



BLOCKBUSTER INC. HANDLES EXPLOSIVE GROWTH

Background

Beginning with a single store in 1985, Blockbuster, the world-famous video-rental chain, has experienced the kind of growth that befits its name. Today, Blockbuster estimates that almost 60 percent of the U.S. population lives within three miles of one of its almost 4,800 stores. Additionally, Blockbuster now operates more than 2,300 stores in 26 other countries.

The Challenge

Blockbuster's rapid growth presented many challenges, one of which was training. Constantly hiring new employees to handle expansion required regular, high-quality training. The company needed to improve the productivity of its employees by providing new skills and tools, and employees, who were devoting time to make the company successful, needed to feel that they knew what they were doing and how to do it.

In addition, in the spring of 1997, Blockbuster moved its corporate headquarters from Ft. Lauderdale, Florida, to Dallas, Texas, U.S.A. One particularly challenging part of the move was that approximately 70 percent of the senior leadership did not follow the company to Dallas. Annie Nichols, who recently had been promoted to manager of Management and Skills Training, knew she needed to develop a training department and curriculum to meet the changing needs of the company.

The Solution

Before the move to Dallas, Julie Normington, manager of Blockbuster's Corporate Learning and Development department, had selected a representative to be certified as a FranklinCovey *Time Quest*[®] (now *FOCUS: Achieving Your Highest Priorities*[™]) instructor. The time-management training was presented in-house to corporate personnel, distribution-center management, regional staff,

and zone management. “The training was a welcome relief,” recalled Normington. “I believe people can learn different and better ways to be more effective at work and in their personal lives.” The training, which introduced the Franklin Planner®, provided the skills and perspective to increase productivity.

Recognizing the success of the first training program, Annie Nichols of Management and Skills Training then decided to bring in several other FranklinCovey training programs. Nichols, Normington, and members of the Blockbuster training team traveled to FranklinCovey headquarters several times to undertake the certification process that would prepare them to be instructors in *First Things First* (now *FOCUS: Achieving Your Highest Priorities™*), *Rethinking Stress™*, *FranklinCovey Project Management™*, *Presentation Advantage®*, and *Writing Advantage® workshops*. They then created the Blockbuster Training Course Catalog primarily around FranklinCovey solutions.

These skills-based programs were presented to corporate, distribution, and zone personnel. Each course focused on increasing the productivity of Blockbuster employees through improved communication, time management, or stress management. “When you have the right skills, you’re more relaxed, more productive, a better communicator, a better sales associate, a better ‘you fill in the blank,’” explained Nichols. “And in the long run, it makes you more profitable.”

During 1998, as Blockbuster continued to grow both domestically and internationally, Nichols and Normington starting looking into the *The 7 Habits of Highly Effective People®* curriculum. The principles taught in the *7 Habits* training seemed to fit perfectly with the challenges of a fast-paced, growing company like Blockbuster.



Adding principle-based training provided immediate impact. The corporate Human Resources department was the first audience for the *7 Habits* training. “It became the building block to begin the tough process of examining how we were organized and how we treat and interact with each other,” said Nichols. “The bottom line is the 7 Habits are built on timeless principles that help build better relationships and a more balanced lifestyle. When you come out of the training, you decide to change something about yourself—if not several things.”

“This started as a tiny idea, a hope that the corporate world can be a more human place. It can be a place where work gets done, money is made, and win-win systems and processes are in place. And, while accomplishing our company’s mission, we can all work together in such a way that we earn mutual respect and the passion to meet our objectives,” explained Normington. “My belief is that every day, whether it is in a corporate workshop, in a team meeting, or in a one-to-one interaction between co-workers, the proven FranklinCovey principles, when applied, are helping all of us at Blockbuster to achieve our personal and professional goals.”

Following the *7 Habits* training, Blockbuster wanted a more in-depth look at some of the key principles undergirding the *7 Habits* training, so it then added *Building Trust*[™], *Power of Understanding*[™], and *Getting to Synergy*[®] programs to its training curriculum.

The Results

In-house training has proven to be an effective option for Blockbuster. Every month, all corporate employees receive a calendar of training opportunities. *What Matters Most*[®] and the *7 Habits* workshops are the most requested programs and are offered monthly. In *What Matters Most*[®], all participants are provided with a Franklin Planner[®]. In the *7 Habits*, participants receive a copy of Stephen R. Covey's *The 7 Habits of Highly Effective People* book, audio cassettes, and The *7 Habits* workbook. According to Dan Satterthwaite, vice-president of Corporate Human Resources for Blockbuster, the most effective workshops come as a result of an entire workgroup taking the training together.

The Human Resources department encourages Blockbuster department heads to use the FranklinCovey workshops to establish a shared language. "The most significant benefit of the training is a common vocabulary that allows people to deal with issues and express feelings and concerns in a way that everyone can understand," explained Satterthwaite.

Additionally, in a tight labor market, competition for quality employees can be intense. "Being able to offer FranklinCovey training helps us in retaining talent," Satterthwaite said. The message of FranklinCovey training—that a balanced lifestyle is important—helps keep quality employees. "Very frequently, we receive letters [from training participants] that say that the training was a life-changing experience. It's very gratifying to be able to offer that kind of benefit," explained Satterthwaite.

Building upon the success of the *7 Habits* training, Blockbuster decided to add *The 4 Roles of Leadership*[®] training to enhance leadership skills throughout the company. "I believe we have a true synergistic relationship," Normington said. "But it goes beyond training materials and curriculum. They [FranklinCovey] believe in the power of change; they believe that people, work teams, and individuals can change and want to change to make their work experiences and personal experiences richer and more productive."

Both skills-based and principle-based training programs have been key aids in managing the explosive growth and changes within the company; and in summarizing FranklinCovey's role in that process, Julie Normington said, "Obviously 'training' isn't the answer. It is only part of a multifaceted solution. FranklinCovey has convinced me that you can start anywhere and go everywhere. Different departments at Blockbuster have chosen different paths, but ultimately the answer lies in each one of us pulling together as a collective whole and facing these challenges together." ■