



# 2011

## MISSOURI QUALITY AWARD RECIPIENT

### The Federal Reserve Bank of Kansas City

As one of 12 regional Reserve Banks established by Congress as the operating arms of the nation's central banking system, the Federal Reserve Bank of Kansas City (FRB-KC) plays a vital role in the Nation's economy. From its headquarters in Kansas City and branch offices in Denver, Oklahoma City and Omaha, its employees carry out a wide range of responsibilities involving monetary policy and public programs, services to financial institutions, supervision of financial institutions, and services to other Reserve Banks and the U.S. Treasury.

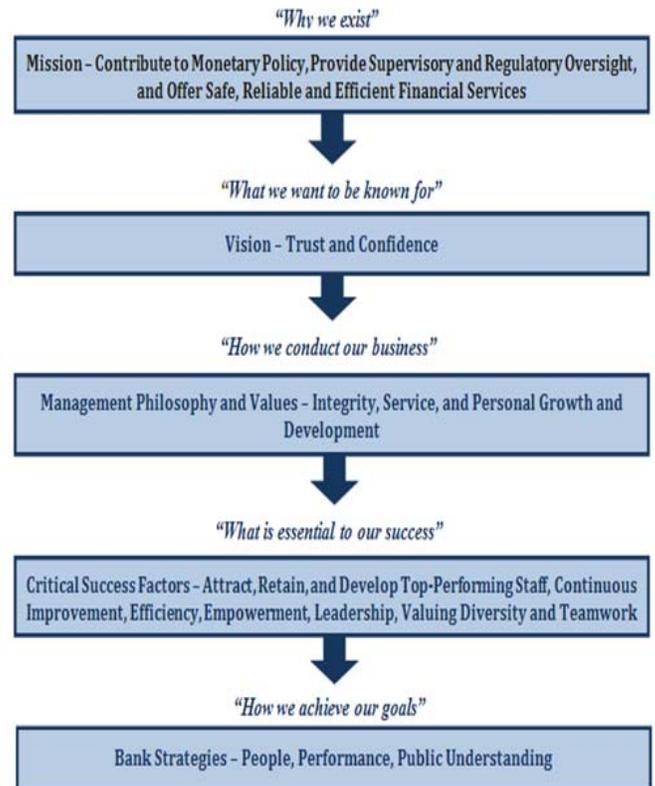


FRB-KC headquarters building is the newest and most technologically advanced building in the System.

The key characteristics of the FRB-KC's culture are defined through its Mission, Vision, Management Philosophy and Values (MPVs), and Critical Success Factors, which form the organization's *Course & Direction*. Given the critical role that the FRB-KC plays in the economy and the economic lives of its constituents, its actions must garner the **trust and confidence** of all it serves by acting with **integrity**, providing superior **service**, and committing to **personal growth and development** for employees.

The FRB-KC has developed three core competencies:

- **Customer Service and Relationship Management:** Highly trained people, well-developed processes, and technology result in the FRB-KC delivering high-



quality, efficient services to meet customers' expectations;

- **Knowledge of Community Banking and the Regional Economy:** A thorough understanding of the needs and challenges facing community banks and the regional economy allows the FRB-KC to effectively meet the needs of the banks in its region and influence monetary policy; and
- **Technology Management and Delivery Expertise:** The FRB-KC effectively draws upon its people, project management skills, and technology infrastructure to provide innovative technology solutions for the Federal Reserve System (System) and the U.S. Treasury.

The FRB-KC's senior leaders believe that an organizational culture that is characterized by high performance work, open communication, collaboration, and an engaged workforce begins with a clear understanding of the Vision for the future. Open communication and collaboration are sought through a variety of mechanisms. The president, first vice president and other senior leaders foster open communications by holding regular town hall meetings and senior leader forums to keep the workforce apprised of issues and initiatives. These meetings provide a forum for employees to engage in dialogue regarding specific topics and ask questions.



*FRB-KC President and Chief Executive Officer Esther George speaks to employees during a recent town hall meeting.*

The FRB-KC employs a comprehensive strategic planning framework, which incorporates strengths, weaknesses, opportunities and threats facing the organization. From this process, senior leaders identify or update long-term High Priority Objectives (HPOs) that serve as the foundation for developing annual Milestones, which are the most significant initiatives the FRB-KC undertakes during a year. To ensure appropriate alignment, work units establish objectives to support Milestones and employees incorporate objectives that align with their work unit's objectives into their individual performance plans (PMPs).

With service as one of the FRB-KC's MPVs, employees are aware of the importance of understanding customer requirements for their specific customer groups. Requirements are deployed to all people and processes involved in customer support through comprehensive training programs, both for new employees and existing employees; employee PMPs, which focus on customer service skills for those employees involved in customer support processes; employee websites; as well as comprehensive project management plans that detail requirements to stakeholders. In addition, the FRB-KC participates in System and cross-business work groups to

ensure consistent communication and implementation of customer support requirements throughout the System.

The FRB-KC recognizes the ability to recruit, retain, and develop a high-quality, diverse workforce with strong leadership skills and technical knowledge is critical to its success. A comprehensive workforce planning program is utilized to assist management in assessing capability and capacity needs, including skills, competencies, and staffing levels. The FRB-KC has established a Performance Management System and a compensation system that support high performance and reward employees who exceed expectations. A comprehensive and competitive benefits package also is offered. In addition, the FRB-KC offers employees a number of health and wellness benefits, including an on-site fitness facility, periodic health screenings, smoking cessation and weight management programs, and informational sessions on wellness-related topics.

Although the FRB-KC has been serving its region and constituents for nearly 100 years, it realizes that it must continue to innovate and improve to maintain the trust and confidence of those it serves. For example, in recent years senior leaders have identified the need to better measure and analyze organizational performance. As a result, a comprehensive *Course & Direction Performance Report (C&D Report)* was developed to track key performance measures, including progress relative to the HPOs and Milestones. Work unit scorecards also track measures reported in the *C&D Report*, in addition to several other measures that assist management in running daily operations. In many instances, integration is achieved as the measures contained within the *C&D Report* are tracked and reported at a more granular level within work unit scorecards.

For more information, contact:

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