

**A**WARDS ARE EVERYWHERE. Magazines, industry journals, chambers of commerce, newspapers, television networks, websites, community organizations, governments...all of them offer awards to be won by individuals or organizations.

What are the benefits of winning awards? Is it more than just personal satisfaction? Do awards offer any strategic advantages? Should they be actively pursued? How can organizations best capitalize on them – both internally and externally? What opportunities do they create?

Or are they just a waste of time, money, and energy?

*The CEO Advantage Journal* talked to three executives whose organizations have been very successful in winning awards. Beyond the obvious joys of public recognition, these leaders have learned to leverage awards for ongoing improvement in the health of their organizations. Indeed, pursuing awards has a rightful place in the strategic plans of many organizations.

# *The* Benefits *of* *Awards*



## Brian E. Fayak

Founder & Chief  
Visionary Officer

### Nextep, Inc.

www.nextep.com

## Company Information

Nextep provides Professional Employer Services for small and mid-sized companies such as payroll administration, benefits administration, HR consulting, and risk management in a single, bundled approach. Their objective is to make this essential part of a client's business very efficient through the use of cutting-edge technology and professional expertise. In doing so, the executives and staff are free to focus on running their business.

Nextep has been serving clients from a wide range of industries, focusing primarily in Oklahoma and Texas, since 1997.

## Selected Awards

- Best Place to Work in Oklahoma (2006, 2007)
- Oklahoma Ethics Compass Award (2007): *For displaying a high level of ethical standards.*
- Character First Award (2008): *For displaying ethical leadership in the community.*
- Red Shoe Award (2007): *Given by Ronald McDonald House to Brian Fayak for volunteer efforts and charitable contributions.*

**Your organization has a track record of winning different awards. Describe the key benefits to your organization of pursuing and winning awards.**

The most important benefit we see is with our employee morale. We focus on hiring the best possible talent we can find. We also believe very strongly in the power of engagement – creating an environment where employees feel engaged and want to be productive.

One of our first major awards was *Best Places to Work in Oklahoma*. Our staff initiated that as a way to show pride in where they work. We work very hard on building a culture of ethics where employees have fun at work and have freedom to do what they need to do. Our employees like it, and they want to boast about it. Winning that contest began a snowball effect with other awards, and the morale and engagement of our employees has been very beneficial. Part of peoples' perceived success is the stature of the company for which they work.

In addition to helping us get the best employees, it helps us engage in the community, which is a real intangible benefit.

**In your case, some may say that the big reason for winning awards is to attract new clients to your organization. How do you perceive that? Is that something you seek when applying for awards?**

I think that's important. Good recognition can be helpful in putting potential clients at ease with our organization. Our focus, though, is on the employees and the community first because that forms the foundation of why we are successful. For the most part, you win awards because you do the right things, you're a good place to work, and you're a good corporate citizen.

Community service is big to us. Our people receive bonuses for doing a certain amount of community service hours. Our company certainly benefits from that.

**It seems like there's a triangle of benefit. First, there's the culture of the organization. Second, there's the impact of the employees and the organization in the community. The recognition that comes with that feeds the third leg, which is the comfort level felt by your potential clients.**

Yes, there's definitely a benefit there. My biggest point is that if you take care of the fundamentals, the benefits will be there. With a healthy culture and a commitment to the community, your business will do well regardless of what rewards you win.

**Nextep is in a unique position since your clients are businesses themselves. You have the ability to influence them as they build their own organizational cultures. Do you encourage them to pursue awards as part of their strategy?**

We do. Not only are we business-to-business, but we're in the business of human resources, and that includes stuff like employee benefit plans, payroll, and government compliance. Still, we believe strongly that culture is the #1 foundation of a company and how its employees perceive their workplace. If you do the basics, the awards will come, but there is real benefit in going after the right awards.

When my staff wanted to pursue *Best Places to Work*, I felt we had laid a good foundation for it. In fact, just pursuing the award made us better at running our company.

**What did you specifically change in the process of trying to win that award?**

*Best Places to Work* measured tangible things like benefit packages and average salary, so we were able to specifically address those. However, most of the criteria was based on employees' responses to a confidential survey on their perceptions of the workplace. Once judging was complete, we were given a copy of our own employees' responses and benchmarked against competing companies. Even though we won, this revealed areas where we could improve.

One thing we found was that today's young workers don't just want work-life balance; they want to work at all times of the day. This is particularly prevalent in our IT department (we have one IT guy who works from 8-noon and from 8p.m. - 4a.m.). We had to reconsider the flexibility in our work environment so our employees could have some of the freedom they wanted.

We ended up implementing an em-

ployee personal day once/month. Employees are able to take a day off to do anything they want, and it doesn't count against vacation time. Some were concerned about it, but we had a belief that the employees would not leave unless their work allowed it. That's exactly what we've seen. They have the freedom to make those decisions within the parameters that we give them. Obviously, some positions are not as free to improvise as an IT guy who can keep himself hooked in electronically at all times.

This can be difficult to manage, so many companies don't try it, but we have benefited from further empowering our employees. A strong culture allows us to do that.

**Have you had any clients that have seen specific benefits from pursuing and winning awards?**

Yes. One client manufactures seatbelts for cars and heavy machinery. Last year, they applied for *Best Places to*

*Work* and used the process to increase their current employees' pride and attract new employees. Winning awards makes attracting talent much easier, and talent improves the organization.

**Which of your company's awards was most meaningful to you?**

*Best Places to Work* brought me a lot of pride because I founded the company and always wanted it to be a great place to work. The award that probably brought me the most pride, however, was the Compass Award from the Oklahoma Business Ethics Consortium. That award embodied the message we want to send as an organization. It's nice to be successful and a fun place to work, but it's important to be a company of character and ethics, always looking to do the right thing.

In the long run, the good guy doesn't finish last.

American Dream (Jill Stefani Wagner)





## Vernon McKown

Co-Owner, President of Sales

## Ideal Homes

[www.ideal-homes.com](http://www.ideal-homes.com)

**Your organization has a track record of winning different awards. Describe the key benefits to your organization of pursuing and winning awards.**

We initially started pursuing awards for the public relations. We felt like free PR had more credibility than paid advertising, so our strategy was to leverage the PR from winning awards to create brand and company recognition and establish credibility in our marketplace. In particular, we thought that winning the *America's Best Builder* and *National Housing Quality* awards would really help us in the local media.

**Do you remember your first award?**

I think it was the local newspaper's "reader's choice" award. We won that quite a bit and made a big deal out of it. We later applied for *America's Best Builder* before we really understood what it would take to win it. After that first application in 1996, we had to face the facts that we weren't yet worthy of it and spend some time reengineering our company to be truly great. Greatness became our goal rather than the award itself. Several years later, we began to realize that we were a good company

## Company Information

Ideal Homes is a single-family production homebuilder and developer operating in the greater Oklahoma City area. The company is privately held and headquartered in Norman, OK. Since its founding in 1990, Ideal Homes has built more than 7,000 homes.

They have earned a reputation for high performance, and in 1997, they became the first builder in the nation to build affordable *Energy Star* homes.

## Selected Awards

- America's Best Builder (2007)
- Gold National Housing Quality Award
- National Housing Quality Certification
- National Energy Value Housing Awards
- 5-Star Energy Rated
- Engineered for Life
- 5-Star Energy Value Builder

and worthy of some recognition. That's when we started seriously applying for the major awards. We felt we actually deserved them.

**What ended up being the key benefit of pursuing and winning awards? Was it the PR?**

Yes, it was – especially for the first one: the *National Housing Quality*. We won the silver, then the gold, and then we won *America's Best Builder*. Funny, by the time we got the *America's Best Builder* award, we didn't get as much media attention. We got a little attention out of the silver, a front page story out of the gold, but when we won *America's Best Builder*, the media didn't consider it much of a story anymore. We got a lot of industry coverage from it, but there's no value to industry coverage other than it makes you feel good about your company.

The other benefit – the #1 benefit, really – was employee morale, though that was not our original intention. Winning the silver made everybody proud and sparked the competitive juices to win gold, which made everyone more proud. We then won *America's Best Builder*,

which galvanized the employees' belief that we really deserved the recognition we were receiving.

When we first applied for *America's Best Builder*, it opened our eyes to how far off base we really were. We said, "We want to be recognized as great, but let's *be* great first." If we had won *America's Best Builder* that first year, our employees would not have cared because they didn't think they worked for America's best builder. And we weren't. Even had we lucked into it, our employees would have said, "You have to be kidding." If you build a culture worthy of your employees' pride and then win an award, that's where you get the synergy that elevates the spirit because it's well deserved. They feel it, and they're proud of it. That was a big lesson for us.

**What did you specifically change to fill the gaps and be worthy of those awards?**

Our policies and procedures. We were selling lots of houses, but we were driving customers crazy with our high employee turnover rate. We realized that we had to address this first if we hoped to have happier customers, so we refined

our hiring processes to focus on getting the right people on the bus. Prior to that, we'd fire somebody and the general commentary would be, "Why did we ever hire that guy? How did he ever get through our system?" In reality, we didn't have a system. We didn't have good training. When our customers would get mad at us, we'd throw around lots of blame internally when it wasn't really anyone's fault; it was because our human systems were inadequate.

**So pursuing those awards provided a catalyst for improving the organization. Did you see improved results?**

You bet. The catalyst was trying to answer questions for these awards, such as, "What's your employee turnover?" We were looking at the top and bottom

lines, but employee turnover wasn't on our radar. The truth was eye-opening for us, and when we first started doing customer satisfaction surveys, it was pretty humbling. Today, it's much better. We have many reasons to be proud.

**Where should organizations begin in their pursuit for awards?**

There are tons of industry awards, but pursue those which play to your strengths. For example, we don't apply for any design awards; that's not our signature statement. Look inside your industry for what other companies have won and identify those which fit your company or embody what you want to be. That's the best place to start.

**Which of your company's awards was**

**most meaningful to you?**

The *National Housing Quality Gold*. It's based off the Malcolm Baldrige criteria that really looks at your whole company – customer satisfaction, employee practices, employee hiring, company culture, systems and processes, overall metrics, profitability, business management, strategic planning, and long-range vision. To me, those criteria capture what it takes to be great. What's frustrating is that the general public requires explanation to understand the significance of it. The *America's Best Builder*, on the other hand, explains itself, even though its selection process is much less vigorous. The *National Housing Quality* is very in-depth, in my opinion. That's why it means so much to me. To win it, you really have to be doing it all.



**Larry Weinberg**

Owner & CEO

**BOWA Builders, Inc.**

www.bowa.com

**Your organization has a track record of winning different awards. Describe the key benefits to your organization of pursuing and winning awards.**

There are three primary benefits. The first relates to marketing and public relations, especially if the press notices it. Whether it results in lead generations or just building the brand, there's a market-

**Company Information**

Named *National Remodeler of the Year*, BOWA Builders has been honored with more than 100 awards for excellence in high-end custom construction over the past 20 years. Specializing in additions/renovations, custom homes, and condominium remodels, BOWA serves clients in Northern Virginia, suburban Maryland, and Washington, DC.

**Selected Awards**

- Remodeler of the Year (2006): *Professional Remodeler Magazine*
- Contractor of the Year (1991-2008): *Natl. Assoc. of the Remodeling Ind.*
- Washingtonian Residential Design Awards (2005)
- Pacesetter Award – Production Process (2004): *Custom Home*
- NRS Award in Satisfaction - Excellence in Class (2003): *Professional Remodeler*
- 50 Great Places to Work (2003): *Washingtonian*
- America's Fastest Growing Companies (1994, 2001, 2003): *Inc. 500*
- Top 50 Fastest Growing Companies (2002): *Washington Business Journal*
- Top 500 Industry Leaders (1991-2008): *Qualified Remodeler*
- Best Bosses (2005): *FORTUNE Small Business* and *Winning Workplaces*
- Top 25 Remodelers to Work For (2005): *Professional Remodeler*

ing benefit.

Second, it galvanizes corporate strategy. We had a goal to be one of the best places to work in Washington, D.C. It's one thing to set a goal and improve, but you never know if you've achieved it unless you measure it. To get an award for that is as good a measurement as we will find. In order to win it, we had to change

some things in our company, and that effort was more important than the award itself.

Third, awards generate the pride and enthusiasm in the company. People like to be on a winning team. Not only does it help with the attitudes of our current employees, but it also helps recruiting. We now have people who seek to work

for us because of our reputation, and I'm sure that much of that is due to the awards we've won.

I heard a great quote recently from Colin Powell: "Optimism is a force multiplier." A positive attitude multiplies your strengths. People will do a better job when they're proud of working for an award-winning company.

### Is one of these benefits more important than the others?

It has changed over time. When we were a younger company, people didn't know who we were, so awards were important to build our resume and develop our brand. This year, we celebrated our 20<sup>th</sup> anniversary, and we've won 75 industry awards. We don't list them all as resume-builders anymore because we no longer need that.

When we initially put the *Best Places to Work* award in our company vision, we had a strategic need for that. We were a small company, and we had not yet built that great workplace as part of our core culture and corporate strength. Since then, we've won several of those types of awards, and our culture is strong, so we don't feel such a need to win those anymore.

Right now, a higher priority would be one of the "green" awards. That would be helpful from a marketing standpoint, but it also covers an area in which we want to develop more expertise. Striving to meet the criteria for those awards will force us to put more energy into becoming a greener company.

### Did you consciously begin pursuing awards? Do you remember your first award?

Yes, it was a conscious decision. One of our first awards was *Contractor of the Year* for the Washington area. Shortly thereafter, we were named in *Remodeling Magazine* as one of the "Big 50,"

which is sort of the remodeling hall of fame. Josh, my business partner, and I were 24 when we started the company, so we needed those awards to build our credibility because we were newcomers to this marketplace.

### Where should organizations begin in their pursuit of awards?

First, look for the right types of awards. Pursuing *Inc. 500* or another big national award might not make sense. If you look around in local trade associations and chambers of commerce, you're



Golden Light (Jill Stefani Wagner)

bound to find one that fits your current expertise. You should be able to win something. I remember going to awards ceremonies where there were only two entries for bathroom renovations from \$10-\$25K. Some awards may even have just one entry. Once you win a few, you become more recognizable and they begin to feed off each other. Don't just shoot for the moon; find something that's well within your sights and shoot for that. If you shoot for the moon and it takes a few years and you're not winning, you might lose the enthusiasm for trying to win.

Second, learn the rules of the game – written and unwritten – for any particular award. For some of our awards, we found that the most important factor – regardless of the project – was the quality of the photography. Pick up on those intangibles. How is it judged? What is going to tip the scales in your favor? For another award, the judges actually toured the project, so we made sure we had a

tour guide there to point out some of the more impressive aspects of it. It's more than just understanding the rules; it's knowing how to win. Talk to past winners to get advice on how to win.

### Which of your company's awards was most meaningful to you?

We were in the *Inc. 500* twice. Those are special to me because I've always considered myself an entrepreneur. Remodeling happens to be the business we went into, but my passion has always been building a successful organization.

*Best Places to Work* and *Best Bosses* speak to business acumen, so those are also special to me.

On the remodeling side, we won *Remodeler of the Year* in 2006. I can't think of a bigger industry award for us.

Many successful business people have been competi-

tive all their lives, but in the business world, we don't have a Super Bowl. Awards fill that need for us.

### Do you have any other comments about your experience winning awards?

It's been 20 years, and we now win several awards each year. I'm not trying to sound haughty, but we went through a stage where we didn't want to attend another ceremony and accept another award. Then we realized it could be a nice team building event. When we bring younger employees with us and see their enthusiasm, it gets us excited again. Sometimes, we'll bring the project manager and some of his guys from that project. They get to dress up, go to a nice dinner, and get recognized. It's a huge morale booster for those who may be getting an award for the first time in their professional lives.

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