

BRIEF

Agreements

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Introduction

We believe the best way to create a thriving High-Trust Company (HTC) is to turn away from an expectations-based culture and toward an Agreements-based culture. The former approach alienates and causes resentment, while the latter fosters a culture of trust and inclusion. When team members share in the conversation, they feel invested in their organization and in achieving its short- and longterm goals.

While all agreements are important, we love the idea of creating a set of essential agreements a leadership team can <u>roll out to the entire organization</u> to guide day-today operations. These agreements form the organization's <u>Focus Filters</u> – the foundational elements of its Vision that all team members routinely use when making decisions.

They are:

- What we do (how we make life better)
- Why we do it (our Just Cause)
- Who we serve (our Ideal Customer)
- How we serve our Ideal Customer (our <u>Unique Value Proposition</u>)
- Where we're going (our <u>Compelling and Audacious Goals</u>)
- When we plan to get from here to there (3-Year, 1-Year Goals, and 90-Day Goals, which we call Rocks)
- Who we are as a group (our <u>Core Values</u> and <u>Culture</u>)

Agreements help build high-trust relationships in which everyone shares a strong level of commitment because they're aligned in character, competency, and human connection.

Context

Think of essential agreements as sacrosanct, something that should stand the test of time. Yes, a tweak might be necessary due to unanticipated circumstances, but generally speaking, it's critical for a leadership team to

be "all in" once Essential Agreements are finalized. If a commitment isn't achieved, there's a risk to, or some degradation of, organizational trust over time. And that slow deterioration makes it harder to build a great organization.

Having essential agreements, however, doesn't mean we're aiming for a 100% success rate in upholding them. Even people of the highest integrity and intent can fail to hold up their end of a bargain sometimes. If we can live up to at least 90% of our Agreements, we're doing great. And as we succeed internally, we're better positioned to attract and maintain strong relationships with the people we serve – our key <u>Ideal Stakeholders</u>.

Agreements help build <u>high-trust relationships</u> in which everyone in the organization shares a strong level of commitment because they're so well aligned in character, competency, and human connection (the three dimensions of trust).

Turning expectations into agreements indicates the following to your team:

- 1. We see them.
- 2. We want an authentic relationship with them.
- 3. We care about who they are, what they do, and what they think.
- 4. We're here to support them and help them grow.
- 5. We're willing to let them solve problems their way.
- 6. We want to know how things are going.
- 7. We're here to help them Get Smart Stuff Done (GSSD).

Even better, this approach lays a foundation for having a simple, honest conversation when an Agreement isn't met. In those cases, it's fair to ask, "I thought we had an agreement — did I miss something, or is there a reason you couldn't follow through? Either way, let's solve it together." Talking it out this way will strengthen the working relationship and foster more accountability.



Lead, Agree, Coach

Agreements sit at the intersection of our ability to lead and coach, a concept we refer to simply as Lead, Agree, Coach.

Once we've outlined who we are and where we'd like to go as an organization, we owe it to our team members to be transparent about their strengths and where they have room for growth. After all, the desire to help people find their next best opportunity (internally or even elsewhere) and invest in

their development is one of the most important Agreements we can have with our team members.

Think of the message that sends to people, knowing we're looking out for their best interests; that we value them not just as they are today but care about how they can become the very best version of themselves down the road. Along the way, we'll get extraordinary effort from those team members.

Hopefully Helpful Hints

Creating an Agreements-based culture is one of the keys to building a High-Trust Company. Team members don't just genuinely value every one of the company's stakeholders; they also trust the organization's leaders, colleagues, and other departments.

The practice of turning expectations into Agreements is critical for attracting and retaining a strong and supportive collection of key stakeholders. All Agreements should be

honored, but establishing Essential Agreements helps us create the solid bonds, aligned goals, and shared values that you'll consistently find at the core of great organizations.

Takeaway

Agreements shape the Commitments team members make to leaders and each other. Agreements help us align and work together. Agreements inform our decisions and light up the pathways that lead to new opportunities. Agreements-based cultures are at the core of every high-trust organization, where people are aligned in character, competency, and human connection.

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