



## Today's Topic:

# The Rewarding Culture at American Century Investments

**Guest Speakers:**

Cheri Harlow, Human Resources Director, American Century Investments  
Helen Miller, Director of Leadership and Management Development,  
American Century Investments

**Facilitator:**

Michael Burchell, Director of Client Services, Great Place to Work<sup>®</sup> Institute, Inc.

**Recognizing employees for their contributions to an organization is vital** to demonstrating the value that leaders hold in their people. Cheri Harlow, Human Resources Director, and Helen Miller, Director of Leadership and Management Development, both of American Century Investments (ACI) joined Michael Burchell, Director of Client Services at Great Place to Work<sup>®</sup> Institute, to discuss the role of recognition in the ACI culture. ACI is a privately-held global asset management firm based in Kansas City, Missouri, with approximately 2,000 employees. Since the year 2000, ACI has been recognized on FORTUNE's "100 Best Companies to Work for"<sup>®</sup> list, achieving its highest placement so far at #15 in 2007.

## Guiding Principles of the Culture

To provide context for ACI as a company, Cheri described the influence of founder Jim Stowers, Jr., and the guiding principles he introduced. She said, "Here at American Century, we really use that as the basis for nearly every policy and practice that we have." In the same light, principles touch the practices focused on appreciation for employees: "Everything around our recognition program is based on some guiding principles that Jim himself started when he founded the company."

To demonstrate the conviction of the company's founder, Cheri read Stowers' own words, which are available to the public on the ACI website:

[N]o law, no regulator, and no board of directors can ensure that investment managers will always place investor interests first. In the end, it comes down to trust. The people of American Century have always understood that you invest more than your money with us—you place a piece of your future in our hands. We believe you place such enormous trust in us because we are guided by values that you share. That's why, years ago, we committed these values to writing as Our Guiding Principles, which describe how we conduct our business.

Cheri made a point of sharing these words because they show how serious ACI is when it comes to the trust their investors put in the organization. In turn, when ACI employees are recognized, the acknowledgment is based on the five guiding principles:

1. Providing value for investors
2. Challenging and inspiring the best people
3. Building a financially sound company
4. Being adaptable and innovative
5. Working with integrity

## **Recognition at All Levels**

Throughout the year, ACI sponsors frequent celebrations for employees for various occasions, like recognizing levels of the assets acquired (benchmarks of billions of dollars) and various holiday celebrations that include promoting local businesses. The most exceptional act of recognition at ACI is the annual corporate event, which Cheri likened to the Academy Awards. “People are very emotional. They give acceptance speeches that really touch people. People come to the ceremony with their box of Kleenex, prepared. It is really something that has become a part of our culture and it is unique,” she explained. ACI employees have fostered a sense of pride around the recognition ceremony as a special aspect of the organization.

As part of her role in team development, Helen oversees the recognition process and event. Award recipients are selected based on a nomination process with the following main points:

- Based on the five guiding principles, co-workers nominate their colleagues throughout the year, regardless of title or department. Nominations are stored in a database for future reference.
- At the end of the year, a recognition committee within each department goes through the nominations and identifies specific award recipients. Some departments recognize all of their nominees on a periodic basis, at events such as quarterly breakfasts.
- A corporate recognition committee distributes best practices across the entire organization to facilitate shared ideas and learning.
- Selected department award winners are elevated to be a part of the Circle of Honor.; Members of the Circle of Honor qualify for five guiding principle awards and one top award, which are announced at the annual ceremony.

On the day of the actual event, ACI designates business hours for their employees to attend the main event in Kansas City or the nearest location for branch employees. The atmosphere is very festive and celebratory; for example, at the 2007 celebration, the company band (who won third prize at the annual FORTUNE Battle of the Corporate Bands) will be playing, keeping in step with Helen’s goal that each program is unique from the previous year. The night also features pictures of the employees in collages and slideshows.

When the time comes to present awards, previous award recipients do the honors. The new recipients give their acceptance speeches, which tend to be very emotional and touching. Helen recalled one employee who worked as a janitor in the facilities; he received top honors and began his speech with something akin to, “And to think I was cleaning out a drain this morning.” This touching story emphasized the disregard ACI shows for titles or positions. The top award recipient was an everyday employee whose contributions to the organization were that significant. The annual recognition ceremony is an occasion for the entire ACI family to gather and recognize the

contributions of their peers and it is clear that this event helps to build pride for the company as a whole in addition to acknowledge individuals for their work.

## Conclusion

When recognizing employees and their contributions, ACI makes a point of tying it back to their five guiding principles. Employees are fully engaged in the whole process; they know the behavior to which they can aspire and they have the opportunity to nominate their peers. By making the core values the foundation and involving all employees, ACI has created forms of recognition that inspire their employees to embody the guiding principles and contribute positively to the culture.



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