

2017 CWS Annual Report Letter

By Steve Sherwood
Co-Founder, CEO & Chairman of the Board

Keys of Culture

I wish I could say Bill Williams and I instinctively understood the power and significance of culture in the pursuit of excellence when we established the values and purposes for CWS. We knew we wanted our decisions and actions to be guided by our shared values. What we learned after nearly 50 years at CWS is that a great company culture is key to excellence, and stated values and purposes are key to a great culture. The unique culture established over the years has not only helped to identify those who will grow and flourish with CWS, but continues to play a significant role in the success of like-minded committed people pursuing excellence.

Major factors contributing to the culture at CWS are our BRIDGE program, our company wide commitment to growing people, and maintaining an environment for open communication.

At the heart of our culture is the BRIDGE program which is designed to support and recognize our associates as they volunteer in their communities. We often volunteer together to support a cause that is a passion for one or a group of our associates. In serving together, I believe one of the “magical” ingredients of our culture comes to life and a great sense of connectedness and comradery among teammates is formed. Another thing I have enjoyed most about our BRIDGE events over the years is that it flips the hierarchy of our company upside down for a day. It turns out the CEO makes a better plumber’s helper than a plumber. It also allows the team to execute a more successful event and is fun for all of us. Through employee participation in the program in 2017, CWS was able to contribute \$110,000 to over 150 different organizations as directed and nominated by employees.

From the beginning, CWS has been committed to growing people. We support continuing education for all our associates through internal training and outside classes and degrees. We love to promote from within, but we also celebrate an individual’s growth even when the next best challenge for an associate is outside of CWS. This has led to some associates leaving, only to return to CWS with even greater skills and potential for additional growth. Growing people is a significant part of our cultural DNA.

In order for the stated values to be a powerful cultural influence, it is mandatory to maintain an environment that encourages all associates to question any activities or decisions that may be in conflict with our values. For example, if an anticipated action is worthy of serious discussion about it adhering to our value, “ethical dealings are paramount,” the action will not be taken. We will find a way to eliminate any conflict or go on to another opportunity. By design, the practice of openly discussing all consequences of our actions to ensure they are aligned with our values is critical in our pursuit of excellence.

Our unique culture at CWS has enabled us to feel a sense of shared purpose and family. It has resulted in CWS being recognized by receiving numerous Best Places to Work awards and the John

Wooden Ethics award, and is responsible for much of the success we have experienced. I am proud to be a member of the CWS team made up of an extremely talented and dedicated group of people. It is also comforting to know that this special group of people is responsible for operating the 96 properties in which the majority of my family's net worth is invested.