

MEMORANDUM

October 15, 2003

To: The Partners of Re-Envision Consulting, LLC
RE: Re-Envision Statement of Values and Business Philosophy

Following up on our discussion of last week, I have attached a draft of a statement outlining Re-Envision's core values and business philosophy. Please see this statement as a starting point for further discussions among Re-Envision's partners about the values the company wishes to represent going forward. Establishing these values will provide you with a context for making business decisions during what will likely be a period rapid growth for the company.

What follows is a discussion of how values might be useful to the company in the cultivation of its culture and image.

Why do we need a "Statement of Values"?

As a company whose mission includes serving social purpose organizations, it is essential that Re-Envision seem to embrace the values held by many of its customers. These types of organizations will be more likely to hire a consultant who they feel shares their priorities and concerns and who works for the positive benefit of the community.

It is my hope that through establishing Re-Envision's values and business philosophy, the company will maintain a clear sense of the ideals upon which it was founded. The more the company is able to demonstrate these ideals in its day-to-day operations, the more credibility it will have with nonprofits and social purpose organizations. This will translate into greater long-term stability and profitability.

How did you come up with these Values?

I considered the ideals of the founding partners (such as environmental sustainability), along with some of the challenges the company is currently facing. These challenges include:

AN "IDENTITY CRISIS"

In the few months since its founding, Re-Envision has significantly broadened its definition of the types of organizations it serves. Though initially the company aimed to serve primarily arts and environmental nonprofit organizations, the company now strives to serve emerging businesses more generally, and especially social purpose organizations.

This broadened focus brings up the question not only of what types of organizations the company serves, but also what types of organizations the company will NOT work with because of their inherent conflict with the company's values.

FINANCIAL CONCERNS

Because nonprofits and social purpose organizations are more likely to have limited financial resources than traditional businesses, Re-Envision must consider how it will retain its commitment to these organizations while maintaining the financial viability of the company.

CULTIVATING RELATIONSHIPS

As a new business, establishing connections within the Madison business and nonprofit communities is especially important to the company's growth.

ESTABLISHING CULTURE

Though the company is only composed of a few partners now, it is important for these partners to determine the type of workplace culture they wish to foster as the company grows. This culture will be a powerful influence in determining the ultimate character of the company.

How do we implement these Values?

The first step to implementation is ensuring that these values fully represent Re-Envision's partners' ideas about what the company should be. Each partner should review the Statement of Values and Business Philosophy and make suggestions for modification. I would suggest as well that the partners come together to revise and finalize the statement.

Once the Statement of Values has been approved by all partners, the statement, or at least the five Core Values, should be made visible within Re-Envision's offices, in promotional materials, and in individual partners' workspaces. The Core Values should be within easy reach whenever an ethical question arises.

As it grows Re-Envision should consider potential new partners'/employees' "fit" with the company values in its hiring decisions. Hiring people who possess similar values will help minimize conflict and reduce the risk of the Core Values losing their relevance in the company's day-to-day operations.

Finally, it is important that these values are not seen as fixed—They should be considered as malleable, able to change as the company changes. I suggest that all members of the company come together periodically to discuss and decide upon changes to the Statement of Values and Business Philosophy.

As you review the statement, please do not hesitate to contact me. I invite your questions and concerns.

RE-ENVISION CONSULTING, LLC
STATEMENT OF VALUES AND BUSINESS PHILOSOPHY

Our mission is to help emerging businesses, especially social purpose organizations, make substantive and long lasting improvements to their organizations.

Core Values

1. **RESPECT**, for each other and most importantly, for our customers. The company is only as good as its relationships with people.
2. **MERITOCRACY**, so that the best ideas prevail. We will be tough on problems, not each other, in order to develop the most promising solutions to challenges.
3. **INTEGRITY**, and professionalism, so that we can truly serve as partners with our clients' organizations. Openness and honesty is key to building trust.
4. **ENVIRONMENTAL SUSTAINABILITY**, because it is the right thing to do. We will respect, restore, and improve natural resources where possible. We will strive to eliminate wasteful practices.
5. **GIVING BACK** to the communities and social networks in which we operate. We will share time, money, and knowledge wherever possible.

Business Philosophy & Ethical Guidelines

The following section discusses the essentials of Re-Envision's business philosophy as well as how the company will demonstrate its values in day-to-day operations.

Who we serve...

Re-Envision is dedicated to serving emerging businesses with a focus on social purpose organizations including:

- Government agencies;
- Nonprofit organizations; and
- Traditional (for profit) businesses that strive to maximize their benefit to society, not simply financial returns.

Though we will establish rates that are affordable for most social purpose organizations, we understand that many of these organizations (especially nonprofits) are cash poor. Therefore, we will strive to remain open to alternative financing arrangements, so long as we do not diminish the value of our services. As we are able, we will also consider pro bono work.

In addition, though we may work with businesses that do not fit the criteria of a social purpose organization, we consider it our duty *not* to work with clients whose practices conflict with our stated values. In particular, we will refuse clients who actively degrade

natural resources, disrespect their employees, or fail to meet our professional standards for integrity.

How we work...

Serving clients is the core of Re-Envision's mission. In our work with clients we strive not only to serve as "knowledge bearers" but also as educators and partners.

- WE ARE EDUCATORS, so that people can use the services we provide them with confidence.
- WE ARE PARTNERS, so that we can truly understand our clients' needs and only provide services that are valuable to them.

In all of our work, we are working for the long-term sustainability of the client's organization. We wish to partner with the client to make substantive and lasting improvements.

Our people...

Re-Envision strives to maintain a fair and open workplace, which fosters communication (including disagreement), excellence, and innovation. As we expand we wish to attract and retain the best people by providing an enjoyable and challenging work experience.

Some principles that are important to the company in its human resources practices include:

- TRANSPARENCY OF COMPENSATION. Each person will be compensated fairly for the skills and experience they bring to the firm using a compressed scale, and all partners'/employees' compensation will be available for inspection by any other employee in the firm.
- OPEN DOOR POLICY. Employees of all levels should feel empowered to initiate dialogue with any other member of the company.
- FORMAL FORUMS, such as company "Town Hall" meetings, will be held regularly to encourage discussion and idea generation. Constructive argumentation is welcomed.
- DEMOCRACY/MERITOCRACY will prevail. There must always be a way for junior partners/employees to "veto" a senior partner's decision.
- TRUST in each other is essential. We will hire talented people and give them latitude to take initiative and solve problems on their own, minimizing bureaucratic hurdles.
- RECOGNITION. This will include recognition of people's successes, as well as recognition of those individuals who best embody the values of the company.
- FAILURES will be seen as opportunities for growth. Learning from our mistakes is important to increasing the company's overall knowledge and value to its customers.

Above all, we wish to infuse a ***passion for excellence*** in our partners/employees to consistently exceed clients' expectations. We hope that through fostering people's growth, we will also increase their interest in doing the best job they can for the company.

Our community...

We feel it is important for Re-Envision's partners to be active members of the communities in which they live, or in which Re-Envision operates. Community involvement may take many forms, including:

- Serving on the board of directors or advisory board of a local nonprofit or community organization;
- Volunteering time or donating money to worthy causes;
- Participating in events to raise awareness or learn about important issues.

Priority for community involvement and corporate philanthropy will go to arts and environmental organizations, because these organizations represent the interests and backgrounds of the founding partners.

Another component of community involvement has to do with the social networks in which we operate. We will actively work to enrich our networks, specifically seeking out opportunities to help others, not only those who have helped us.

There are many benefits to community service. In addition to helping us stay focused on our mission of serving social purpose organizations, it will strengthen the company's place in the communities and networks in which it operates and cultivate vital goodwill.

Environmental sustainability...

Re-Envision's partners are committed to preserving natural resources wherever possible. Some ways in which the company will maintain this commitment to the environment in its operations include:

- Recycling materials that are recyclable within a community's guidelines;
- Using energy-efficient machines/fixtures;
- Working towards the purchase/lease of a space that embodies conservation values or captures the avante-garde of green architecture.

This document was drafted on October 15, 2003—it is tentative and has yet to be approved by the partners of Re-Envision Consulting, LLC. Statements made may be subject to change.