

Lessons from Zapponians

In the process of talking with Zapponians multitudes of stories and lessons emerged. Due to page constraints of the book, some of these did not make the printed page. This *bonus* content is offered to honor the insights from talented and impassioned Zapponians, as well as to provide a few quick lessons and opportunities for action.

Neither Ice nor Snow...Zapponians will Still Deliver Wow

The media was hailing it as the storm of the century. Throughout the region, ice was coating the roads, breaking trees, and creating all-out havoc. It isn't often that an ice storm hits the fair state of Tennessee, but when it does -- life comes to a screeching halt. People all over the region were dropping what they were doing to return to the comfort and safety of their homes. There was an exception to this at the Zappos Fulfillment Center. While this storm impacted the outside world, the Zapponians here maintained focus on the goal of delivering wow to customers. Every employee who could stay did and worked in any and every job. There were all kinds of employees from everywhere in the facility pitching in. We were reading orders, pulling products off the shelves, getting it onto the conveyor belts and out the door. This meant we could ship products and still deliver the wow to our customers. – Jim Rolland, Zappos Fulfillment Center

Lesson: The spirit of the organization is to gear up when others are shutting down. In the face of outside adversity, employees remain committed to the goal. This happens when employees embrace the company's goal as their own.

What's in it for you: What level of commitment do your employees have to the goals the company? When faced with adversity, what levels of fortitude arise? Do your employees truly believe in the corporate goal and mission?

Action: Identify past stories of outside adversity that have impacted your organization. What actions did employees take at that time? Does your culture support above-and-beyond dedication to the goals?

Standing on the Curb – Not at Zappos

Many of our visitors rely on cabs to get to the airport or hotel after their visit to Zappos. Often at the end of the day cabs would run extremely late or worse yet, not show up at all. I am the last one in lobby every night and lock up for the day. I noticed our guests waiting for a cab to show up. There was no way I was going to just leave them waiting on the sidewalk for a ride. At first, I would hang out with them while they waited. But, it happened so many times I eventually just offered to give them a ride. This was important to do so that people visiting Zappos would know that someone cared about their comfort in the place they were visiting. There is a saying about people not remembering what you

said, but remembering how you made them feel. I knew it was important that the complete experience at Zappos felt good, from start to finish, and that guests not end their visit negatively. Besides that, it was simply the right thing to do. Ultimately, this lead to the shuttle service being set up – I guess you could say I was the first shuttle driver! – Roz, Kan Du Team

Lesson: Watch for opportunities to meet needs. Identify gaps and unmet needs, and give employees the necessary latitude to take action.

What's in it for you: Those who interact with customers every day will be the first to see the needs and to know what will add the wow-factor. Ask them on a regular basis how they believe the customer experience could be better.

Action: Give employee's freedom to bridge the gaps that they see. Put systems and support in place so they can make decisions to go above-and-beyond and wow everyone who comes into contact with your company.

The Law of Attraction

We hire great people at Zappos ...we are inspired by each other. Collectively we inspire and motivate each other. It happens on a daily basis – we feed off each other and really teach each other the right way to treat people, to interact, and keep each other light so we're not stressed. We do work very hard but we make sure we have a lot of fun doing it. Everyone here at Zappos gets excited about treating each other well. The motivation builds even more when we hear stories about one of us doing something spectacular for a customer. We've been able to bring in more great employees and to share the culture with them so the culture scales as we grow. – Rob Seifker, Zappos employee

Lesson: Morale and productivity are synergistic. Stories of service greatness spark even more service excellence.

What's in it for You: How would you rate the dynamism of your workplace? How freely and naturally do stories of peer-to-peer or staff-to-customer service spread through your workplace?

Action: Create new or add to existing ways to track stories of service excellence and share them throughout your organization. This will spark the desire in employees to do more of the same.

The Shoes off Your Feet

People know that this is a great place to work, but they might not know yet how working here gives an opportunity for growth. Even if they don't know who they are or what they want to be when they grow up, this is a place that will help a person figure it out and give

support along the way. One day we had a new employee orientation. There is a safety policy in the warehouse and wearing sandals isn't allowed. There was a young guy that showed up for orientation wearing sandals. The recruiter told him he needed to get some other shoes because he couldn't complete the training in sandals. Of all things to have wrong at Zappos – it was shoes. He made several phone calls and wasn't able to get in touch with anyone to bring him another pair of shoes. Fearing losing the opportunity, he got tears in his eyes. The recruiter, knowing what an awesome chance this was going to be for him, and that he is going to lose it if he couldn't get different shoes, gave him her shoes! – Chris Judd, Zappos FC

Lesson: Culture requires stewardship. Every employee is responsible to do what it takes to help secure the best candidates for your culture.

What's in it for You: It's ironic that an employee would have to give (of all things) shoes to a new hire at Zappos but how far would you go to make sure that the “best people” make it at your workplace?

Action: Are all employees onboard with getting the best new hires? How many employees are involved in selecting and hiring the best fit for positions open? What other ways does the investment in selecting people who fit the culture demonstrated at your organization?

Her Mom had a Mustache

The jingle in one of our advertisements was sung by Donny K. He came here to sing the jingle at a mini-concert, and we all wanted to honor him. Donny K. has a big, black mustache, so we all wore fake mustaches to the concert! I liked wearing it so much, that I just kept wearing it all day long. I wanted to embarrass my daughter when I picked her up, but she was at acting camp, so a mom wearing a fake mustache didn't create much of a stir. But, next I went to my weekly weigh-in meeting, still wearing the mustache. I got a reaction here, but it wasn't what I expected. The lady checking me in asked, “Do you work for Zappos?” I asked how she could tell. Her response was: “Well, you're wearing a fake moustache! And, I hear that such great things about that place.” It amazed me that wearing a fake mustache in public translated to working at Zappos. This reinforced that I work at a place that is fun and people on the outside can see that in action. – Christina Colligan, CLT supervisor

Lesson: Others can tell when you are having fun – or not. If employees are truly enjoying what they are doing, it will show when they work with customers and it will show outside their job. A happy employee is some of the best PR a company can have.

What's in it for you: Are your employees happy at work and after work? Can they be identified as working at your company by spreading joy?

Action: Being comfortable and having the freedom to have fun comes first. Create a safe environment for fun. Set the tone with events and other short, fun-filled, random joyfulness!

Keep the Change

We work hard to get every order just right, but where humans are involved, mistakes happen. One time we mixed up an order, and shipped out an Xbox by mistake. The customer was a soldier stationed in Iraq on active duty. As soon as we realized that a mistake was made, we shipped the correct items ordered. Then, we had a dilemma. Here is a soldier in Iraq who got an Xbox; we talked about what to do to get the Xbox back. We decided that the best thing to do was to let him keep it, after all, it wasn't his mistake and mailing it back to us wouldn't be easy. Then we realized that you can't really do anything with an Xbox if you don't have games. A beautiful thing happened next. Everyone chipped in and made a huge care package for this soldier. It included a bunch of video games, shirts, and random items from Zappos. We shipped the care package and told him to keep the Xbox, enjoy the games, and to pass out other items as he saw fit. This was a very touching thing to do. – Jeff Lewis, CLT Supervisor

Lesson: Empowered employees will take steps that make your company shine, customers feel good, and spread good will about your company in ways you can never script for them – or even imagine.

What's in it for you: Do you trust your employees? Do they have the authority to make decisions to impact customers on the spot? Can you think of stories where employees made decisions on their own and the result was much better than management would have ever expected?

Action: Set broad parameters for your employees to work within and then hand over the reins to take care of customers and meet corporate goals. Trust that they will do the right thing.

A Helping Hand in the Form of a Ride

Until I got a car, my commute was a 1.5 hour bus ride, each way, on two different buses. One day on the way to work, the 2nd bus on the route never showed up. I had to get to work, so I walked about three miles. This three miles was in the heat of the desert and by the time I got to work I looked like I'd run a marathon – hot, sweaty and still mad that the bus never came. My team lead then was Noey. Instead of putting me right on the phones, she had me take a breather. Then she offered to drive me home when our shift ended. I was new to Vegas at the time and hadn't felt that kindness outside Zappos. She continued to give me a ride home for a couple of months. But that's not all. She had me call her when I got off the first bus every day; she'd take her break and come pick me up. I've

never had anyone do something like that at a corporation. This was such a family spirit, it really warmed my heart, she didn't need to do this to help me – she wanted to do it. – Laura Miller, CLT 5 year veteran

Lesson: Employees that fit a positive culture will treat each other in a positive manner and continue to spread good will.

What's in it for you: It is worth the time and energy to invest in the hiring process to get the right employees from the very beginning. People who thrive in a culture of service and fun will build momentum.

Action: Examine your hiring process to determine if the right amount of time and energy is devoted to it. What is your turnover rate? Are the employees that quit the organization the ones that you want to leave?

Attitude Trumps Numbers

In the Fulfillment Center, we work at a fast and furious pace. There are measures of how much every team member should be doing so that we all meet the goals, and get orders out the door with lightening speed to wow customers. Each person should be able to process 190 units per hour. There are some team members whose numbers are significantly less than that, and this is acceptable. It is okay for a team member's numbers to drop when they are contributing to the team in a way that isn't measured in the numbers. For example, there might be someone who processes 150 units per hour, but along the way she is wonderful and kind to others, stops to help a neighbor, picks up items, and so on. We would take this in a minute over a person who processes 250 units an hour but has a negative attitude. We don't beat people up about numbers. – Dennis Wegenast, Zappos FC

Lesson: Realize that numbers don't capture everything and there will be other elements at play that can be more important when people are involved.

What's in it for you: Consider number ranges, instead of hard, fast numerical goals. Be sure that there are ways to acknowledge and appreciate the value that attitude brings to the workplace.

Action: Examine areas with numerical requirements and look at other elements that people bring into play. Are there situations in which a lower number is acceptable because there is some other gain?

Less Stress Equals a Happier World

Our entire team sat down together and I asked everybody how Zappos has changed their life and impacted them in great ways. Here are examples of what was said: John and his wife both work here now. He shared that going home at the end of the day is a delight, they laugh about the day, share great stories and are not bringing home any work stress with them. Other team members talked about flexibility. Robby's daughter was in town for the holidays, and he could take time off to spend with her and not worry about losing his job over it. Pam is juggling caring for two little kids and a sick mother. We work to coordinate with her schedule, and when she's at work she gives us all her focus. She didn't feel that other companies would work with her family situation the way that Zappos does. All of these things matter, we understand that people don't turn off the rest of their lives when they come to work, so we're going to support them. And, at the end of the day we are helping other businesses become more like us. This will impact moms and kids that we'll never meet. This is how Zappos Insights delivers happiness – by changing the way culture is in corporate America. Even small changes make an impact. We are changing families. – Zappos Insights interview

Lesson: The environment of your work place filters back into the homes of employees and impacts their families. A happier workplace makes for happier home lives and happier home lives make for a happier workplace.

What's in it for you: Are you flexible with employees to schedule around family demands? Do you allow time off and scheduling options that work for individual employee situations?

Action: Examine your policies and practices to see how family friendly your workplace truly is. Ask employees who care for family members what would make balancing their lives easier.

Respect for a \$150 investment

I had a woman on the phone whose niece's birthday was on the weekend. The shoes she had ordered as a gift hadn't arrived. This customer was crying and very sad and most of all, she was concerned about her niece's disappointment. We took steps to make her shine in her niece's eyes. We offered her the option of letting her niece go on a \$100 shopping spree on the website – on us! Now this would show her how awesome her aunt is! And, of course we refunded her for the original purchase. Now, this customer is getting her order for free and a \$100 shopping spree. If our higher purpose really is to deliver happiness then we need to stand behind that. Part of making it into good business sense is that this customer had an experience that she's going to tell all her friends about. Surely everyone at the niece's birthday party heard about it too. This customer will shop with us again because of that experience and she knows she can trust us to deliver. - Dylan Morris, CLT lead

Lesson: It is crucial to stand behind the higher purpose of your business. If that purpose is to wow customers, you need to go an extra step – or more – beyond basic expectations in every interaction.

What's in it for you: Do actions of your employees cause delight in customers? Does the customer service provided generate stories that will be told and retold to friends, relatives, and anyone that will listen?

Action: Develop customer interactions that instill trust. Examine trust levels and customer loyalty. What steps can you take to bring these to the next level?

Daily Status Reports for All

Zappos is committed to creating a partnership of 1,900 employees and this daily communication is one way it shows. Vital company stats are communicated every day with all employees. It is as much information as we need and more, so daily decisions can be made that benefits the company. Nobody here will ever be surprised by the current standing of the company. Instead of the top 5% of leadership holding all the information, we all do every single employee. This is the highest level of trust and every ounce of it is returned to the company. The communication includes sales numbers, so we know exactly how much we're selling and how much we're not selling. After the economy tanked in 2008, we decided to add goals. Now we see how much sold and the targeted goal. The email is about 10 pages long and tells how many Uggs sold, how many Clarks sold and so on. There is information on how much we made, the goal for the month – any employee can see, any day of the week, how the company is trending and know exactly how much we need to make to meet the goal or exceed the goal. This helps us make little changes, since we have the most current status. – Jamie Naughton, cruise ship captain

Lesson: Knowledge is king. Sharing information on company status with employees let's them make solid decisions as they go through each day.

What's in it for you: There's no such thing as too much communication or too much information. Are you sharing enough key information with employees? Can employees tell you any day of the week where you stand in terms of hitting goals?

Action: Design a template for daily communication to employee that includes the key indicators of your company's success. Send this information out daily to employees. First, let them know you are making this change and help them understand information in the e-mail.

Embrace Mistakes

It starts at the top with Fred Mossler letting us know that the biggest gamble is not trying new ideas, but with being satisfied with the status quo. One of the coolest stories I know is about this bright, young guy on the content team. He was typing up descriptions day-in and day-out. He had an idea that he put out. He suggested putting products on video while recording a description. Lo and behold, two months later he's the director of video filming. He changed the entire initiative overnight. -- Galen Hardy/Merchandising

Mistakes are part of life, we expect it. Oodles of unknown, excellent ideas are discovered by trying something that you wouldn't have tried if you were afraid of getting in trouble for making a mistake. Even if we try 10 things and eight of them don't work out, we are two ahead than if we tried nothing.-- Rebecca Henry, Human Resources

Lesson: Making mistakes and taking risks can lead to huge successes. Mistakes are part of life and part of pursuing growth and learning is being open to change. Without change, any living organism will wither and die on the vine.

What's in it for You: How much creative freedom do you give employees to share ideas and make changes? How much fear of failure is there in your organization? Is failure celebrated or admonished in your organization?

Action: Set up ways that your team members can make suggestions for improvements. Encourage them to try things and to think in new and creative ways. Make it a part of leadership rounding to inquire about what staff members would like to see work differently.

Action Steps

There are many inspirations found in the stories of Zappos employees. Use the space below to keep track of steps you will take to improve the culture of your organization. Set timeframes and identify champions responsible for items to solidify commitments.

Action to be taken	Who is responsible	When will it be complete	The end result