



A Touchstone Energy® Cooperative 



Dairyland Excellence Model

A Guide to Understanding and Achieving Excellence

Excellence Model Guide 2.2

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FOREWORD

Welcome to our Excellence Model Guide.

Pursuing excellence is critical to providing safe, reliable and cost-competitive energy for a sustainable future. The executive team's goal is to develop a disciplined culture which requires reporting, accountability, continuous learning and improvement to achieve excellence. This guide provides employees with the expectations and tools to accomplish this goal.

Please familiarize yourself with this guide and use it as a reference throughout your career. Working together, we will provide excellent, sustainable solutions in all that we do.



Brent Ridge
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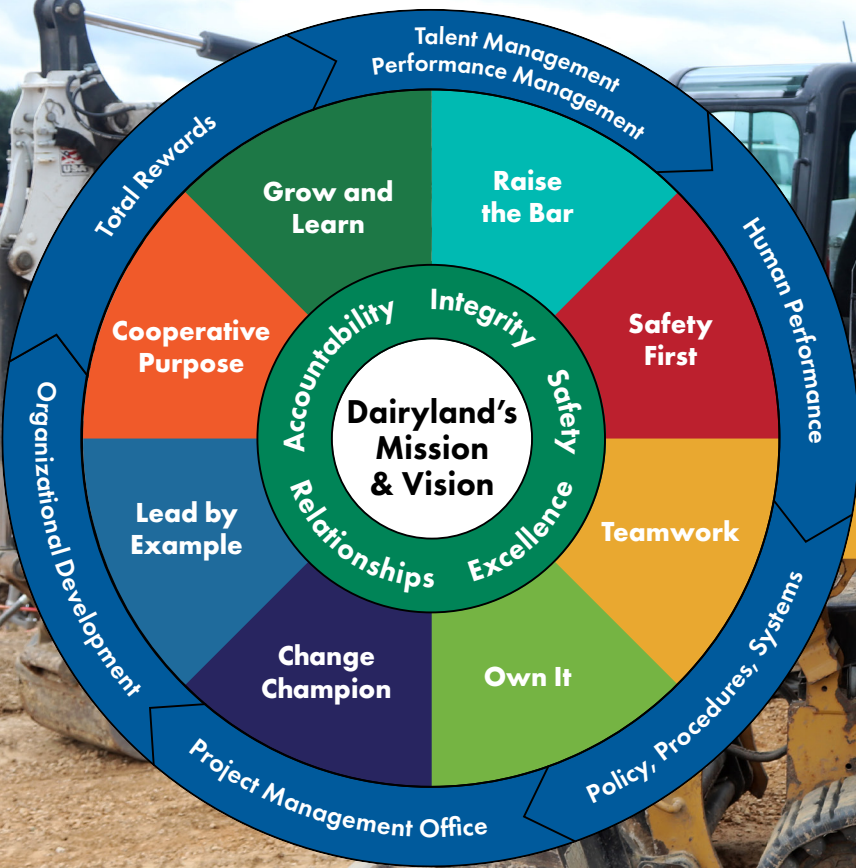


April Wehling
Executive Vice
President & Chief
Financial Officer

CHAPTER 1 | Dairyland Excellence Model

The Dairyland Excellence Model is a framework that aligns our daily work with Dairyland's mission and vision. The model includes these key components:

1. **Mission & Vision** – Our mission and vision are at the center of the Excellence Model. These guide our direction and embody the purpose and aspirations we strive to uphold.
2. **Core Values** – Our core values are the beliefs and principles that drive behaviors and decisions at Dairyland. These are the driving force behind everything we do, shaping the way we fulfill our mission and pursue our vision.
3. **Core Competencies** – Core competencies describe the skills, habits, qualities and behaviors that an employee needs to have to succeed in their role. Dairyland's core competencies are grouped into eight categories and referred to as People Powers.
4. **Programs & Tools** – Programs and tools empower employees in their pursuit of excellence. From training programs to resources aimed at improving productivity, these tools ensure every team member is poised for success.
5. **Key Performance Indicators (KPIs)** – KPIs measure the result of our efforts, allowing us to stay on track with our strategic priorities by benchmarking progress and identifying areas for improvement.



Key Performance Indicators (KPIs)

STRATEGIC PRIORITIES:

- Safety Culture
- Cooperative Principles
- People First
- Asset Reliability & Diversification
- Financial & Competitive Strength
- Growth & Innovation



CHAPTER 2 | Principles of Excellence

- Safety
- Mission, Vision
- Core Values
- Strategic and Business Planning Process
- How do we Achieve Sustainability?
- Cooperative Business Model Roles
- Seven Cooperative Principles
- 200 Percent Accountability
- Communication



ZERO *By Choice*

EVERYONE HOME
SAFE EVERY DAY

Zero by Choice: Everyone Home Safe, Every Day is the guiding principle that supports our highest priority and moral obligation... **safety.** We are reminded that no job is so important, and no task is so urgent, that we cannot take the time to do it safely.

MISSION

To safely power our communities and empower cooperative **members** to improve the quality of their lives.

VISION

To grow, innovate and deliver value as a premier **member-driven** energy cooperative through safe, reliable, cost-competitive and sustainable solutions.

CORE VALUES



Relationships

We collaborate to support the strength, growth and success of the entire Dairyland system.



Accountability

We do what we say we will do.



Integrity

We do what is right.



Safety

We work to have everyone home safe every day.

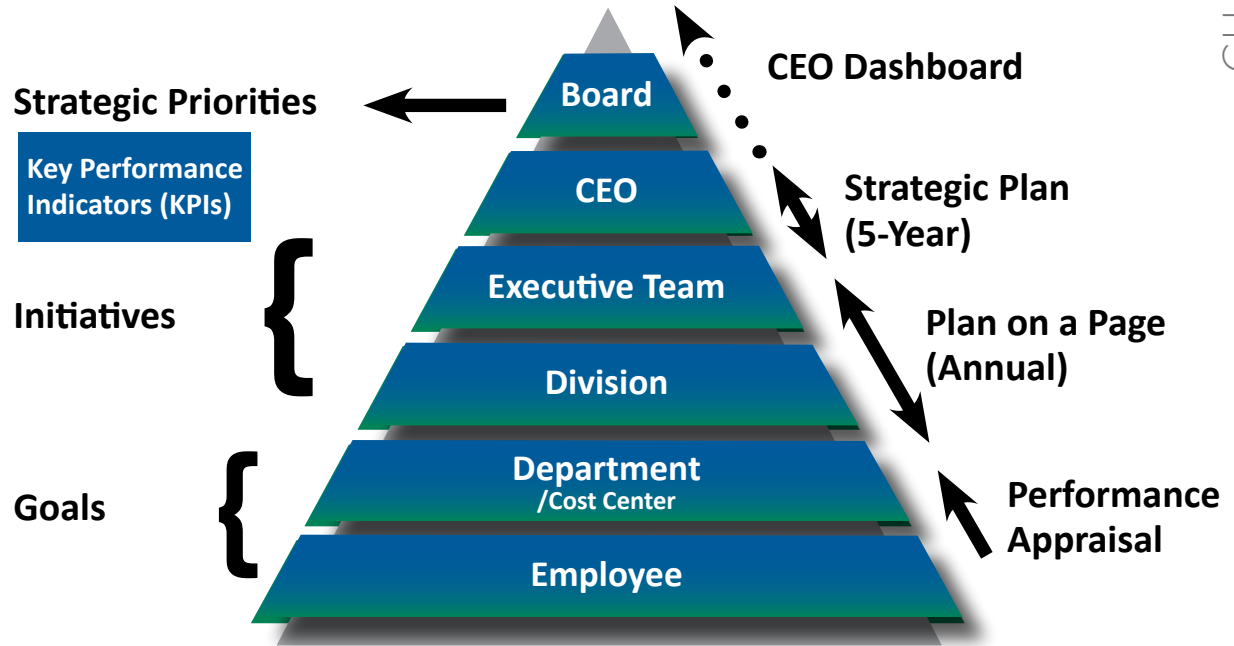


Excellence

We pursue a high standard of work through investments in people, processes and technology.



Strategic & Business Planning Process



HOW DO WE ACHIEVE SUSTAINABILITY?



Sustainability = Creating long-term value by seizing opportunities and managing risks related to environmental and social impacts



Deliver safe, reliable & predictable electricity



Be cost competitive: lower costs, increase load and grow outside revenue



Lower our carbon output without sacrificing safety & reliability



Focus on being a “people business” and work together to achieve our mission

COOPERATIVE BUSINESS MODEL ROLES

MEMBERS	BOARD OF DIRECTORS	CEO	PEOPLE LEADERS	ALL EMPLOYEES
<ul style="list-style-type: none">• Dairyland Power Cooperative is a wholesale generation and transmission (G&T) cooperative• A cooperative is a business that is owned and democratically controlled by its members• Dairyland provides services to 24 member cooperatives	<ul style="list-style-type: none">• Dairyland has 24 Directors- one Director for each member cooperative• Each Director also serves on the member cooperative's Board• The Board establishes Dairyland's mission, vision, values and strategic priorities	<ul style="list-style-type: none">• The CEO is the Board's only employee• The CEO establishes the strategic plan to support the mission, vision, values and strategic priorities for Dairyland	<ul style="list-style-type: none">• People Leaders establish strategic initiatives, goals, and work plans to align with Dairyland's mission, vision, values and strategic priorities	<ul style="list-style-type: none">• Employees execute work plans that are safe, reliable and cost effective

THE SEVEN COOPERATIVE PRINCIPLES

One of the ways cooperatives differ from other business structures is their adherence to cooperative principles and values that reflect social, political and business concerns. These principles have been refined, adapted and reinterpreted over time.

Cooperatives are also based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. Cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.





Employees are:

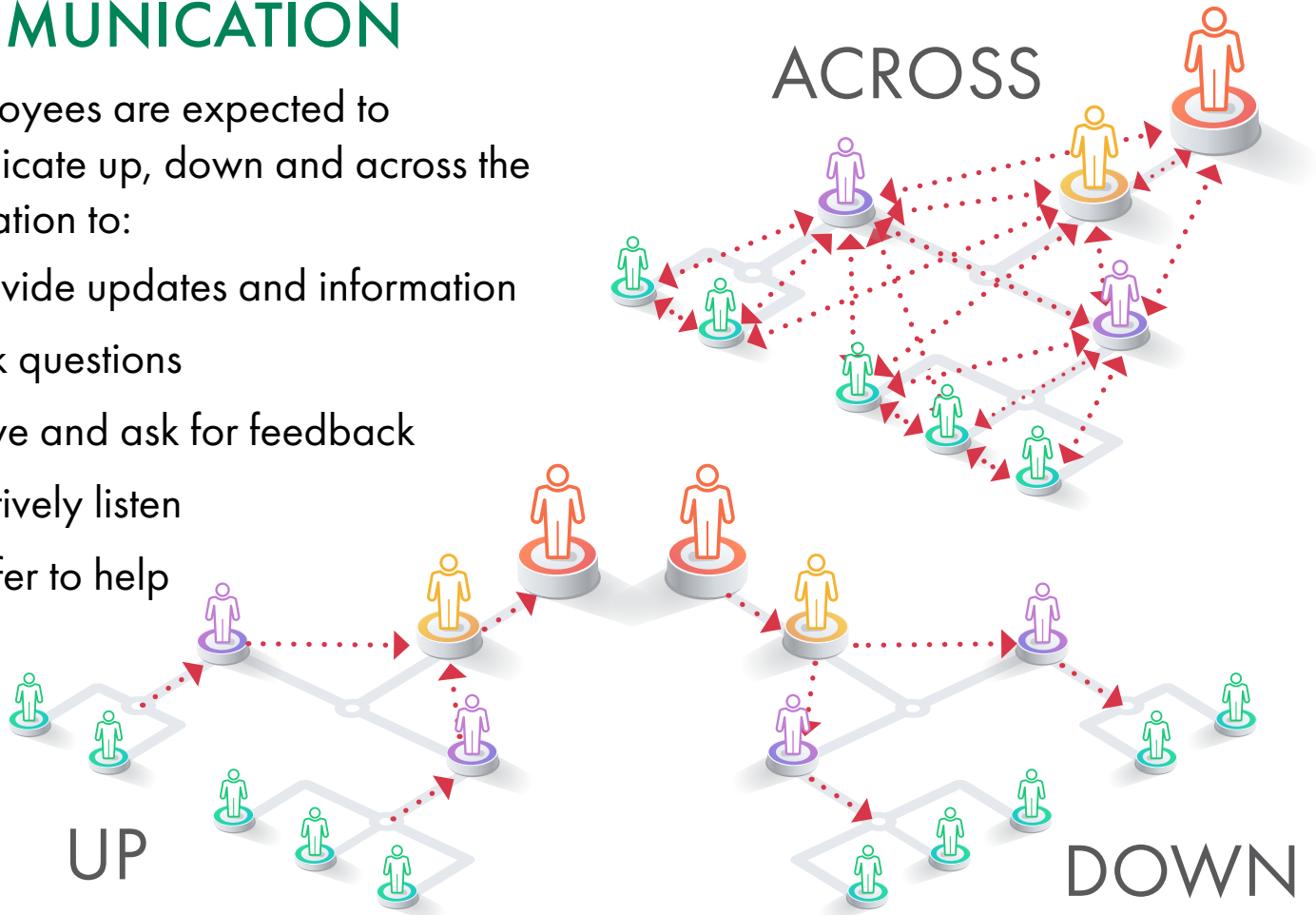
- 100% responsible for their own safety and job performance.
- 100% accountable to ensure the safety and success of the Dairyland team.



COMMUNICATION

All employees are expected to communicate up, down and across the organization to:

- Provide updates and information
- Ask questions
- Give and ask for feedback
- Actively listen
- Offer to help



CHAPTER 3 | Employee Excellence

Core Competencies = Dairyland's People Powers

- People Powers are the essential skills, habits, qualities and behaviors expected by every employee.
- People Powers are the basis for performance evaluations and our rewards and recognition programs.
- The expectations listed in this guide outline minimum expectations for proficient behaviors and performance.
- Review the People Powers and reflect on your current strengths, knowledge gaps and areas for improvement.



PEOPLE POWERS

People Powers are the essential skills, habits, qualities and behaviors each employee is expected to exemplify daily.



Create a safe work environment; use Human Performance tools; everyone home safe everyday



Together, we achieve Dairyland's mission; use 200% accountability



Have personal accountability, demonstrate gumption



Inspire others and deliver excellent results



Hold yourself and others to a high standard



Embrace, support and commit to Dairyland's initiatives



Contribute to a continuous learning environment



Advance Dairyland's vision, mission and values



SAFETY FIRST

Create a safe work environment; use Human Performance tools; everyone home safe everyday

ALL EMPLOYEE EXPECTATIONS

- **Create a safe work environment**
- **Use Human Performance (HP) tools**
- **Everyone home safe everyday**
- Follow safety policies, programs, rules and guidelines
- Use tools and equipment safely and as intended
- Be aware of surroundings, conscious of limitations; don't be overconfident
- 200% accountability
- Speak up, Listen up
- Report Good Catches, Near Misses and Events

PEOPLE LEADER EXPECTATIONS

(includes All Employee Expectations)

- Be present, be involved, be engaged
- Provide tools, training and resources
- Set clear expectations
- Enforce safety rules
- Proactively focus on the road ahead to avoid potentially dangerous situations
- Encourage reporting of Good Catches, Near Misses and Events



OWN IT

Have personal accountability, demonstrate gumption

ALL EMPLOYEE EXPECTATIONS

- **Have personal accountability**
- **Demonstrate gumption**
- Perform work to meet and exceed expectations
- See it, own it, solve it, do it
- Follow through, meet deadlines, earn trust
- Ask for help when needed

PEOPLE LEADER EXPECTATIONS

(includes All Employee Expectations)

- Take and share responsibility
- Follow up and deliver on commitments
- Use the Accountability Model, demonstrate above-the-line behaviors
- Use Situational Leadership II®
- Benchmark performance to achieve excellence, set Key Performance Indicators (KPIs)
- Learn from mistakes for continuous improvement



RAISE THE BAR

Hold yourself and others to a high standard

ALL EMPLOYEE EXPECTATIONS

- **Hold yourself and others to a high standard**
- Identify solutions when problems occur
- Find opportunities to reduce/contain costs
- Practice continuous improvement
- Perform work with precision and quality
- Align your work to Dairyland's values and mission

PEOPLE LEADER EXPECTATIONS

(includes All Employee Expectations)

- Set the bar high for team performance
- Define how excellence is measured
- Coach and inspire for excellence
- Conduct courageous conversations
- Lead to improve Key Performance Indicators (KPIs)
- Articulate the "why" and connection to Strategic Priorities



TEAMWORK

Together, we achieve Dairyland's mission;
use 200% accountability

ALL EMPLOYEE EXPECTATIONS

- **Together, we achieve Dairyland's mission**
- **Use 200% accountability**
- Take time to build relationships with others on your team and across the organization
- Communicate and collaborate with colleagues and stakeholders
- Share responsibility to find solutions that work toward a common goal
- Contribute to the team

PEOPLE LEADER EXPECTATIONS

(includes All Employee Expectations)

- Communicate clear expectations
- Align work toward a common goal
- Partner across divisions and departments to foster cross-training, collaboration and problem solving
- Give credit where credit is due
- Reward and recognize excellence



GROW AND LEARN

Contribute to a continuous learning environment

ALL EMPLOYEE EXPECTATIONS

- **Contribute to a continuous learning environment**
- Use active listening, seek and validate information
- Learn and be curious; learn from mistakes, problems, interactions and people
- Seek feedback
- Have courageous conversations
- Challenge one another

PEOPLE LEADER EXPECTATIONS

(includes All Employee Expectations)

- Create and support opportunities for learning and employee development
- Dedicate time to reflect on professional growth opportunities
- Foster and create a safe learning environment
- Provide cross training and career development opportunities
- Coach for excellence with kindness and grace
- Document, share and store lessons learned



LEAD BY EXAMPLE

Inspire others and deliver excellent results

ALL EMPLOYEE EXPECTATIONS

- **Inspire others**
- **Deliver excellent results**
- Display integrity and character
- Be predictable
- Trust, respect and treat others with kindness and grace
- Utilize the tools and programs in the Excellence Model
- Get the job done safely, do it right the first time and learn from mistakes

PEOPLE LEADER EXPECTATIONS

(includes All Employee Expectations)

- Lead with integrity and character
- See it, own it, solve it, do it
- Set and communicate clear and actionable expectations
- Be available and responsive to your team
- Demonstrate and encourage 200% accountability
- Manage and communicate risk
- Share knowledge, information and corporate messages
- Deliver results
- Reward and recognize excellence



CHANGE CHAMPION

Embrace, support and commit to Dairyland initiatives

ALL EMPLOYEE EXPECTATIONS

- **Embrace, support and commit to Dairyland initiatives**
- Visibly support Dairyland's mission and direction
- Demonstrate gumption, tenacity and conviction
- Educate self and use effective organizational change management practices
- Commit to the way forward (i.e., new work methods, updated systems, programs, etc.)
- Be flexible, adapt to change, be a change advocate

PEOPLE LEADER EXPECTATIONS

(includes All Employee Expectations)

- Demonstrate best practices in sponsoring and leading change
- Be strategic; consider the broad and long-term impacts of ideas and decisions
- Champion difficult decisions when they are right and in Dairyland's best interest
- Lead mission-critical work; build a plan, execute it
- Recognize change is an individual process; empathize with those adapting to change



COOPERATIVE PURPOSE

Advance Dairyland's Vision, Mission and Values

ALL EMPLOYEE EXPECTATIONS

- **Advance Dairyland's vision, mission and values**
- Build relationships internally, externally and with members
- Have a competitive mindset
- Identify opportunities to reduce or contain costs
- Be member-and customer-focused
- Connect work to strategic plan
- Provide safe, reliable, cost-effective results

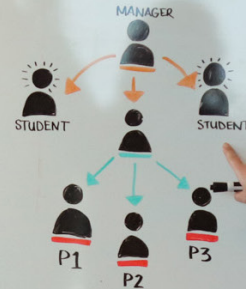
PEOPLE LEADER EXPECTATIONS (includes All Employee Expectations)

- Foster relationships
- Make cost-effective and informed decisions, focus on impacts to member rates
- Make decisions based on what's best for Dairyland
- Follow a process to set, manage and achieve goals aligned to the strategic plan

CHAPTER 4 | Programs and Tools for Implementing Excellence

To achieve excellence, Dairyland employees should:

- Understand the programs and tools available and participate in training programs
- Utilize the programs and tools in your daily work
- Share best practices, knowledge and insights on using programs and tools
- Monitor the effectiveness of tools and provide feedback for continuous improvement



Total Rewards

Our Total Rewards program refers to our comprehensive benefits package offered to employees. Total Rewards include compensation, benefits, rewards and recognition.

Employees are the recipient of Total Rewards through monetary and non-monetary incentives. People Leaders use Total Rewards to recognize and reward employees for excellence and “above-the-line” job performance.

PROGRAMS & TOOLS

Compensation

- Base Wage/Salary
- Pay for Performance

Benefits

- Health, Dental & Vision Insurance
- Disability & Life Insurance
- 401(k) & Pension Benefits
- Paid Time Off
- Flexible work opportunities
- Educational Assistance
- & many more...

Rewards and Recognition

- Circle of Excellence
- Employee Spotlight
- People Powers Award
- Performance Awards
- WorkTango

Talent Management

Talent Management programs identify, develop and retain skilled individuals by enhancing their knowledge, skills and abilities to support strategic goals.

For employees, Talent Management includes career planning, skill development and growth opportunities. People Leaders are responsible for determining future workforce needs, recognizing talent and providing employee growth opportunities.

PROGRAMS & TOOLS

Knowledge

- Leadership Academy
- Learning Management System (LMS)
- Job Descriptions
- Human Resource Business Partners

Skills/Abilities

- Career Development Plan
- Coaching
- Mentoring
- Top Talent Program
- Strategic Workforce Planning
- Succession Planning

Performance Management

Performance Management is a process that involves setting goals and objectives for employees, assessing progress, and providing feedback and support for improvement.

For employees, Performance Management is a tool to understand job expectations, receive feedback and improve work habits. A People Leader's role is to set clear expectations and objectives, assess progress, provide constructive feedback and support employees to achieve goals.

PROGRAMS & TOOLS

- Accountability Model
- CEO Dashboards
- How to Have a Difficult Conversation
- Performance Appraisals
- Performance Management Policies
- Situational Leadership II®



Human Performance

Human Performance is a structured approach to improve safety by identifying risks and analyzing errors and events to drive never-again solutions.

For employees, use guides, forms and programs to reduce the risk and likelihood of errors and incidents. People Leaders set expectations and model behavior to ensure that human performance programs and tools are implemented and adhered to, facilitate and encourage safety discussions, and monitor performance for continuous improvement.

PROGRAMS & TOOLS

Guides

- Energy Wheel
- Human Performance Tools
- Rules to Live By
- Safety Alerts
- Safety Break Newsletter
- Safety Bulletins

Forms

- Job Briefing Form

Programs

- Causal Analysis
- Challenge Meetings
- Good Catch Program
- Safety Tailgate Toolkits

Policies, Procedures & Systems

Policies, Procedures and Systems establish workplace structure, offer guidance, communicate information and create an operational framework.

Employees comply with policies, follow procedures, and use systems. People Leaders implement, validate effectiveness, and ensure compliance with policies and procedures. Utilize programs, tools and systems to create strategic initiatives, define goals and work plans, and monitor progress.

PROGRAMS & TOOLS

- Policy Portal
- D365
- Workday
- Microsoft 365
- Service Now
- Department SharePoint Sites
- Strategic Plans
- The Breaker
- Short Circuits

Project Management Office

The Project Management Office (PMO) is responsible for implementing and overseeing organizational project management standards.

For employees, the PMO provides guidance on best practices and resources to efficiently manage projects. People Leaders leverage available PMO resources to drive successful project outcomes.

PROGRAMS & TOOLS

- PMO SharePoint Site
- Project Life Cycle
- Mentoring and Guidance with Leading Projects



Organizational Development

Organizational Development (OD) is focused on enhancing business efficiency through systematic learning and development, organizational change management and process improvement.

Employees utilize OD tools for personal and professional development, transition through change and contribute to a culture of continuous improvement. People Leaders guide teams through change, promote continuous improvement and support employee development.

PROGRAMS & TOOLS

- **Learning and Development**
 - OD Learning Resources
 - Amp'd Up Excellence
 - OCM Modules
- **Organizational Change Management**
 - 5 Ws
 - Methodology Guide & Tool Kit
 - ADKAR®
- **Process Improvement**
 - Plan, Do, Check, Act

Human Performance Tools*



1. Questioning Attitude:
When unsure, in doubt, or you have concerns – validate further by asking specific questions that address the issue.



2. Self-Checking:
STAR: Stop. Think. Act. Review.



3. Effective Communication:
1) Listen 2) Review 3) Confirm



4. Time Out:
STOP when unsure. Resolve before resuming.



5. Brief Huddle Review:
1) Pre-Job Brief 2) Work Site Huddle
3) Post-Job Review



6. Two-Minute Rule:
STOP, look around work site & ID Error Traps



7. Place Keeping:
Visual aid to track your place in a procedure



8. Peer Checking:
Process with step pauses to allow for error correction



9. Independent Verification:
Qualified individual, separate from the workforce, who is capable of verifying & correcting established standards, work practices & work procedures, upon the completion of specific tasks.



10. Concurrent Verification:
Focuses on verification of correct device and expected operation. One observer and one performer of the function.

*Adapted from International Society for Performance Improvement

Rules to Live By



Lock Out/Tag Out

LOTO shall be conducted per requirements. Only authorized personnel are allowed to conduct LOTO.



Personal Protective Equipment

Proper PPE shall be utilized by all personnel exposed to hazards capable of causing injury.



Confined Spaces

Only trained and authorized employees are allowed to enter confined spaces.



Hot Work

A Hot Work permit shall be obtained prior to cutting, grinding, welding, etc., in an undesignated Hot Work area.



Housekeeping

All work areas (mobile or stationary) shall be maintained in a clean, clear and properly functioning manner.



Crane Operation and Rigging

Cranes and equipment shall only be operated by certified, authorized operators utilizing spotters and proper means of communication.



Grounding

Before any work shall be done on de-energized lines or equipment, the lines or equipment shall be tested and properly grounded. Also, properly bonded with an equal potential zone (EPZ) established at the worksite.



Traffic Control Safety

All DOT requirements are to be implemented and followed during traffic control.



Clearance and Live Line Permit

Proper communication with the SOC, as well as proper permits requested and received BEFORE any live work or de-energized work may happen. A Clearance or Live Line Permit shall be followed in accordance with the Clearance and Live Line Permit System Manual.

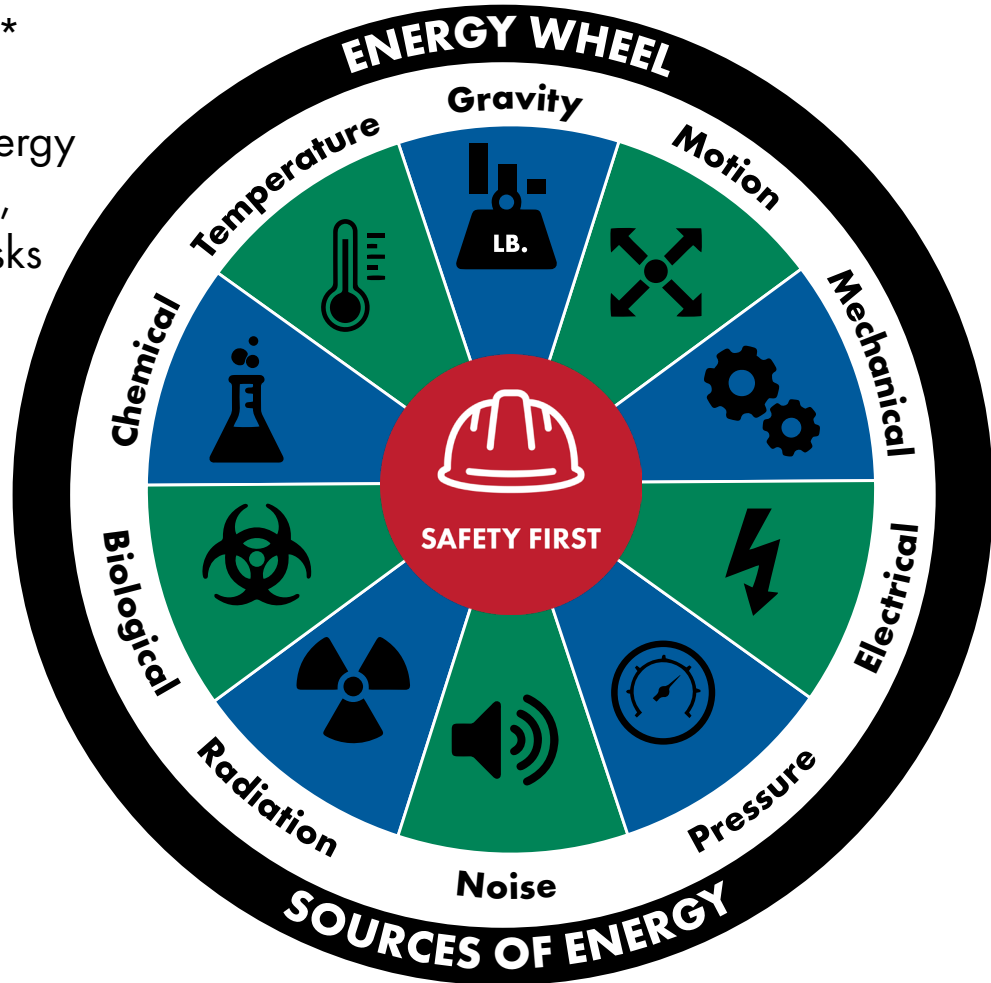


Fall Protection

Fall protection shall be utilized as required.

Energy Wheel*

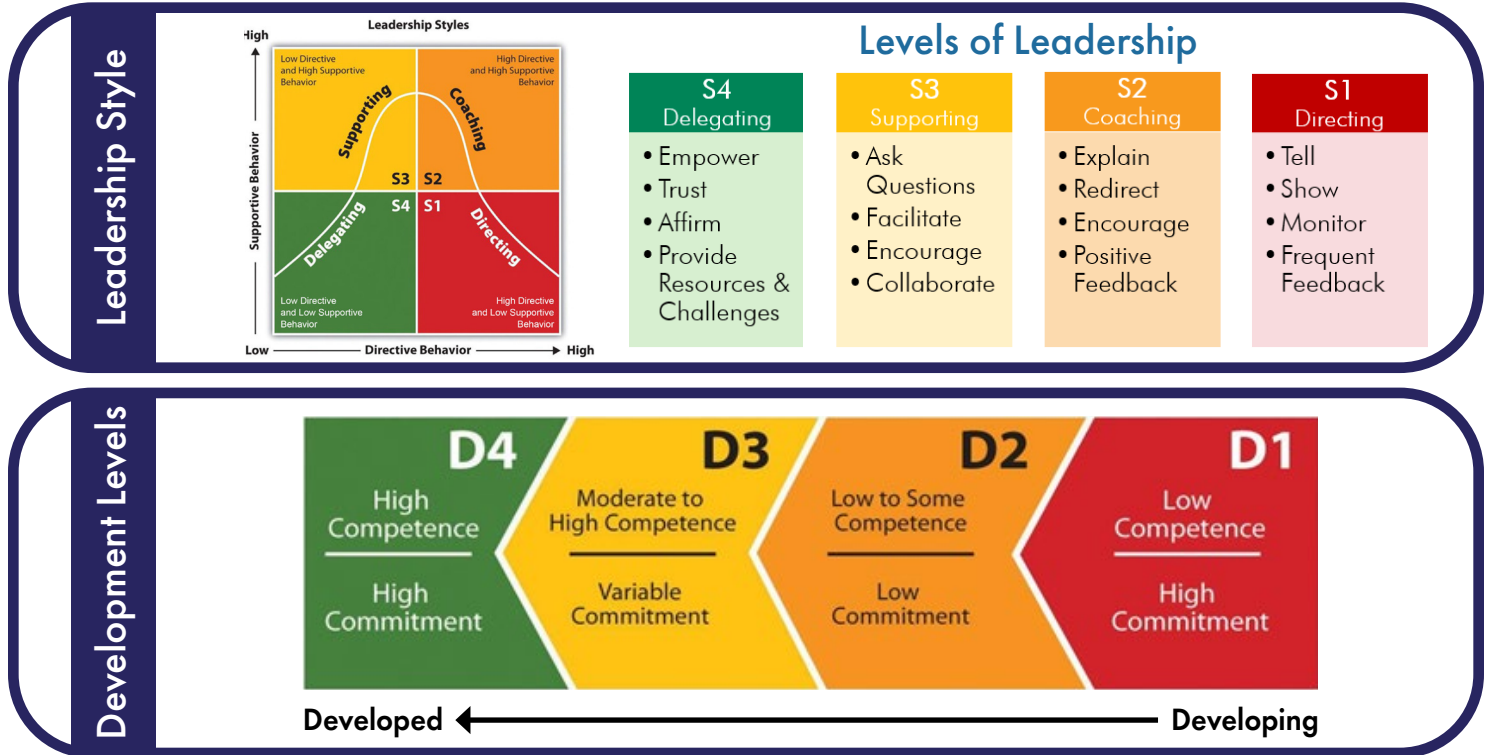
Employees utilize the Energy Wheel to identify, assess, and mitigate potential risks and hazards within the work environment.



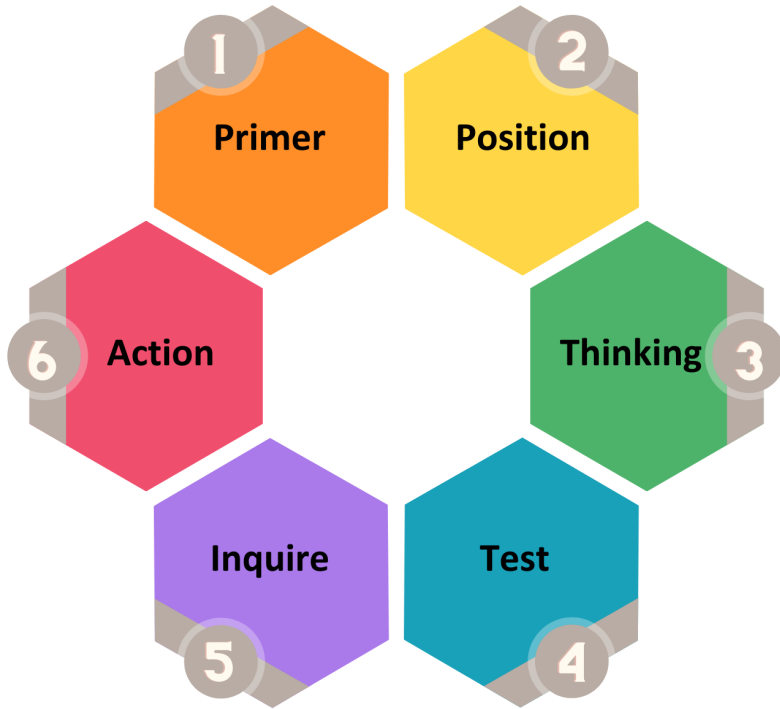
*Adapted from works of Dr. Matthew Hallowell

Situational Leadership II® Model

Using this model, a leader's style will vary depending on the employee's level of competence and commitment.



How to Have a Difficult Conversation*



*Based on research from Chris Argyris and Donald Shon, Model developed by Craig Weber and Tony Herrea

1 **Primer:** I have a concern I would like to share with you and then get your reaction.

2 **Position:** My concern is... (Describe the issue or concern).

3 **Thinking (Data and Reasoning):** I have this concern because... (Share examples/data as to why this is a concern. Help them see how it may be negatively impacting the business/work/team.)

4 **Test:** What is your take? Push back on me here because I may be wrong on this. What do you think? What is your reaction to what I've said? What is your perspective on this? I'd be interested to hear your thoughts.

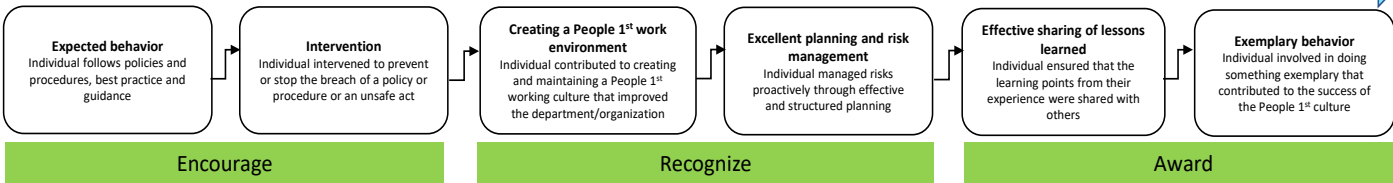
5 **Inquire:** Could you help me understand how you came to that conclusion? Can you give me an example of what you're saying? Can you help me understand why you think that is so?

6 **Action:** What do you think should be our next steps? Let's look at where we both agree and are willing to commit.

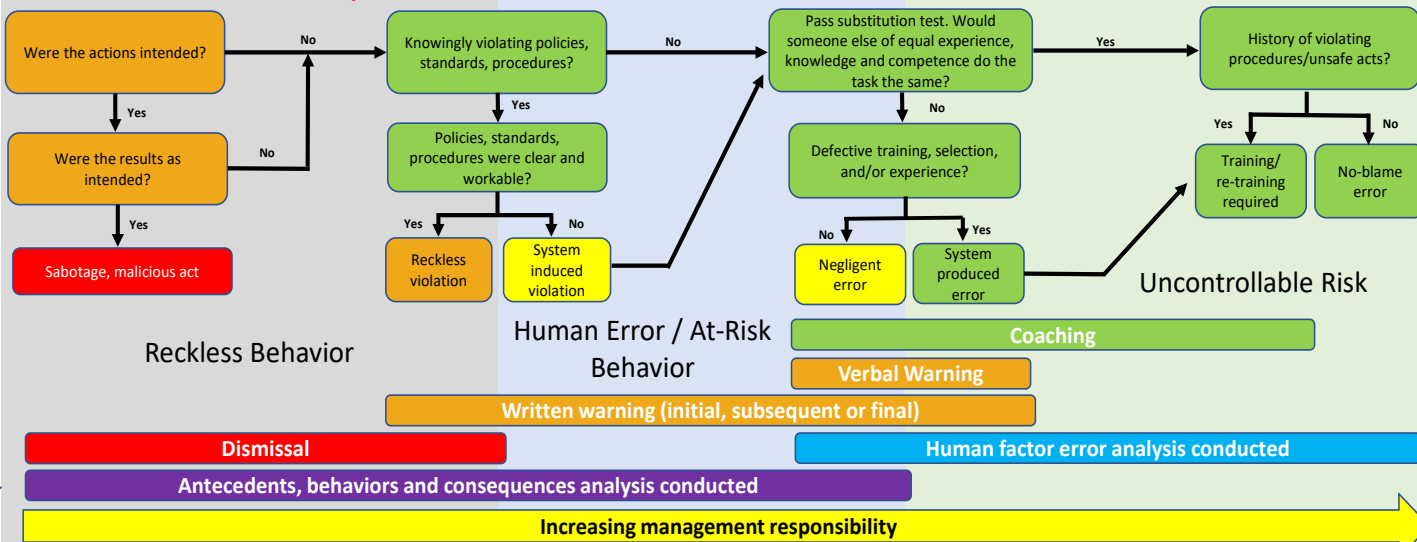
Accountability Model*

Behavior that meets or exceeds expectations

Growing personal responsibility



Behavior that falls below expectations



* Adapted from Idaho Power and Shell Oil models

Project Management Office

Project Lifecycle



- **Concept Phase** – Refine concept by examining objectives, assumptions, constraints and risks. Conduct a feasibility study or business case.
- **Initiate Phase** – Focus on high-level goals, create a project charter, refine estimates via limited research.
- **Plan Phase** – Develop and evaluate alternative solutions, establish goals, scope, resources, schedule, cost estimates; begin formal reporting.
- **Execute Phase** – Achieve goals through implementation and monitoring of cost, schedule and scope; develop and launch training and operations.
- **Close Phase** - Complete formal project reporting and administrative work.

ADKAR[®]

Five Building Blocks for Successful Change



Awareness



Desire



Knowledge

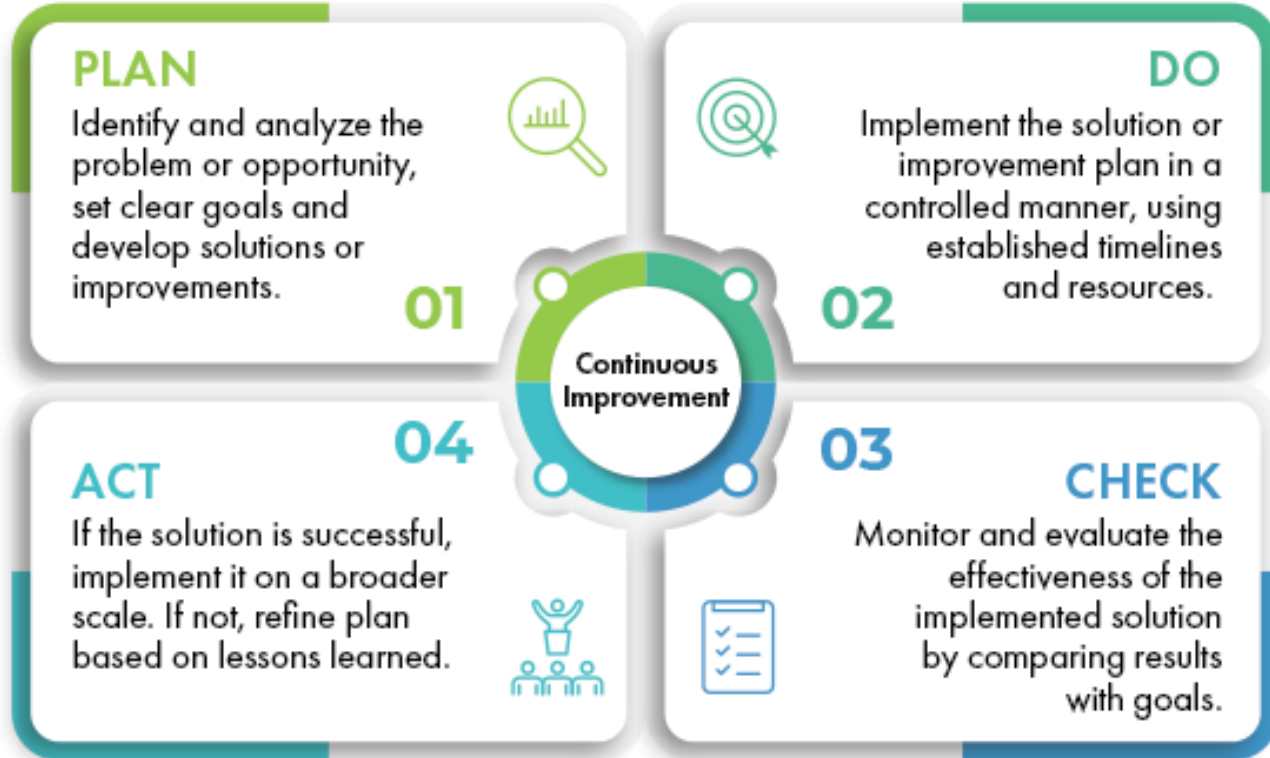


Ability



Reinforcement

Continuous Improvement: Plan Do Check Act Cycle*



* Adapted from the Deming Wheel by W. Edwards Deming

My Commitment to Excellence

I pledge to uphold excellence in everything I do, not just for my own benefit but for our members, the public, my colleagues, and my family. By committing to excellence, I contribute to Dairyland's continuous improvement in delivering safe, reliable, cost-competitive energy solutions that help ensure a sustainable future and enhance the quality of life for all.



Employee Signature _____

RESULTS → **Key Performance Indicators (KPIs)**

STRATEGIC PRIORITIES:

- Culture of Safety
- Cooperative Principles
- People First
- Asset Reliability & Diversification
- Financial & Competitive Strength
- Growth & Innovation



The
lowest
STANDARD
you accept
is your
STANDARD.

-Brent Ridge, President and Chief Executive Officer

