



Purpose Guiding Profits Profits Fueling Purpose

A Case Study



Karl D. Speak
President
Brand Tool Box, Ltd.

David Reiling
CEO
Sunrise Banks

Purpose Guiding Profits and Profits Fueling Purpose

Sunrise Banks has established itself as truly innovative in the way it runs a profitable banking business driven by a bona fide social responsibility. For this successful bank holding company, purpose guides profits and profits fuel purpose. Sunrise Banks has created a valuable and admired “brand” of banking.

Growing a bigger business without losing its purpose is a difficult challenge not achieved by many. The leadership team at Sunrise Banks is absolutely committed to growing without sacrificing the virtues of their purpose. Without more growth the potential of their purpose would be limited, which wasn’t an option for them.

Great corporate brands are admired as much for their potential as for their track record. If a company does not consistently deliver on its perceived potential, the value of its track record wanes. Business history is full of companies whose brand potential fell under the weight of its own growth. If not managed properly the first victim of growth is the culture of the company – the power of the brand.

The challenge facing Sunrise Banks was to scale up its unique way of doing business. This meant growing a culture that continued to resonate the unique strengths and values of the personal brands of its founders.

*Imprinting the
personal brands of the founders
onto an organizational culture is
not an easy task.*

Imprinting the personal brands of the founders onto an organizational culture is not an easy task. The leaders at Sunrise Banks knew it would take an innovative process to address this organizational development challenge.

The leadership team of Sunrise Banks also knew that certain structural changes were needed to support the growth. The most significant change initiative would be merging the three separate bank organizations to operate efficiently under a single bank charter. Implementing these structural changes throughout the organization threatened to confound the cultural change necessary to extend the legacy of Sunrise Banks. Managing multiple change initiatives would be a huge challenge for the leadership team.

With such a complex change initiative in front of them, the leadership team was very focused on nurturing their culture and insulating customers from any disruptions resulting from the change. The leadership team at Sunrise Banks decided to use an innovative change management framework known as *internal brand building* as the platform to create internal alignment centered on the things most important to customers.

Shared Leadership to Scale Up

Sunrise Banks is a member of a special class of admired corporate brands that account for their success in equal amounts of business metrics and improving the human condition. A core belief of the Sunrise leadership team is that the engine of business is the most effective machine to make a difference for the human condition. “Doing good” is not a business strategy; it’s the end game. Sunrise Banks is proof positive that a successful company can be human centered – internally and externally. This is the Sunrise Banks’ “brand” of doing business. There is definitely a “Sunrise Banks Way” of making a difference.

At the core of the “Sunrise Banks Way” is an operating ethos that permeates the way decisions are made and employees interact with each other and customers. The challenge facing Sunrise Banks was to create sustained shared leadership throughout the organization to support scaling up their human-centered approach to business. If its growing base of employees and emerging leaders did not embrace this distinctive ethos, than Sunrise Banks’ potential would be limited.

No Difference, No Brand

Strong brands are built on a track record of making a difference that matters. No difference, no brand. Organizations must prove they can consistently make a difference to earn the right to become a strong brand. Inconsistency in making a difference erodes trust, the currency of a strong brand. Sunrise Banks has a proven track record as a business and as a socially responsible corporation. Its actions speak louder than its words.

For more than 15 years Sunrise Banks has developed and delivered powerful financial services innovations that have changed the way underserved indi-

viduals live and thrive in their communities. Even more innovative, Sunrise Banks has proved that being a socially responsible organization can also generate profits and increase market share in a highly competitive market.

At the core of the “Sunrise Banks Way” is an operating ethos that permeates the way decisions are made . . .

Sunrise Banks’ business has performed well over time and delivered on its responsibility to its shareholders, employees, environment and community. A few highlights of this social enterprise’s performance are:

- ▣ Consistent year-over-year growth in asset size exceeding \$750 million.
- ▣ Introduced an innovative employer-based small dollar loan to combat high priced payday loans.
- ▣ Developed a number of innovative national pre-paid card programs to meet the unique needs of underserved populations.
- ▣ Created an innovative global money transfer program to meet the special needs of specific immigrant populations.
- ▣ Certified as one of only ninety banks as a Community Development Financial Institution (CDFI) in the United States.
- ▣ Is a leader in the select group of organizations, such as Ben & Jerry’s and Patagonia, who have been certified as a B Corps. A B Corporation is a new type of corporation which uses the power of business to solve social and environmental problems. Sunrise Banks was designated as one of 12 “Best for the World” B Corps in 2013.
- ▣ The GOOD Company Project selected Sunrise Banks for their outstanding leadership, effort, and achievement in the following core values: Socially Responsible, Sustainable

and Innovative. Receiving this recognition from The GOOD Company Project is a great confirmation of the positive role Sunrise Banks has played, not only creating an economic impact, but a positive social impact as well.

- ▣ Employees volunteered over 12,000 hours of work in the community.
- ▣ Sunrise Banks designed and constructed the first two Leadership in Energy and Environmental Design (LEED) Certified Bank buildings in the State of Minnesota.

The combined track record of business and social performance affirms that the bank's purpose-driven business model is a force for positive change for underserved individuals and small businesses.

The challenge facing the Sunrise Banks' leadership team was to harness the energy from their past successes to maintain the balance of business and social responsibility. An imbalance in either direction would derail the possibilities of taking this truly innovative organization to the next level of contributions. Scaling up the spirit, structure and purpose of Sunrise Banks was the challenge facing the leadership team.

Restructuring to make a bigger impact

The Sunrise Banks' leadership team knew it would have to make some fundamental changes to have an even bigger impact in the future. Operating with the same business model, even with more enthusiasm will only result in incremental improvements. Sunrise Banks was born and built on oversized ideas about what's possible. Incremental is not in their lexicon. To scale up its operations Sunrise Banks committed to a new organizational structure to drive growth.

At the core of the structural changes was consolidating three bank charters into one. A single bank charter would enable the organization to leverage a single, stronger base of capital and broaden its reach and increase the possibilities for scaling social impact. As an example, the single charter would enable the bank to provide solutions to underserved individuals outside their traditional geographic boundaries.

An effective single bank charter is best served by a single, aligned internal culture. Leaders knew this would mean a change in internal structure. The leadership team was committed to 100% employee retention as a part of their restructuring program. The next challenge facing the leadership team was to create internal alignment focused on operating as a single culture instead of the three cultures that existed under the old multi-charter structure.

The cultures of each of the individual banks were strong and similar in many respects. The challenge was to define in clear and practical terms the new singular culture. It was time to take the best of all three cultures and knit together one cohesive set of cultural norms that was true to the long-standing ethos of Sunrise Banks. The challenge was to define "The Sunrise Banks Way" so that it inspired employees and also provided them practical direction in doing their job everyday.

Scaling up the spirit, structure and purpose of Sunrise Banks was the challenge facing the leadership team.

"If I can name it, I can know it."

– M. McLuhan

Defining a Brand Platform

Defining a business culture has two important demands: capturing the essence of its authentic qualities and articulating the cultural values to be relevant in creating value for customers. The process of defining a business culture is part anthropology and part marketing, capturing the spirit of the organization and describing it in a way that every employee can apply to their job everyday.

The spirit, vision and ethos of the Sunrise Banks' brand emanated from the personal brands of its founders. Understanding the legacy values of Sunrise Banks starts with identifying the outstanding authentic qualities of the personal brands of its founders.

An organizational brand platform is the established framework to define a business culture in a way that is focused on creating value for customers. The process of developing a brand platform can range from a multi-phase consulting-led initiative to simple group exercises with leaders using their intrinsic knowledge of the organization to complete the brand platform template. The Sunrise Banks' leadership's confidence in their culture and successful track record led them to choose the latter, more organic method.

The process of developing the organization's brand platform became the work of a cross-functional team of passionate believers in the mission of Sunrise Banks.

The spirit, vision and ethos of the Sunrise Banks' brand emanated from the personal brands of its founders. Understanding the legacy values of Sunrise Banks started with identifying the outstanding authentic qualities of the personal brands of its founders.

These internal brand leaders had experienced first hand the personal brands of the founders "walking the talk" in their decision-making and leadership. The challenge was to translate their experience and understanding into a brand platform framework. Following the framework developed by Brand Tool Box, the team was able to efficiently develop a brand platform that crisply defined the "Sunrise Banks Way" in practical terms all employees could understand.

The first step was to define the operating ethos of

Sunrise Banks. The group quickly came to agreement that the brand ethos of Sunrise Banks was:

Empowering Achievement

Those two words captured the essence of who Sunrise Banks is and what drives their everyday inspiration.

The next exercise was to translate the brand ethos into a practical authentic brand platform. The brand platform became the working definition of the "Sunrise Banks Way." The brand position is an example of one of the components of a brand platform. The Sunrise Banks brand position is:

The most innovative bank empowering the underserved to achieve.

The final challenge was capturing the essence of the brand platform by developing a brand promise statement, a pithy statement that would provide enduring inspiration for employees. The brand promise statement of Sunrise Banks is:

Compassion. Empower. Achieve.

These three words captured everyone's feelings about what the bank meant to them and all those they served.

When the brand working team presented the brand platform to the Sunrise Banks leadership team the immediate response was – "That's it. You've captured who we are and why we come to work each day."

The Brand on the Outside is only as Strong as the Brand on the Inside

Internal brand building is a management practice of engaging employees to consistently deliver on the authentic qualities of the organization in a way



that creates value for customers. As internal brand building has become an accepted practice it has taken many different forms – ranging from an internal communications campaign to a sustained customer-focused organizational development leadership program.

The leadership team at Sunrise Banks knew their internal brand building had to be different, more wholesome, resonating their core beliefs and socially responsible ethos. The leaders also knew that to actively and sustainably engage their young, diverse employee base the program had to be authentic and inclusive. Providing employees with a process to find their authentic level of alignment with the company would be more productive and provide sustainable engagement.

Sunrise Banks used an internal brand-building process created by Brand Tool Box called the Power of Brand Alignment. This practical organizational development process inspired and engaged employees by facilitating the alignment of their personal brand with Sunrise Banks' brand platform. The Power of Brand Alignment process had a uniqueness that appealed to the leaders of Sunrise Banks.

Each employee of Sunrise Banks attended a Brand Alignment workshop. The workshops were structured by functional groups, each containing a mix of employees from the eight branch locations and headquarters. Each employee discovered three important things during the workshop:

- ▣ **Their personal brand.** Prior to the workshop each employee used the Brand Tool Box Personal Brand Platform Tool Kit to define his or her personal brand. In addition each individual used a personal brand assessment tool to understand how others inside and

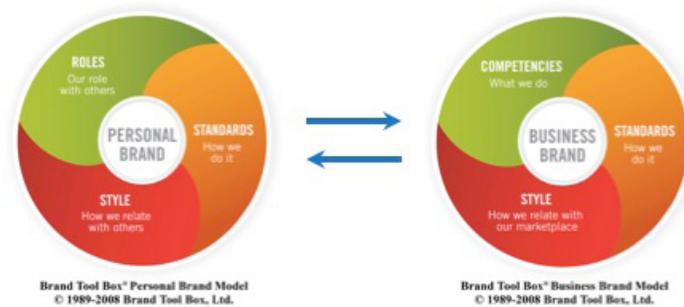
outside the bank perceived them. The personal brand experience provided each employee with a personal development tool to improve relationships in all parts of their lives.

- ▣ **Their authentic alignment.** During the workshop each employee was provided a detailed description of the Sunrise Banks' brand platform and participated in a number of exercises helping them discover the alignment between their personal brand and the brand of Sunrise Banks. This process of alignment discovery produced a feeling of authentic alignment between employees and the bank.

- ▣ **Their role in making a difference.** In small work groups employees engaged in a number

of action-learning exercises to discover new innovative ways for their functional group to deliver on the Sunrise Banks' brand promise. The list of innovations were cataloged and provided to leaders for follow-through coaching.

Brand Tool Box® Power of Brand AlignmentSM



The response from employees was overwhelmingly positive. Each group identified new innovative ways to focus the authentic Sunrise Banks brand to make a difference with their customer groups, external and internal. The excitement level created by the internal brand building has been sustained. The informal chatter about each other's personal brand added a fun and memorable element to the action learning process.

The Power of Symbolism Celebrating the “Sunrise Way”

The prevalent use of logos in the business world is an example of the power of symbolism in culture. Symbols can be a powerful tool to represent the

principles, values and intentions of a culture or an organization. The leadership team of the bank decided that a new logo would be a powerful tool to represent the big possibilities defined by its bold new vision –

To radically change the way urban communities and underserved people thrive by empowering them to achieve their aspirations.

The bold new logo inspired employees and sent a strong signal to the marketplace that Sunrise Banks is taking its commitment to making a difference to the next level.



The logo represents the sun, an unending source of energy focused on empowering customers to achieve their goals. The innovative, modern image of a sun with outward motion represents Sunrise Banks' commitment to growth, innovation and being forward-thinking. The logo is made up of 7 unique and individual colors, representing the diversity of the populations the bank serves.

Proof that the Culture has a Solid Foundation

The leadership team at Sunrise Banks is confident that its new structure and the energy of its highly engaged culture places it in a strong position to scale up its brand of innovation to a much larger community. What evidence do they have to support their confidence? The leadership team instinctively knew that the intangible qualities of its culture provided them with a competitive advantage. However it was important that a set of metrics be established to provide concrete evidence that the internal brand building initiative was creating a culture that truly reflected the "Sunrise Banks Way" of banking.

The first step in establishing a framework of measurement was to verify their intuition that an aligned culture made a substantial impact on financial KPI's. Research conducted by Bain & Company provided the leadership team with concrete, quantified evidence that culture has a lasting, positive impact on sustainable growth.

After analyzing 200 of the world's most sustainably successful companies on a range of 30 different factors, Bain & Company concluded that culture was the most compelling factor that contributed to long-term performance. Their most striking conclusion was that *"the use of well-defined, shared core principles and beliefs linking frontline behavior"* is the single most predictive indicator of sustained business growth. Simply stated, a culture that is built on a set of authentic and nonnegotiable beliefs is the bedrock of a company that will have repeatable success.

This compelling conclusion by Bain & Company reflected the experience and intuition of the Sunrise Banks' leadership team and would become the objective used to measure the success of this change initiative. The KPI's for this human capital initiative had to be constructed to demonstrate that employees could consciously make a clear connection between Sunrise Banks' shared principles and their everyday behaviors. If this initiative produced evidence of this important linkage, then it could be concluded that the personal brands of the founders had made an imprint on the culture of the bank.

Given that the core of the initiative revolved around training, it was decided to use the Kirkpatrick Model of program evaluation as the framework for measurement. The following measurements provided tangible evidence the initiative was a success:

- ▣ The consistently high evaluation scores from the internal brand training demonstrated that the employees were highly engaged about the core principles and highly enthusiastic about the initiative.

- ▣ The outputs from the action learning exercises clearly demonstrated that employees could readily and clearly make a connection between the “Sunrise Banks Way” and their daily work behaviors. Employees knew the “Sunrise Banks Way” when they saw it and also knew when it was absent in the way they did their work.
- ▣ Employees also demonstrated a first-hand knowledge how delivering the “Sunrise Banks Way” made a difference, emotionally and tangibly, for customers. Making a difference for underserved individuals proved to be the fuel that would propel the growth of the bank and energize the culture.

These metrics clearly indicated that the culture of Sunrise Banks has made the important connection cited by Bain & Company, the connection that has proven to be a driver of future financial success. The leadership and employees of Sunrise Banks are confident they now have a culture supported with a strong foundation, built for a future of opportunities.

Sunrise Banks - a Collective Attitude to Make a Difference That Matters

Channeling the drive of a successful business with a socially responsible heart creates a brand that is worth growing. It's a brand that makes a difference that matters to the communities it serves and the employees who make it happen.

Sunrise Banks understands its brand of banking is different and it's not the easy road, but it's the high road. The path not often taken is the one that takes ingenuity, high energy, humility and a strong vein of moxie – all strong qualities of the founders of Sunrise Banks.

With a culture that resonates the ethos of its founders and redesigned infrastructure, Sunrise Banks is now prepared to scale up its vision for helping underserved communities achieve their aspirations.

About the Authors



Karl D. Speak is a global expert known for his pragmatic and unconventional approach to using brand as a leadership platform for gaining customer loyalty and employee engagement. Karl's innovative work on corporate brand strategy, personal brand and internal brand building has been implemented in companies in 23 countries. His best selling book, *Be Your Own Brand*, is translated into 12 languages and has sold over 80,000 copies. A revised and expanded version of *Be Your Own Brand* was recently released to leverage the global success of the first edition and the growing popularity of personal brand.

Brand Tool Box, Ltd., the company he founded 30 years ago, is the global leader in developing and implementing internal brand-building programs. It is a unique professional services organization melding world-class brand expertise and organizational development best practices to help organizations build and nourish customer-centric culture alignment. Brand Tool Box's consulting processes, training programs and organizational development tools have been successfully implemented in companies across virtually all industry segments, non-profits and governments.

Brand Tool Box has successfully packaged its intellectual property into a portfolio of training workshops, coaching and consulting templates. The products have been used in a range of business and personal development applications, ranging from internal brand building, sales training, to leadership-development coaching.

Through Brand Tool Box, Karl has implemented his contemporary approach to brand management and internal brand building with a wide range of corporate clients. Clients such as 3M, LeadingAge, American Express, AT&T, BASF, BMW, Cabela's, Cargill, Consumers Energy, EDMC, FedEx, Honeywell, IBM, ING, Mosaic, Motorola, National Church Residences, Securian, Skandia, Sony Corporation, St. Jude Medical, Syngenta, Target Corporation, The Scotts Company, The Wall Street Journal, Toro, and Walgreens have benefited from Karl's consulting and internal brand-building programs.

Karl also serves as an "expert witness" in legal cases involving matters relating to brand.

Karl holds a Masters Degree in Economics from the University of Minnesota. Karl has taught in the MBA programs at University of Minnesota, St. Thomas University, and has been guest lecturer at University of Westminster in London, Capella University, ESADE University in Madrid, among others.

Karl's boardroom experience includes being a board member of Mesa Holdings, VocalEssence, MAP and serving as the chair of the board of The Design Management Institute.



David is a social entrepreneur with a long history of innovation in community development finance. As the CEO of Sunrise Banks, David's visionary leadership has positioned his social enterprise for long term financial sustainability and positive social impact.

Under David's leadership Sunrise Banks became the first Minnesota bank certified as a Community Development Financial Institution (CDFI) in 2001 and the first Minnesota B Corp in 2009.

In recent years, Sunrise Banks has been honored with:

- ▣ Ernst & Young "Entrepreneur of the Year" Award
- ▣ "Best Corporate Social Responsibility Program" from the American Business Awards.
- ▣ Corporate Citizenship Award from the U.S. Chamber of Commerce's Center for Corporate Citizenship.
- ▣ A 2012 Community Reinvestment Award in lending at the Office of the Comptroller of the Currency's National Interagency Community Reinvestment Conference.

David is involved in numerous organizations: Strategic Coach, Young Presidents Organization, Entrepreneurs Organization, Global Alliance of Banking on Values, B – Corporation, Social Venture Network, Social Investment Forum, Community Development Bankers Association, Ashoka, CDFI Coalition and Opportunity Finance Network.



Brand Tool Box, Ltd.

510 First Avenue North, Suite 605

Minneapolis, MN 55403 USA

www.brandtoolbox.com

All material herein is copyright protected and remains the sole property of Brand Tool Box, Ltd. No part of this material may be reproduced, distributed, displayed, adapted, performed, arranged or transmitted in any form or by any means without prior written permission from Brand Tool Box, Ltd.

For more information contact:

Brand Tool Box, Ltd.

510 First Avenue North, Suite 605

Minneapolis, MN 55403 USA

(612) 338-5009 phone (612) 338-4714 fax

www.brandtoolbox.com

info@brandtoolbox.com