over again by the various participants. We include the unique or most insightful remarks made by each.
3. The comments made by the interviewees and participants may or may not be exact quotes. Many of the remarks are paraphrased and some of the remarks are composites of intent expressed by the people involved.

While a list of prepared questions was used to guide the interviews, we sometimes deviated from the questions when the line of discussion became more fruitful in other areas. The key messages listed below provide what we believe to be the most significant.

## Key Comments – Management Interviews

### VISION

- The vision is to be a multiple energy source supplier -- a diversified energy supplier that adds value through personal contact and individualized programs for customers as well as service.
- We don't have a canned answer for vision. It's something on the order of a profitable, value added energy supplier.
- The vision is to continue to be the customer preferred energy services provider. Whatever the future of energy, we are there serving our customers.
- We are a company that is honest, has integrity, delivers the newest time-tested quality products and builds relationships with customers.
- Grow, getting into new areas, such as natural gas and customer oriented.
- The vision is to be a premier product and service company.

- Continue to grow as a provider of energy service in all facets, including oil, gas and maybe electricity somewhere along the line, residentially and commercial.
- We are a company that will be a 21<sup>st</sup> century energy supplier. We will inhabit the interface between the large community of energy users and the other community of large energy suppliers. We will do that with a variety of energy tools and highly motivated people.
- To continue to be a regional player or regional powerhouse. The vision should be directed by the people running the company every day.
- The vision of the company is that they stand behind what they sell. Their name means everything.
- Until recently, we have been centered on oil, but energy in its fullness is becoming our vision, and something people need to know.

## **STRENGTHS**

### **Customer Service**

- We are a reliable supplier. A few years ago, a major oil crisis, when people ran out of oil, we did not run out. It went a long way with our customers. We take care of our customers. We want to keep that reputation.
- In the eyes of the consumer – Santa has reliable, dependable, high quality products and services.
- Customers come to Santa primarily for our service.
- Customers come to Santa through our reputation. We deliver on everything we promise. We're reliable. We are competitive.
- Customers come to us because we are the best -- not the cheapest, but the best.
- If Santa did not exist, customers would lose a compassionate company -- one that takes seriously our commitment to customers. We have meetings to discuss how we can serve our customers better.
- Service, including delivery, is what differentiates us from the other sellers of oil.
- Regionally, we are unique company in that we have all the pieces that we do. Others provide the oil, but don't have the services that we have. We have terminals, trucks, employees to put together fairly complicated sales.
- The customers can trust us. It's customer service. The reputation of standing behind whatever you do. That's what keeps them here. We always make it right.
- We do go above and beyond. We have a good reputation. We are able to get to our customers and service them when others can not. "No" is not in the vocabulary.
- We don't just sell gas or oil; we are a trusted source of information. We have professional engineers, technicians on staff, so we don't just give them a price on a commodity.

- We have really good clientele. We don't compete on price. They buy for the relationship we have with them. They come here. We build a relationship, we are friendly, we take the time to learn about them, and we stay connected.

### **Employees**

- Our greatest strength is the people we have. They are more energetic than people in other companies.
- Most people work well here and have worked here for a long time, so they know each other.
- Everybody works together. People have the skills to do their jobs well.
- People have worked here for so many years they have a lot of knowledge. If Santa lost its employees they would be in trouble.
- Our employees are good problem solvers. They need direction, but they can make good decisions.
- The employees are a group that generally cares and tries very hard. We don't have a huge turnover.
- We have technicians on the higher end, better trained.
- When someone calls, they're not calling an answering service. All the women who take calls, can handle the calls right there with one phone call. There are not a lot of companies of our size that have that kind of hands on approach.
- Our trucking group is a critical arm to the energy supply equation.

### **Family Owned Heritage**

- Tom and John are active with organizations in the industry. We have a strong voice in our industry. So know where industry is headed.
- When in crisis situations, Tom will sit down with you and help put a plan in place. Helpful to have someone to bounce ideas off of.
- Santa is a large company with a personal touch trying to keep the feel that people had when they called Mr. Santa and worked with him, a family touch.
- We are family based, but large enough to meet the demand in Fairfield County.
- Greatest strength is that it is a family owned and operated company. It is good that it is a Santa business and not a corporation.
- A lot of employees have been here a long time. They are used to being taken care of, not from a financial standpoint of being over paid, but treated as part of the family.
- Our heritage is a definite strength. We've been around for 60 years.
- Management works hard to keep jobs for everyone. Two years ago it was a warmer than usual winter so we delivered 35% less product than budgeted for. That's about 35% less revenue. However, only three employees' jobs were affected by that reduction.

- What business can have 35% less revenue and only have it affect three people's jobs? Management got no credit for that, they did not toot their own horn.
- They did have to lower the 401K, but they had to. If they hadn't lowered the 401K, more people might have lost their jobs.
- BUT, they lost an opportunity. They could have said I am committed to you, look at how much less product we have delivered, how much less revenue we took in. Look how effectively we have run the business to keep the jobs.

## CHALLENGES

### Transition

- Santa is transitioning from a family owned to a more corporate environment. Trying to have policies and procedures in place that are consistent.
- When Tom came on board, we were moving from old style paternalistic type of organization -- where everybody worked for the brothers. There was not a lot of hierarchy. We didn't operate like a big corporation. We are now struggling to move away from that.
- As the company has grown, we've brought in other people from the industry; we've set up performance expectations. There is more emphasis on the bottom line. At the same time John is still involved, but to a lesser and lesser extent as time goes on. Some people are still confused.
- There has been a change in culture, a transition in leadership style to a more organizational approach.
  - There are fewer opportunities for people to get together.
  - We must find other levels to connect on: shared vision, goals, and benefits are necessary for people to feel connected.
  - There is more evaluation of whether people are getting the job done --and if not then changes are made.
  - People have been let go. Because of our previous environment, it is like kicking a member of your family out -- and you don't do that, so things feel different.
- At the board level, we need to sharpen our skills and be more competitive. Tom is leading the effort to do that.
- The biggest problem is transitioning from a family to a corporate culture. We may have pushed too hard, too fast.
- We are up to almost 200 employees now. It is difficult to put their arms around every single one, so they are trying to put some standardization to it.

- The former management got away with a lot – losing money for couple of years and not taking responsibility. The new generation won't put up with that. Before, there were no rules that management had to abide by.

## Leadership

- In a lot of cases, we're given goals to meet and then I think they're thrown out. There really isn't a blueprint, or help, as far as achieving goals. They say this is your goal, go and get it. You need more help than that. The leaders kind of leave you hanging.
- Employees are lacking in direction and guidance. I think the middle level managers do a better job of it, though, than the higher levels.
- We sometimes fall into the trap we tell the managers "here is the goal and the budget" and we expect them to go tell their people; to motivate their people. Some do it better than others. As a whole we don't do it well.
- We need to let people have *attainable* goals – not have them be so far fetched that they are unattainable.
- We need a policies and procedures manual.
- When an employee has been here for a long time and if they decide to get rid of you, you are gone. No written or oral warning. No rules.
- I think employees don't feel comfortable in making decisions, because they get feedback when they make a bad decision, but not when making good ones.
- There are no cheerleaders.
- What plagues us is the attitude that "oh the neckties will figure it out" – that the guys upstairs are not doing anything – particularly if their last name is Santa.
- It is a family business. People in the family get positions that they are not qualified for. They get paid more which takes away from other employees.
- Our past leadership was good at developing personal relationships. The present leadership is not as adept at personal relationship building.
- Tom Santa just doesn't have good communication skills, or people skills with those under him.
- Company leadership is not as outgoing as in the past, so people feel as if the company has gotten so big it doesn't care about them.
- Our president is not very social. A person in that position needs to be more personable, compassionate, and sympathetic. In the past, John and brothers were that way. The current leadership is more about, "I want it done now and that is it, very different from the past generation.

## **Communications**

### **Strategic Direction**

- Employees need to know what is happening in all areas of the company. The line staff is not in the know.
- We don't do a good job of keeping the employees up to date on what is going on, such as opening up a new fleet station or why are we getting into the natural gas market.
- There is a lack of corporate communications – it has improved a little lately but needs more improvement.
- It is important to keep everyone in the loop and on track, so we can feel a part of the company. We need face to face contact.

### **Communication Vehicles**

- I think for our size, and the number of employees we have, our internal communications is great.
- We only have one communication vehicle -- attaching to paychecks. It is not the best method.
- We need face to face conversations at all levels.
- We have a newsletter that Peter sends out. It helps keep people in the loop.
- The newsletter is more fluff than where the company really is. Sometimes news is shared as rumors and is not true; need to share information so there are no surprises.
- Communications in the building has improved.
- We (in Admiral) have a one-page communication tool called Lessons Learned. It shares past mistakes. Everyone can learn from the experiences.

### **Communication Skills**

- We need skills to talk to each other.
- Everyone pretty much speaks what is on their mind. Senior management listens and tells you whether it is possible or not.
- Need to develop employees' listening skills and how to respond to other employees.
- Management needs to listen to drivers and service technicians so they feel important.
- People do not feel heard; there are roadblocks to participating.

### **Building Relationships and Trust**

- We need to have more get-togethers so people can share and build relationships. People need to know that we care about them and their family members.
- When you do not communicate effectively with people, you do not get good results. They need to understand where they fit in. You must prove to them that you care about them, that they are important to you.
- It's important for people to have a level of trust in senior managers. They have to know that you won't take advantage of them or abuse them. When drivers sign cards for a union, for example, it looks like they feel they need some protection, some one to speak for them. They are uneasy, concerned.
- The main issue is to keep communication lines open. If you don't feel like you're a part of the team, the business will suffer.
- We need to encourage people to come and share. We can't *make* people do that. There are trust factors, fear factors involved here.

### **Communicating Remotely**

- Because of the seasonal nature of our work, dispatchers have a difficult time maintaining relationships with all the drivers.
- Driver's perception is that the transportation department is seen as a "necessary evil". We need to have conversations with drivers to dispel rumors.
- The hardest part of communications is reaching the service technicians. It's two pronged: 1) the leadership doesn't have the communications skills needed for it, and 2) the technicians don't come into the office every day. In fact, they are told not to come in unless they have to.
- Rhode Island is left out.
- It is difficult to communicate since many employees are not at a centralized location – Providence, N. Haven, Bridgeport are all off-site.
- To communicate to our on-the-road employees during crunch time is hard. They work long hours. It's almost impossible to get them together for meetings.
- It's hard for people in the field to build relationships or to feel comfortable talking to managers, expressing their opinions.

### **Interdepartmental Communications**

- Peter brings us into meetings on how to have better customer service. Before Peter, everyone just ran their departments and that was it. We're trying hard to get installers and customer service staff working as a team. We're trying to blend more of the departments.
- There are walls everywhere. People think about their department -- not about the company as a whole.

- There is an upstairs and downstairs division where people think the other is not concerned with them. This isn't everywhere, but it's real for some employees.
- If you ask a Customer Service person what Buckley does, they will not know -- and they may not *want* to know.
- There is little understanding between divisions. If the drivers are delivering oil, they may not know much about the Inland Terminals. They don't know much about the plumbing, service and air conditioning work our technicians do.
- Tim is doing a great job with developing the gas business. His group is out working on marketing natural gas and all the operational things that have to go. But we don't talk about this to the people delivering the oil -- what's in it for them.
- The different areas of the business do not communicate with each other or work together. There are silos. People are motivated and capable, but they don't interface with each other.
- We need to improve communications across divisions (monthly) to share day to day information *before* there is a problem. The organization is missing synergistic opportunities. For instance, we have Buckley selling to commercial accounts, but they don't know we have technicians that could provide service to their accounts.

### **Two-Way Communications**

- Changes are made without explanation or consideration of consequences. We need to make sure changes will work.
- Decisions are not communicated; no explanation is given. For instance, recently, the labor rate was changed, but it was not communicated to the CSRs. They found out because they saw a billing with a different rate.
- We lack processes for decision making that include everyone.
- People have to know what you expect from them. There are no chances for input or feedback.
- More people should be included from the start, so they feel a part of what is happening.
- If we have an idea, it is never addressed, never hear anything. People that work here have to be here not because they want to be here.

### **Open and Honest Communications**

- We are beginning to share some company difficulties instead of hiding them.
- Bonuses had been given for twenty years at same time of year so people expected them. Then without any communication they were taken away at the last minute.
- It would be good to have a performance-based bonus.
- Employees worried about retirement including 401K and other benefits. There are some things the company can't do for them and they are getting better about communicating what they can expect and what they can't.

### **Communications Meetings**

- It's frustrating to me the communications meetings are not working. How much info can you convey in only a half hour? They aren't long enough and don't involve the employees.
- President needs to communicate directly through meetings more frequently -- perhaps weekly. Management needs to meet with their staff monthly.
- We have company meetings several times a year in October and April. We hold the meetings at 6:30 in morning and 3:30 in the afternoon. We try to talk about what is going on. I get the feeling people are sort of there, kind of listening. But when the presenter drones on and on – the employees don't get the value out of the meeting. We need to build a little more excitement into them.
- Meetings would help to remind Customer Service Representatives they must meet the customers' needs, explain what is happening within the business, and then recognize the good work that they do.
- There are no formal meetings. We have very informal ways of sharing information.

### **Recognition**

- We need to show concern for employees, give them recognition -- not just in their department, but to the whole organization. It can be just a thank you. It doesn't have to be monetary.
- How about a plague saying we recognize you! You want to make them feel good about things; to feel good about the company; to feel good about being a part of the team.
- Little things go a long way with employees like "thank you". Recognition is important – could even be done at an event.
- There is no company party in the summer. We have more time for it then -- when it is not cold. Some groups within Santa do get organized to do something on their own.
- Sometimes I get the impression people just don't feel like they really fit it. They come to work and do their thing. We want them to know we care about them as employees.
- We need a budget for recognition programs.
- Santa does not have enough compassion for its employees so employees will go elsewhere because of that. Not big on rewarding, not necessarily material things but in saying we really appreciate you.
- People need recognition that they are doing a good job.
- We need to take care of morale issue. Fairly simple to turn around, but takes work every single day. The way people need to be taken care of is not the same as it used to be. We have a bright future.

- We need to be more employee friendly. Benefits are needed, not insurance and things like that, I mean recognition for people who have not taken any sick days or other special things.
- The employees worked hard 60 – 70 hours a week last year, the winter was hard, and we still didn't make the numbers. But, I think there still should have been a party to thank them for the hard work. Our not making the numbers was not within our control. If you want people to continue working that hard, year after year, you have to say Thank You. You did a good job.
- The only party we have is an annual Christmas party and not very many people can come then. We don't have a summer picnic when it is less busy and easier for people.
- One opportunity is to improve face to face interactions with customer service employees. We work constantly on with the customers and we seldom see management. It would help the morale.
- We need to improve recognition of service technicians. This would, again, improve morale all around.

### **Employee Retention**

- Turnover is low in Inland; There is no where to move.
- Everyone in the business is suffering from lack of trained personnel. It's difficult to find plumbers, installers and even licensed servicemen. Most of them will go to whoever pays the highest. They know there is high demand.
- Everyone is going into computers and marketing. It's very hard to get people in a trade.

### **Technology**

- **Systems:** Computer systems are not integrated. The problems are discussed but don't get resolved which causes problems.
- **Systems:** I am on a technology review team looking at making changes in software; two main systems are ADDS and XATA and they do not tie into other programs.
- **Sales:** To pull up information about my customers is impossible. It's also impossible to get reports. This area that needs improvement. The sales that we are doing are getting more and more complicated so we need to have the systems to support them. The systems do not interact with each other so can not pull up information concerning customers without going to a different system.
- **Sales:** If I want customer information, I might as well put on a sorcerer's hat. To get a report to come out into a functional spreadsheet is over the top. Tom is very good at it. If you want to view a particular customer, you have to write this long string of computer language.
- **Sales:** Systems should be updated so that it is possible to put complicated sales of dual fuel in the computer. Right now people see these sales as more of a burden.

- **Billing & Delivery:** The company is not up on technology like it should be. It would make our lives easier and we would be able to compete better with other companies. Billing and delivery schedules could be handled with technology to make it less tedious and work better. Santa is more laid back, family run so they do not invest in things like that.
- **Web:** Online access to accounts needs to be made available.
- **Customer Service:** – their computer system is out of date and difficult to use. It is hard when customers demand more information. We have 14,000 customers. The system will not give the information we need, such as if a customer wants us to come each year in July to check their system.
- **Admin:** Need to centralize office management systems like mailing.

## Comments – Employee Roundtables

### Customer Service

- With the growth of the company, we don't have enough to cover the calls we have now. We can't service the customers. Keeping service technicians is hard. We had 19 technicians last year and this year we have only 10.
- We don't have enough service men. A lot of people are not qualified to do the job. We have a service contract with a promise of providing that service within 2 hours. We're not telling them it will really be 4 to 6 hours.
- Management is trying to get the quantity of calls done, instead of looking at the quality of calls.
- The service team is understaffed. We've lost a lot of good technicians. There are not a lot out there, and we are not bringing in any new ones. What we *are* getting is the bottom of the barrel.
  - Need to hire guys like us that care about the company, and care about the customers.
  - There are a lot of recalls and callbacks. No one is held accountable for their work, their work ethics, or their callbacks. If you bust them, they walk out the door.
  - That is why some of the good technicians left, because they had to go back on *other* peoples' calls. They don't fix things right the first time, so it puts a lot of pressure on the technicians.
  - We have apprentices, but they are not made accountable either. They are picking up bad habits.
- They are so worried about training costs. We have a cohesive plan to train someone and then put the new person out before ready or switch to a different trainer in the middle –

can't switch drivers now I don't know what he knows. How can I sign off when I'm not sure if he knows everything?

- Lack of training, shows in other areas also. All the jobs require a lot of training, technical aspects, oil delivers, scheduling, dispatch. When you put people on the phones that are not sure what they are doing, it upsets the customers. Some people are just hired not because they fit the job but because need people. You can train them, but they have to want to be trained. They all want to train them in the busy time. We just throw them to the wolves
- When you take someone you are training you have to go days. Shouldn't put them right into the night without additional training.
- They hired a couple of guys, no experience, they go out and have a spill, and they send us a letter about what it cost us. They saved money on training but it is a serious shortcut on training. We tell the manager he's not ready, but they send them anyway. Our spills over the past 7 years are due mostly to inexperienced drivers.

### **Growth**

- I don't know what our divisions do and I've been here 18 years. Communications is horrible. I didn't even know about the natural gas group.
- They are acquisitions and growth oriented, but as they go about acquiring things, they don't pay attention to the mechanics that are required.
- I like the company; they are trying. But in the long run they have to change. There are too many apples in the bushels.
- We don't have enough bodies or enough vehicles. We are growing too fast and losing quality. All this input needs to be known by the owners. There are too many personnel changes. We need to have more vision now about what is going on.
- They changed all their managers and their vision. All they want to hear is production, production, production. They don't want to hear the driver is sick, the truck is broke. They don't want to hear that every job is different. They don't know who you are and how they could help us.
- The way of doing business has changed. Is it still possible to remain a tight family business? It takes a lot of time and effort put into it.
- When George was president, it was hands on. When a company was going to be acquired, we knew ahead of time, we knew they were going to take on the personnel of the company. After the acquisition they used to introduce us to the people. Now, new people come on board, they aren't introduced. I have no clue who they are, what they do, why they are there.

## Motivation

- We've heard Admiral makes no money because the rates are so low. Transportation is a bottom feeder business. We give such a great rate to Buckley and then their bottom line looks better. That makes us feel like losers all the time – not valued – no matter how hard we work. It's like we are being used.
- They sat and told us we (Admiral) made no money, but they find money to buy a \$150,000 truck, or a new business (gas). We made \$29,000 so morale is terrible. It doesn't affect us in the paycheck, but in our morale. We want to make money as a division.
- Because the company is a family owned, I do not believe there is much opportunity for career advancement. Within in my department there may be growth, but not further than my department.
- Different companies work different ways. Back 18 years ago, the drivers were treated differently. Then everything was more like family. They knew the drivers' names.
- There are trust issues. I don't trust Tom -- there is no reason, I just don't know him. It was more of a family with the senior Santas. We knew everybody. That's what built trust.
- It doesn't cost much to say thank you.
- The Christmas party was going to be on a Tuesday night, and then changed to a Saturday night. They had to cancel and reschedule for an afternoon from 4 to 7. They didn't invite the workers to come in for the party. We weren't allowed to come because we are busy that time of day.
- The biggest party is the Christmas party – we didn't have one this year. It was planned for a Saturday, at the Barnum Museum. We could take our wives and introduce them to people we worked with. It was cancelled and we had it here at 4:00 in the afternoon, so none of the drivers or technicians could come. We have been told there would be a summer party. But we won't ever see it.
- When I started, everybody wanted to come to work for this company. It was the best. It was a growing company. Everything was kept clean (the trucks), but not now.
- We wouldn't be here if we didn't care. I am glad to drive for Admiral, but when the equipment looks like crap, it's dirty, it's not maintained, it is not good.
- We are not as one – there is a division between the upstairs (Carpet Land) and the downstairs.
- In the garage, we are the lost children. We are across the street over there. We hear nothing about anything. Only the newsletter.

## Communications

- The information flow is bad. The North Pole news is just a trickle. We knew nothing about the gas part of it and that was 2 years ago.
- I'd like to see more substance in the newsletter. I learned a lot about spills. I'd like to learn more about delivery – and the other areas of the company. I'd like to know more about what the company does -- what pitfalls people experience; what we are selling.
- I have a vague idea of what is going on in the company. Polar News gives you some insight into things. We have occasional meetings as the oil and gas folks, though it is mainly the sales department.
- The newsletter is long enough, but the information is too late. You probably heard in on the grapevine first.
- There is no communication except “time is money”. This results in getting into a hurry -- which leads to accidents.
- I want to know more about what is going on, like the fact that we added a new gas company. When people called us about the gas service they were told things like: “you have the wrong number”, “who do you want”, “we don't have that person here”, and “we don't sell gas”.
- We (customer service) are the front line. Customers ask us all kinds of questions. We are not that informed. We feel foolish. We should know. We have to help people. We need more communications.
- The big meeting is one big soap box -- how much money we are making. But we want to know how things are going everyday.
- We used to have the first Tuesday of every month, for the drivers. We used to get together just to talk. Everybody needs to vent and talk.
- Communication here is pretty pathetic, to be honest. Suggestion boxes and small group meetings are talked about, but no one follows through. Saying it is one thing and doing it is another.
- Most of the information shared with you pertains to your job, but they don't tell you much about the company. We hear tidbits about things. We hear at the last minute -- or after the fact.
- We need more communications. I have been in the industry for 19 years. You have to talk with the guys. Get them out there for breakfast meetings. Call to meet for a cup of coffee.
- We find out about things by the grapevine in back of the dumpsters -- what is going on, who is getting fired, etc.
- The only people I have contact with are dispatchers --once in a while a supervisor, but don't need to talk to him much. Those communications are good. No surprises, no

secrets. We communicate over the radio instead of face to face – They tell you what they expect out of you for the day and the week.

- The negativity in Admiral is not as bad since the new management. He is supposed to be coming up to North Haven on regular basis, but I'm not really seeing him up there. He should be hearing what we are saying – and we are never in Bridgeport.
- It used to be everyone when through a communications class; you learned how to deal with each other and became empowered employees. Now manage by fact and fear (do it our way).
- We used to have service department meetings monthly and it was great. First thing in the morning, a box of donuts and the chance to talk to each other.
- We're a small department; so we keep in the loop for the most part. We used to have more frequent department meetings, which we don't have now. It was a plus to have them.

### **Operations Communications**

- When we go to a different gas station, the colors of the tanks are not always clear – so we're not sure what type of gas goes where.
- The people at the station may ask if we delivered all their gas (their order) and we are not sure because we can't tell what they were supposed to get. We don't know: the size of the tank, the types of gas - diesel, regular, plus, premium -- all the questions a customer may ask.
- Three years ago, every driver got a direction sheet and now every one of those got thrown away. Now we do not know what to watch out for. It was like a Bible to us, but it was thrown away. When we do work for *Hess*, we get photos, diagrams, everything but a copilot.
- I believe they've lost the vision. It's all about money. They need to get out there with every man, the service technicians, the drivers. Staying inside here looking at a report does not help them understand their employees' feelings and what are they are experiencing.
- They are not out there – in the field enough. All the brothers worked in the trucks and the field. They need to see what the installs are; they need to go into the basements. They need to see what the guys are going through.
  - The first year I was here, I was sent for a whole day on cleanings. I learned the most that day. It was the best thing I have ever done. I can now look at a brochure and know what happens.
  - We need more cross training -- each department to go out with other departments to learn what they do. The Customer Service Representatives used to come out with us, but now they don't.
  - The owners need to go out there in the field. They need to sit on the phone (in customer service) and hear what the callers have to say.

- This year Tom went out with us and John went. They are trying. Maybe one or two days a year is not enough.
- There is no communication between drivers – no sharing of processes and help.
- We are not allowed to use the Nextel phones except for the pre-programmed numbers. There is no conversation. No, how did it go with the stop. Great job. We can not even talk to each other. A new driver can't call us for directions or how do you do something. He is on his own. The walk talkie part is free. I have to use my own phone to find out directions from some one. When a new trainee goes out, I give them my personal cell phone and I pay for it, but why I am paying for it. Why are we in this situation?
- Customer service used to have several meetings a year and we don't do that anymore.
- I have no problem talking to people and taking people out for coffee. We were told we are getting too friendly, don't patronize. They tell their managers not to become friends with the drivers. I don't know why. I guess you could take advantage or show favoritism.

### **Two Way Communications – Seeking Input (Before and After)**

- If you look at the company's vision statement, we are trying to get customers to pay us the highest dollar possible, because we offer the highest quality. If we are making changes, we must ask for input and feedback from the line staff so work will be done efficiently. Otherwise, we not fulfilling the vision statement. They need to start at the *bottom* and go up the pecking order. It was like that at one time -- people asked us for our ideas before changes were made.
- I had a situation where someone in dispatch made a change that totally affected me, but they didn't ask me. It was dumbfounding. It affected my job. When you are changing something, you need to float it by everyone. You don't want a change to become a nightmare for others.
- On the service ticket, the space area is really important to us. When a service man goes out and doesn't use a part that he was scheduled to use, what he writes down for us is important in the billing for the customer. So now, with eliminating the space, I have no clue what was actually done. There is no place for him to write. So I have to call around and spend a lot of time trying to figure it out.
- A lot of decisions are made without asking the serviceman -- like the service tickets. They changed them to suit the company, but it doesn't suit our needs. I can't write stuff down, like putting the parts on it. Instead it asks what size oil tank the customer has. That information is already on the computer.
- The notes on the service slips do not give enough information and we can't always read them. For example a "bad vent" – what does that mean? We either can't read what is written or the information is insufficient. Why can't I call the driver direct to ask him? Also, I don't know all the drivers, so it is hard to call them.

- They are progressive in vision, but in the department I work in, lately there is a tendency to jump in the water before telling us -- and we are affected. We took on a natural gas division, and it just came here. There was no advance notice of how billing would be done, how receivables were to be handled, what type of software would be needed, what type of reporting would be required. Consequently, there were problems!
- They upped the price of a service call to an awkward number, but they didn't ask us – the people that work with it every day. It's their company so they can do what they want. We can change it for the next order of tickets, order 15,000 at a time. It's a lot of tickets to go through. The management feels the same way, they make the decisions and everything falls on us.
- There used to be "HEAT" (Help Employees Achieve Together). That was a place to bring out ideas and problems. I speak to managers but there is nothing I can do. It comes from upstairs.
- I was on the Safety committee, but our dispatch said you can't go because you are busy. The dispatch says "it's not important that you be there".

### **Interdepartmental Communications**

- I have to go *out* of the department to get information. The interdepartmental communication is lacking and causes ill feelings and misunderstandings
- When I had leads I gave them to someone in sales. But they didn't seem to follow up on them. So I stopped. The drivers really don't have a way to get leads to the right people to follow up on them.
- When I have a lead, I take it right to Tom Santa. He will listen.
- Sharing of information doesn't go in between departments. If I bring in information about a problem or an issue with a certain delivery, or if there are needs to be address, it never seems to make it from one department to another. Here is an example that cost the company several hundred dollars.

*A stop we supplied for the tank had disappeared. We had to get another one. We told the garage about the fitting – so they could make one. It didn't arrive. Then it became an emergency, so I had to buy one. I brought it to the shop, and while there looking around the garage, I found the part they had made. No one had told us it was there. We just wasted time and money, when it was there all along.*

### **Open and Honest Communications**

- This last year we got a letter that said we had a great, great year. The very next week, we got a letter saying that we are *not* going to get a bonus. I saved the letter and taped it to the wall. One hand doesn't know what the other does. I busted my tail last year, so why should I do it this year. There are rumors that someone upstairs got \$40K bonuses and we didn't get anything.
- We try to do the best for the customer, but it doesn't look good for the company when you don't know who is leaving or why they are leaving until after the fact. And then it

comes through the grapevine. We get phone calls for the person and don't know what to say. We don't know who is taking her place. A good example is all the manager changes made last year. We found out too late and it affects our customer service. To the customer, we are not portraying a good face.

### **Retention, Recruitment, Training**

- They run us ragged. You do have a life after work and a lot of people don't realize that.
- We have changed from how we were treated. We were more of a family than a number. Your seniority doesn't mean anything anymore. When they hire a new guy, they're trying to keep him happier than me, and yet I haven't cost them money.
- No effort and time is put into keeping skilled, quality employees. We've lost a lot Service people working like dogs, hurting their backs and knees. The good ones we lose, and no one goes out to see why we lose them. We are under appreciated. We are worked to death. We could work 24 hours a day and they only want more. We can't keep up with the load.
- We've lost a lot of good people, because there is no incentive to stay – pension, etc. What do we have to look forward to in the future here -- a fifty cents an hour increase – but with the increased health care costs, it's a dead-end.
- Our department needs a lot of help. The way they treat the guys is lousy. The way they get away with stuff. Technicians, that screw up and don't get talked to. Other guys bust their tails and don't get any recognition.
- You'll hear when you do a *bad* job -- but hey, a pat on the back and saying you're doing a good job once in a while would be nice.

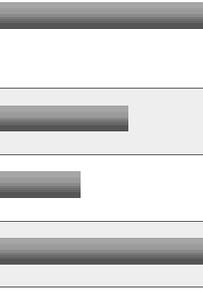
### **Other**

- We don't have a chain of command; we can be fired by anyone in dispatch. There is not a HR policy and process. There is no investigation of what happened. I can be fired at any time and there is no process for me to go to except throw myself at the feet of a Santa.
- You are either a hero or an asshole. If you catch one of *their* mistakes for them, you are a hero -- but if you *question* and they are *right*, you are an asshole.
- We (drivers) are all in sales. If you lose a customer, you try to find out what went wrong. Generally, if you're giving good service the customers stay with you. We keep our ears and eyes open. We want to see who is burning oil -- or if there are problems that need to be addressed. We tell someone in sales – they may or may not do something with it.
- Between management and the technicians and drivers there is a lot of backstabbing going around.
- All the paperwork absorbs an awful lot of time. I don't know if the technology is antiquated, but there is room for improvement.

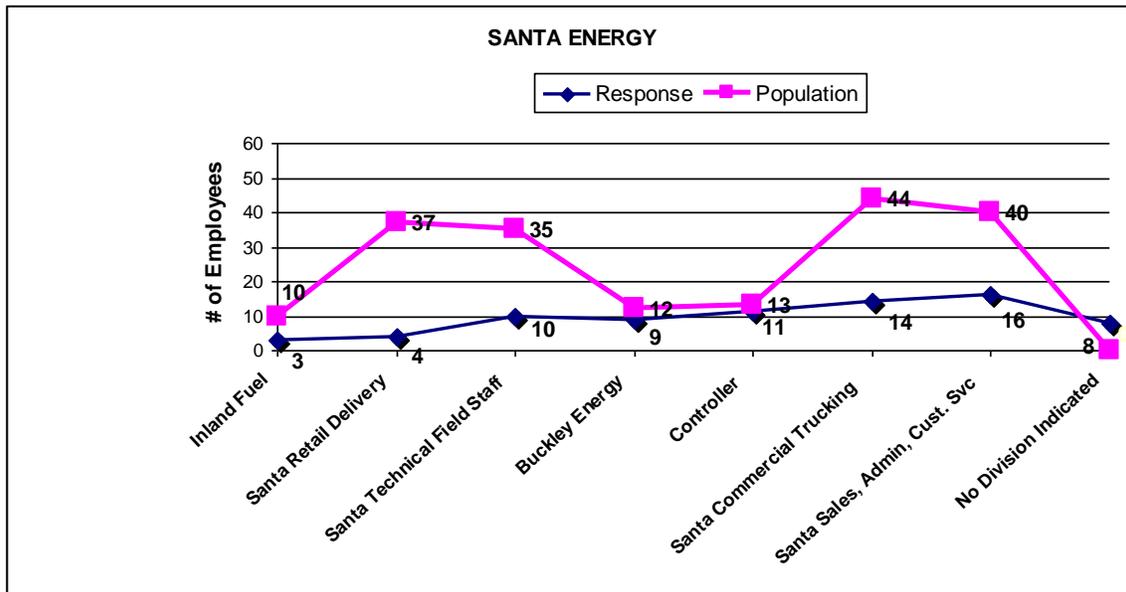
- All the companies work against each other. It is adversarial. Buckley is Buckley in their eyes. Everyone is only worried about their own budgets. For example - we have an outside trucking company hauling oil when we may be able to do it less expensively. If Admiral could do it and break even, then we should.

## Leadership and Communications -- Survey Results

We administered an organization-wide survey comprise of 54 questions divided into three areas of interest: the organization as a whole, the group of managers and supervisors and the individual employee. 75 out of 204 surveys (37%) were returned.

<b>JOB AREA:</b>			
		<b>Response Percent</b>	<b>Response Total</b>
<b>Santa Sales, Administration, Customer Service</b>		<b>23.9%</b>	<b>16</b>
Santa Technical Field Staff		14.9%	10
Santa Retail Delivery		6%	4
Santa Commercial Trucking		20.9%	14
Buckley Energy		13.4%	9
Inland Fuel		4.5%	3
Controllers		16.4%	11
<b>Total Respondents</b>			<b>67</b>
(skipped this question)			8

### Response Rate Per Division



### Average Score By Division (Scale of 0-4; 4 high)

Santa Retail Delivery	2.91
Buckley Energy	2.67
Santa Sales, Admin, Customer Service	2.59
Controllers	2.49
Unknown (Did not indicate a Division)	2.26
Santa Commercial Trucking	2.12
Inland Fuel	2.05
Santa Technical Field Staff	1.76

## Survey Score Distribution

As an ORGANIZATION, I feel that...					
	Strongly Disagree	Disagree	Agree	Strongly Agree	
1. We understand the organization's vision.	4% (3)	27% (20)	<b>56% (41)</b>	12% (9)	
2. We support the vision of the company.	3% (2)	21% (15)	<b>60% (43)</b>	17% (12)	
3. We all work to achieve the same goals.	9% (7)	39% (29)	<b>41% (30)</b>	11% (8)	
4. We are all in the business of sales.	1% (1)	9% (7)	<b>64% (47)</b>	26% (19)	
5. We go the extra mile to satisfy customers.	1% (1)	11% (8)	<b>46% (34)</b>	42% (31)	
6. We are managing our growth well.	12% (9)	33% (24)	<b>45% (33)</b>	10% (7)	
<b>Total Respondents</b>					<b>75</b>

As an ORGANIZATION, I feel that...					
	Strongly Disagree	Disagree	Agree	Strongly Agree	
7. We successfully communicate with each other.	20% (15)	<b>45% (34)</b>	29% (22)	5% (4)	
8. We actively listen to ideas of others.	12% (9)	<b>41% (30)</b>	<b>41% (30)</b>	7% (5)	
9. We have opportunities to learn and grow.	10% (7)	19% (14)	<b>55% (40)</b>	16% (12)	
10. We meet our commitments to each other.	5% (4)	32% (23)	<b>58% (42)</b>	5% (4)	
11. We operate in an environment of trust.	15% (11)	24% (18)	<b>52% (39)</b>	9% (7)	
12. We really believe in safety.	3% (2)	11% (8)	<b>67% (50)</b>	20% (15)	
13. We conduct business honestly and ethically	1% (1)	9% (7)	<b>59% (44)</b>	30% (22)	
<b>Total Respondents</b>					<b>75</b>

I feel the MANAGERS and SUPERVISORS at work...					
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>	
14. Communicate the company's vision and mission effectively.	9% (7)	36% (27)	<b>49% (37)</b>	5% (4)	
15. Work with us to set goals and targets.	11% (8)	27% (20)	<b>55% (41)</b>	8% (6)	
16. Involve employees in decision-making.	16% (12)	<b>46% (34)</b>	30% (22)	8% (6)	
17. Communicate in a respectful way.	8% (6)	19% (14)	<b>61% (45)</b>	12% (9)	
18. Hold us accountable in a productive manner.	7% (5)	24% (18)	<b>61% (46)</b>	8% (6)	
19. Listen to our problems and help resolve them.	12% (9)	30% (22)	<b>53% (39)</b>	5% (4)	
<b>Total Respondents</b>					<b>75</b>

I feel the MANAGERS and SUPERVISORS at work...					
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>	
20. Allow us to learn from mistakes in a positive way.	5% (4)	28% (21)	<b>59% (44)</b>	8% (6)	
21. Coach us in how to be more successful on the job.	9% (7)	37% (28)	<b>47% (35)</b>	7% (5)	
22. Invite employee ideas and suggestions.	11% (8)	27% (20)	<b>52% (39)</b>	11% (8)	
23. Follow up on employee requests and ideas.	13% (10)	33% (25)	<b>48% (36)</b>	5% (4)	
24. Create an environment where we're free to speak our minds.	14% (10)	28% (21)	<b>43% (32)</b>	15% (11)	
25. Communicate new organizational plans and developments.	10% (7)	34% (25)	<b>51% (37)</b>	5% (4)	
<b>Total Respondents</b>					<b>75</b>

I feel the MANAGERS and SUPERVISORS at work...					
	Strongly Disagree	Disagree	Agree	Strongly Agree	
26. Encourage communications between departments.	14% (10)	36% (26)	<b>43% (31)</b>	7% (5)	
27. Give us the information we need to do our job.	8% (6)	21% (15)	<b>66% (48)</b>	5% (4)	
28. Communicate in an open and honest manner.	7% (5)	30% (22)	<b>54% (40)</b>	9% (7)	
29. Handle organizational communication meetings effectively.	14% (10)	37% (27)	<b>44% (32)</b>	5% (4)	
30. Create a motivating environment.	10% (7)	40% (29)	<b>44% (32)</b>	7% (5)	
31. Believe that safety is extremely important.	3% (2)	5% (4)	<b>66% (49)</b>	26% (19)	
32. Create a customer-focused environment.	3% (2)	14% (10)	<b>63% (46)</b>	21% (15)	
<b>Total Respondents</b>					<b>74</b>

I feel the MANAGERS and SUPERVISORS at work...					
	Strongly Disagree	Disagree	Agree	Strongly Agree	
33. Want my opinions and suggestions.	11% (8)	33% (24)	<b>48% (35)</b>	8% (6)	
34. Create an environment of trust.	10% (7)	27% (20)	<b>56% (41)</b>	7% (5)	
35. Hold regular department meetings.	21% (15)	<b>44% (32)</b>	33% (24)	3% (2)	
36. Hire the right people for the job.	15% (11)	34% (25)	<b>49% (36)</b>	1% (1)	
37. Ensure new hires are sufficiently trained.	20% (15)	<b>42% (31)</b>	34% (25)	4% (3)	
38. Balance people, productivity and profit well.	11% (8)	31% (22)	<b>53% (37)</b>	4% (3)	
39. Provide the tools and processes we need to do a good job.	4% (3)	19% (14)	<b>70% (51)</b>	7% (5)	
40. Have a good understanding of the challenges of each job.	5% (4)	37% (27)	<b>53% (39)</b>	4% (3)	
<b>Total Respondents</b>					<b>74</b>

As an INDIVIDUAL, I feel that...					
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>	
41. My role in the company's mission is important.	3% (2)	7% (5)	<b>58% (42)</b>	33% (24)	
42. I know what is expected of me in my job.	1% (1)	0% (0)	<b>70% (51)</b>	29% (21)	
43. I have the training I need to do my job well.	3% (2)	8% (6)	<b>61% (45)</b>	28% (21)	
44. I feel well informed about the company.	9% (7)	34% (25)	<b>43% (32)</b>	14% (10)	
45. I feel my opinions count at work.	10% (7)	32% (23)	<b>49% (36)</b>	10% (7)	
46. I have a future within the organization.	7% (5)	20% (14)	<b>61% (43)</b>	13% (9)	
47. My manager encourages my career development.	12% (8)	33% (22)	<b>44% (29)</b>	11% (7)	
<b>Total Respondents</b>					<b>74</b>

As An INDIVIDUAL, I feel that...					
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>	
48. I feel policies and procedures are consistently applied to all.	17% (12)	38% (27)	<b>42% (30)</b>	4% (3)	
49. I put safety first at all times.	0% (0)	7% (5)	<b>53% (39)</b>	41% (30)	
50. I feel free to make decisions on behalf of the company.	8% (6)	26% (19)	<b>50% (37)</b>	16% (12)	
51. I do whatever it takes to respond to customer needs	0% (0)	4% (3)	<b>49% (36)</b>	47% (35)	
52. I regularly receive recognition or praise for good work.	14% (10)	27% (20)	<b>45% (33)</b>	15% (11)	
53. I enjoy what I am doing.	4% (3)	5% (4)	<b>59% (44)</b>	31% (23)	
54. Overall, I am satisfied with the company.	7% (5)	17% (12)	<b>58% (42)</b>	18% (13)	
<b>Total Respondents</b>					<b>74</b>

## Score Summary

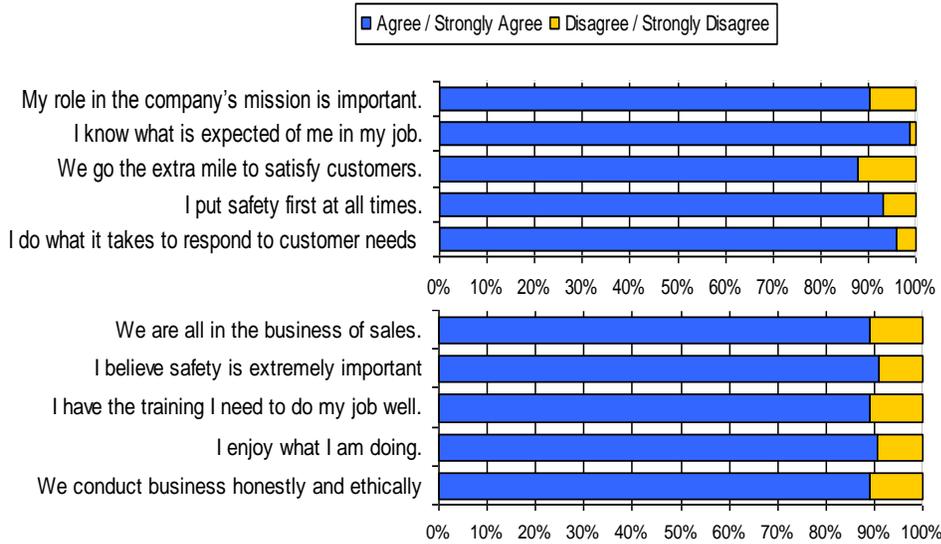
Scale of 0 - 4; 4 high

Survey Questions – Ranked Highest To Lowest	Average
<b>1. I do whatever it takes to respond to customer needs</b>	<b>3.39</b>
<b>2. I put safety first at all times.</b>	<b>3.27</b>
<b>3. I know what is expected of me in my job.</b>	<b>3.25</b>
<b>4. We go the extra mile to satisfy customers.</b>	<b>3.16</b>
<b>5. My role in the company’s mission is important.</b>	<b>3.11</b>
<b>6. I enjoy what I am doing.</b>	<b>3.08</b>
<b>7. We conduct business honestly and ethically</b>	<b>3.07</b>
<b>8. Managers believe that safety is extremely important.</b>	<b>3.07</b>
<b>9. I have the training I need to do my job well.</b>	<b>3.04</b>
<b>10. We are all in the business of sales.</b>	<b>3.03</b>
We really believe in safety.	2.91
Managers create a customer-focused environment.	2.85
We support the vision of the company.	2.67
Overall, I am satisfied with the company.	2.64
Managers provide the tools and processes we need to do a good job.	2.56
I have a future within the organization.	2.52
Managers communicate in a respectful way.	2.50
We have opportunities to learn and grow.	2.49
We understand the organization’s vision.	2.45
I feel free to make decisions on behalf of the company.	2.41
Managers hold us accountable in a productive manner.	2.40
Managers give us the information we need to do our job.	2.40
Managers allow us to learn from mistakes in a positive way.	2.36
Managers communicate in an open and honest manner.	2.30
We meet our commitments to each other.	2.26
Managers invite employee ideas and suggestions.	2.25
Managers create an environment of trust.	2.23
Managers work with us to set goals and targets.	2.23
I regularly receive recognition or praise for good work.	2.20
I feel my opinions count at work.	2.18

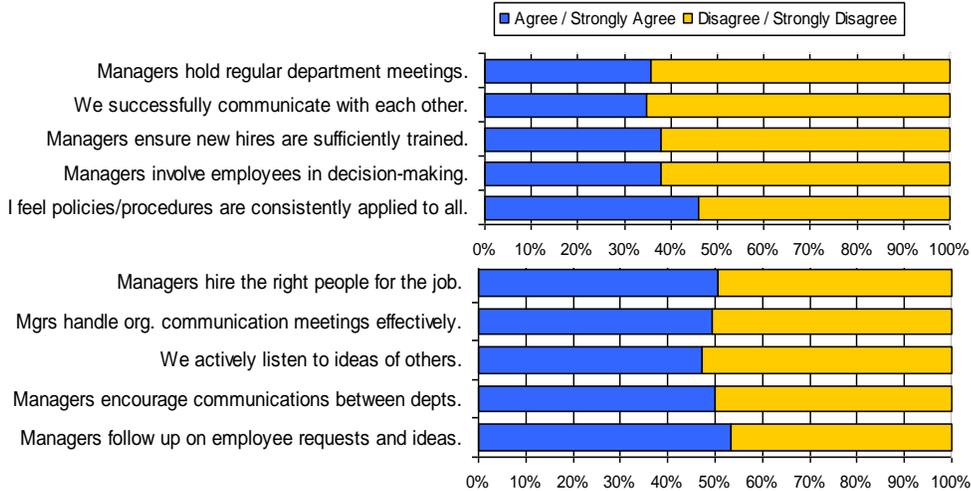
Managers create environment where we're free to speak our minds.	2.18
I feel well informed about the company.	2.18
We operate in an environment of trust.	2.17
Managers have a good understanding of the challenges of each job.	2.14
Managers want my opinions and suggestions.	2.10
Managers listen to our problems and help resolve them.	2.09
Managers balance people productivity and profit well.	2.08
Managers communicate new organizational plans and developments.	2.08
My manager encourages my career development.	2.08
We are managing our growth well.	2.07
Managers communicate the company's vision / mission effectively.	2.05
We all work to achieve the same goals.	2.04
Managers coach us in how to be more successful on the job.	2.04
Managers follow up on employee requests and ideas.	1.99
<b>10. Managers create a motivating environment.</b>	<b>1.99</b>
<b>9. Managers encourage communications between departments.</b>	<b>1.93</b>
<b>8. Managers handle organizational communication meetings effectively.</b>	<b>1.90</b>
<b>7. We actively listen to ideas of others.</b>	<b>1.89</b>
<b>6. Managers hire the right people for the job.</b>	<b>1.88</b>
<b>5. I feel policies and procedures are consistently applied to all.</b>	<b>1.79</b>
<b>4. Managers involve employees in decision-making.</b>	<b>1.68</b>
<b>3. Managers ensure new hires are sufficiently trained.</b>	<b>1.59</b>
<b>2. We successfully communicate with each other.</b>	<b>1.55</b>
<b>1. Managers hold regular department meetings.</b>	<b>1.53</b>

## “TOP TEN” LIST

### TOP TEN STRENGTHS



### TOP TEN OPPORTUNITIES



## Survey Comments

The following have been taken verbatim from the comment section of the survey.

### Communications

- We need better communications with employees and staff.
- Our customers need more care and attention than ever - we need good people to help us do this – the right people in the right positions.
- We need more customer service training and computer training for office staff. Communication between departments and from execs to staff could be more frequent. Dept meetings would lead to better overall communications from top to bottom. Execs should meet regularly with managers (monthly/qrtly) to make it work. Thanks.
- Communication from top management downward is non-existent. Cooperation and help among divisions/departments are discouraged rather than encouraged. Achieving the division/department bottom line objectives are put ahead of the company's bottom line objectives. Mostly because the company's bottom line objectives have not been communicated and department heads are rewarded based on their department/division performance only. Most of employees are loyal and care about the company and will go the extra mile to assure the company's success. Their trust and confidence in top management has been broken and needs to be repaired so that the Company can continue to prosper and grow. I believe this is possible if steps are taken soon to regain employees' confidence and trust.

### Management

- Although my answers seem very negative, in the past year we have had a new manager and I believe things are getting better.
- Company founders built a great foundation which the new regime doesn't know how to maintain. Profits first -- believe in safety if it doesn't cost too much. Self-training is the norm.
- The company has been around for 100 years. The third generation is going steadily down hill. Too many problems; not enough people. Been in business for 17 years. Good luck saving this company. They have had many surveys.
- We have outgrown ourselves. We can't make timely deliveries to our customers.
- The company has gone downhill in the last 5 years.

### Other

- Winter drivers should get more benefits from the company. Almost as much as full time men. They do the same job.
- Dispatchers are the worst I've ever seen.

- I feel that I'm not getting paid what I'm worth. There are not many good techs out there. The company should take care of the men they have. There are no incentives.
- Overall, I think the company is in a transition mode. A big problem within the company is department communication. I would like to believe I have a future within the company. I feel my department, specifically my role, needs to be separated (not enough space to explain). I feel I would be a greater asset to the company in the expanded role. My main issue is that we need to realize that at the end of the day we are one company.
- Our company lost touch with its workers over the last few years. It seems like their position is you're lucky you have a job. Business is not about the bottom line all the time. It is also about people.
- The structure of the company promotes the ME, MY, or I attitude. There is no WE or US. No team concept. Just think what would happen if we worked as a whole.
- I feel that the company should get the old time employees together and find out what's happened to our company in the last 10 - 15 years. Check into old management employees who are still there and you may get valuable info from them. Seniority doesn't mean anything.
- I believe that most of the problems seen by me are that we don't see ourselves as a team. It's always a constant battle to be better than such and such or maybe that doesn't concern me cuz that's someone else's department.

## Observations and Conclusions

Based on the interviews, roundtables and survey scores the following observations and conclusions can be made. It is important to stress that the information in this report is not the end. It is the beginning. It is a platform upon which strategies can be created and implemented. It provides information that will enable the company to sharpen its competitive edge – tap into the power of its people.

### Quantitative

- In rating the statement (#54), “Overall, I am satisfied with the company”, 76% responded positively; 24% responded negatively.

<i>Strongly Agree</i>	13 people	18%	<i>Disagree</i>	12 people	17%
<i>Agree</i>	42 people	58%	<i>Strongly Disagree</i>	5 people	7%

- It is interesting to note that 49 of the 54 statements (91%) have the *plurality* (**bolded survey scores**) responses as *Agree*. None The remaining five have the majority as *Disagree*, and are as follows:
  - Managers involve employees in decision making – 46%
  - We successfully communicate with each other – 45%
  - Managers hold regular department meetings – 44%
  - Managers ensure new hires are sufficiently trained – 42%
  - We actively listen to the ideas of others – 41%

## **Qualitative**

There are several key messages that come to light through this assessment. Of utmost importance is that it is absolutely clear that Santa Energy is customer focused. Everyone is committed to doing whatever it takes to respond to customer needs. This is a significant accomplishment.

People have a gut understanding of the vision of the company as an “energy supplier that adds value through customer service”. While they may not be able to repeat the vision exactly, they understand the intent. This helps give a unified face to the customer.

It is also important to note that the employees of Santa Energy care about the company and are passionately interested in helping it succeed. This creates a wealth of ideas, energy and commitment. Turnover is low in Santa. This body of experience and loyalty gives Santa a competitive advantage. “The competitive edge resides in people” and Santa has the people.

Another competitive advantage is the fact that the company is family owned and operated. The fact that the Santas have made it a point to create a “family” atmosphere within the company is a positive. However, it is equally important that the strategic direction towards a more standardized, fact-based organization be continued. The challenge lies in creating an environment where people think and feel they are a significant part of a whole bigger than themselves – that are adding value.

The significant growth in the past few years has created a stress on the organization that has resulted in less attention to: communications, training of new hires, and defining roles, goals and expectations. As a result, morale is slipping and frustration is increasing. People, especially those that have been with the company for several years, are feeling as if the managers no longer care about them, and that their ideas and opinions are no longer valued.

While there have been some improvements in communications recently, including informal meetings within departments, and the newsletter being distributed on a weekly basis, there is a significant need for implementing a comprehensive plan that ensures information is disseminated on a regular and timely basis -- and that employees ideas are heard, respected and processed.

For the plan to be successful, it will require development of interpersonal communication skills, teamwork skills and a clearer definition of organizational structure.

As a result of these improvements, the company will experience a rebuilding of trust in management, a clearer understanding of the business’s strategic direction, and increased employee productivity to achieve organizational success.

## **Planning For Communications**

Before a communications plan can be successfully implemented, there needs to be specific clarification on the organizational structure. There is confusion and ambiguity in the organizational charts, the marketing materials, and the conversations with managers and employees alike.

In this delineation, the role of the Santa family needs to be fully understood and used in a way that supports inclusiveness and growth.

- It is important to note that, according to Laura Michaud in *From The Kitchen Table to the Conference Table: Family Business Communication*, nearly “70% of all family-owned businesses fail during the second generation. For those that do last, the numbers are not encouraging. Nearly eighty-eight percent close shop during the third generation -- and ninety-six percent are gone by the fourth generation.”
- According to Kelin Gersick in *Generation to Generation, Life Cycles of the Family Business*, “there are two ways out of the maturity stage for a family company: renewal and recycling, or the death of the firm.” Our observations are that this company is in a period of renewal and recycling – accompanied by the inevitable growth pains.

The perception in the organization is that if your name is Santa you have more power than other employees, no matter what position you hold within the company. This is reinforced by Laura Michaud’s book when she says “family members in a family business have a certain degree of power within the organization, and many times they don’t realize how strong or powerful they are.” There are a number of times in the management interviews and the roundtables where the employees talk about “they” and “them” – referring to the Santas. The family has a powerful presence whether they want it or not. Family members must recognize this fact and realize that this may impede employee involvement if they are not careful.

### **Critical Success Factors:**

Critical Success Factors (CSF) are significant actions we believe should be considered to support the strategic objectives of the organization. For Santa Energy to develop its competitive edge to a position of greater strength and higher productivity:

- CSF #1: The organizational structure needs to be clearly defined and communicated.
- CSF #2: The dynamics of being a family-owned company must be thoroughly processed and communicated.
- CSF #3: A set of communications principles needs to be established.
- CSF #4: A comprehensive and cohesive communications plan needs to be developed and implemented.
- CSF #5: Employee involvement through recognition, motivation and teamwork must be institutionalized.