



# Going Beyond High Performance to Enable a Growth Culture

*Trent Sunde, VP – Manufacturing and Operations Services, The Clorox Company*



*Introduction by:  
Tim Kuppler, Director of Culture and Organization Development, Human Synergistics*



*Ultimate*  
**The 3<sup>rd</sup> Annual Culture Conference**  
October 3, 2017 | The Fairmont Chicago  
*Leadership and Culture—It's a Two-Way Street*



# *Going Beyond High Performance to Enable a Growth Culture*

Trent Sunde, VP of Manufacturing and Operations Services  
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# The Origin of my Personal Journey

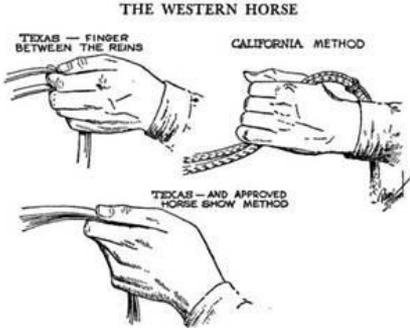
My first industrial exposure



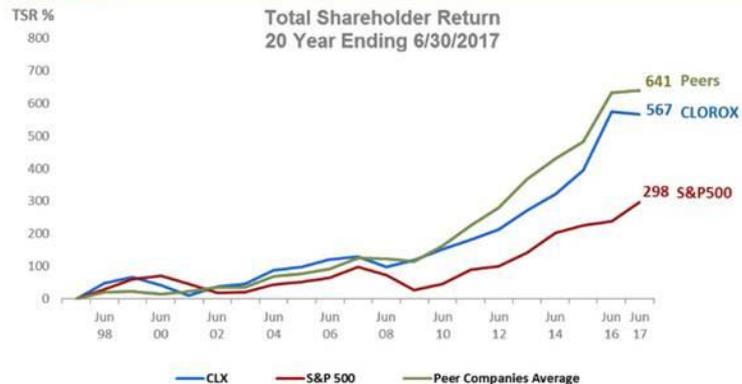
Realization that I was the catalyst of change



# Why “Empowerment” in Brownfield Fails



## Strong Shareholder Return



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## Over \$2B Returned to Shareholders in the Last 4 Years



Free Cash Flow (a non-GAAP measure) represents Operating Cash Flow from Continuing Operations less Capital Expenditures. See reconciliation on our website (<https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>) and on slide 69.

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# Clorox Engagement Exceeds Global Benchmarks

**People** | Engaging our people as business owners and promoting diversity, opportunity and respectful treatment.



**87%**  
Employee Engagement  
(vs. 79% Benchmark)

**0.61**  
Recordable Incident Rate  
(vs. World-Class Level <1.0)

**25%**  
Ethnic Minorities Among U.S.  
Nonproduction Managers  
(vs. 22% U.S. Census Bureau)

**31%**  
Ethnic Minorities Among U.S.  
Nonproduction Employees  
(vs. 28% U.S. Census Bureau)

**49%**  
Global Female  
Nonproduction Employees

**41%**  
Global Female  
Nonproduction Managers

**30%**  
Female Independent Board Members  
(vs. 20% Fortune 500 Average)

**31%**  
Female Executive Committee Members

-A- Reviewed by Ernst & Young LLP  
Footnotes: Data as of June 30, 2016, refer to [http://annualreport.thecloroxcompany.com/pdf/CLX-012\\_2016\\_Integrated\\_Report.pdf](http://annualreport.thecloroxcompany.com/pdf/CLX-012_2016_Integrated_Report.pdf) page 26

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## Winning the Right Way



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Growth Culture

## Advantaged Portfolio Over 80% of Sales From #1 or #2 Share Brands

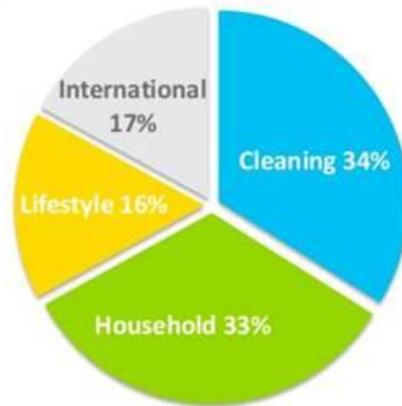
International : 17%

Latin America	9%
Canada	3%
Australia / NZ	2%
Rest of World	3%

Lifestyle : 16%

 Hidden Valley	9%
 BURT'S BEES	4%
 BRITA	3%

FY17 Company Sales: \$6.0B



Cleaning : 34%

 Pine-Sol	Home Care	19%
 CLOROX	Laundry	9%
 Commercial	Professional	6%

Household : 33%

 GLAD	14%
 KINGSFORD	10%
 Fresh Step	7%
 RescueLife	2%

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SlideShare

# An Opportunity for Discontinuous Improvement



Growth and “Be Bold” are critical corporate objectives



Expectation that we'll be doing things not yet done



# Our Journey\*

## Our sequence of events

Strategic Deployment / Journey Mapping

The Leader as Coach

KATA

Human Organizational Performance

Deeper Dive into Culture

Comprehensive Management of Change

The Five Coaching Kata Questions

- 1) What is the Target Condition?
- 2) What is the Actual Condition?
- 3) What Obstacles do you think are preventing you from reaching the target condition?
- 4) What is your next step?
- 5) How quickly can we go and see what we have learned from taking that step?

## Mulligan sequence of events

Comprehensive Management of Change

The Leader as Coach

KATA

Strategic Deployment / Journey Mapping

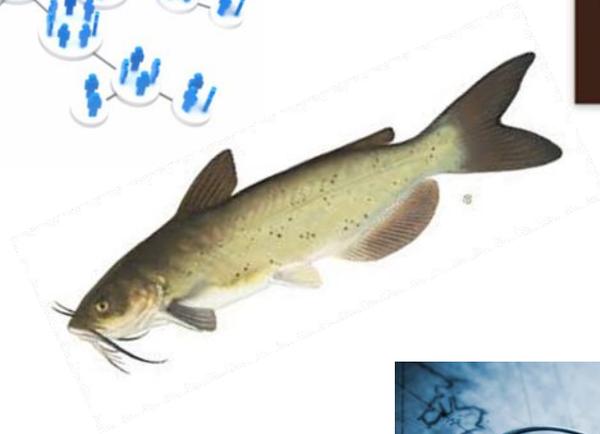
Human Organizational Performance

Deeper Dive into Culture

\*Timelines for illustrative purposes only

# What is Required

- Believer Sponsor
- Visionary Leaders
- Committed Partners
- Continuous Improvement Culture
- **Reorientation of Leadership's Role ...**



# Where I Stand on Organizational Leadership and Development

## Legacy:

I have left behind a fun, dynamic and engaging work environment with leaders who truly care about their people and their development. An environment fueled by development that people are proud to have come from and which people compete to become part of. A team of high performing professionals who are viewed as business partners / service providers with a technical bias and not just a set of technical capabilities. I will do this by establishing clear expectations with my people leaders, provision of resources and measurement for improvement via the engagement survey.

## Philosophy:

Leaders who operate as coaches will differentiate organizations. Leadership alone lacks the release of potential (leadership / influence / capability development / capacity) in those following. To be effective the leader must first change their orientation to enable the rest of the organization. A leader coach's role is to:

Set the tone of the org

Develop people

Set the direction

Establish the boundaries

Provide resources

Remove barriers

Recognize success

Coach for improvement

# In Closing

It Starts with You ... Ya, really, it does!

Experiment and Learn

Change is Emotional for the Leader

Don't Treat Culture Work as a Separate Initiative

Organizational Patience & Organizational Momentum

Capability and Engagement Leading to Business Results



# References

The book “Four Disciplines of Execution” – Concepts of Whirlwind and Wildly Important – This is Forbes article about book <https://www.forbes.com/sites/danschawbel/2012/04/23/the-4-disciplines-of-business-execution/#2f714d817a2e>

Tim Kuppler’s website providing access to global culture thought leaders: <http://www.cultureuniversity.com/>

Tim Kuppler’s culture book and roadmap, that he shared with me almost a decade ago, has guided my thinking and my framework for culture work . <http://the-culture-advantage.com/>

Mike Rother is originator of Kata – His website provides tons of free information on Kata: <http://www-personal.umich.edu/~mrother/Homepage.html>

Bob Edwards has guided us on our HOP journey: <http://hopcoach.net/>

Jerry Mabe has guided us on Leader as Coach: <http://www.rightpath.com/site/>

Clorox results: <https://investors.thecloroxcompany.com/investors/company-information/investor-presentation-quarterly/default.aspx>