



HIGHER LAW #6: YOU CAN
SOMETIMES FOOL THE FANS,
BUT YOU CAN NEVER FOOL
THE PLAYERS

WHY HARVEST MIDSTREAM EARNED THE GREAT GAME OF BUSINESS KNOW & TEACH THE RULES ALL-STAR AWARD

When Harvest Midstream began operating independently from its affiliate company just a few years ago, the leadership team faced an unusual challenge: the company wasn't simply trying to grow. It was growing at a breathtaking pace.

In just five years, Harvest completed four acquisitions, adding more than 175 employees and expanding from roughly 325 people to more than 670. Overnight, entire operations from other companies became part of Harvest. Experienced pipeline operators, mechanics, and field technicians knew how to do their jobs, but they didn't yet understand how Harvest ran its business.

The leadership team knew that preserving the culture that had made the company successful couldn't depend on orientation manuals or corporate policies. They had to teach every employee how the business actually works.

That philosophy dates back nearly three decades. In the mid 1990s, Harvest founder Jeff Hildebrand attended a Great Game of Business workshop in Springfield, Missouri. Although the traditional manufacturing examples didn't perfectly fit the oil and gas industry, the core idea of teaching employees the business resonated with him immediately.

As Hildebrand later put it, "When you trust people with such sensitive information, it's remarkable what they can do."

Harvest embraced that philosophy from the start. The company adapted The Game to fit its business but never abandoned its central belief: people make better decisions when they understand the financial consequences of those decisions. Today, teaching employees how the business works has become one of Harvest's greatest competitive advantages.



KNOW & TEACH THE RULES LESSON #1

TEACHING THE BUSINESS, NOT JUST THE JOB

Most companies train employees to do their jobs. Harvest teaches employees how the business wins. Every new employee receives a copy of The Great Game of Business. It's not mandatory reading. Rather, it's an invitation. From there, education begins almost immediately.

At most companies, financial information is closely guarded.

AT HARVEST, IT'S SHARED BECAUSE LEADERS BELIEVE BETTER INFORMATION LEADS TO BETTER DECISIONS.

Each month, employees gather for Town Hall meetings where leaders openly share the company's scorecards, financial performance, and bonus progress. New hires often spend their first several months learning what the numbers mean, why they matter, and how their everyday decisions influence the company's results.

"From day one, we have to start teaching them what those numbers mean," says Brendan Lyons, Director of Human Resources.

Harvest reinforces that commitment by sending field supervisors, team leads, and emerging leaders to Great Game workshops led by Vice President and coach Steve Baker in Springfield, where they gain practical tools to share with their teams. They learn forecasting, scorekeeping, financial literacy, and MiniGames, not to become accountants, but to become better decision-makers. Harvest is now expanding those workshops to its field locations so even more employees can participate.

KNOW & TEACH THE RULES LESSON #2

CULTURE DOESN'T SURVIVE GROWTH BY ACCIDENT

Acquisitions don't just bring new assets. They also introduce new habits, assumptions, and ways of thinking. Many companies slowly become a collection of distinct cultures operating under one logo. Harvest chose a different path.

The Harvest leadership team realized the fastest way to unite hundreds of employees wasn't through policies or procedures. It was to teach everyone a common business language.

Employees from acquired companies aren't evaluated solely on technical expertise. Harvest also looks for curiosity, accountability, and a willingness to think like an owner. The company wants people who understand that choosing the right part, managing costs, or finding a better supplier doesn't simply solve today's problem. It strengthens the business.

Once people understand how the company makes money, something changes. They stop seeing themselves as someone who performs a task. They begin seeing themselves as someone who influences the outcome.

EVERY ACQUISITION NOW PRESENTS AN OPPORTUNITY TO DEVELOP MORE BUSINESSPEOPLE WHO CAN HELP THE COMPANY ACHIEVE ITS LONG-TERM GOALS.

KNOW & TEACH THE RULES LESSON #3

THE RULES HAVE TO BECOME HABITS

Harvest treats financial literacy as a habit rather than a one-time training event. Every month, employees revisit the scorecards, refine forecasts, ask questions, and learn from the results.

At every monthly Town Hall, employees at each of the company's six locations gather around their scorecards. Green boxes celebrate progress. Red boxes invite questions. Leaders don't simply present the numbers. They expect employees to challenge them.

One month, a regional operating area appeared to be more than \$30,000 over budget. In many organizations, employees might have assumed leadership already had the answer. Not at Harvest. **Someone asked, "Why?" Digging deeper revealed that a significant consulting expense had simply been charged to the wrong operating area. Correcting the allocation immediately changed the outcome.** The accounting correction mattered because it turned a red box into a green one. But the real victory was something else. Employees cared enough to question the numbers instead of simply accepting them.

KNOW & TEACH THE RULES LESSON #3

THE RULES HAVE TO BECOME HABITS

That same ownership mindset is evident throughout the organization. After reading *The Great Game of Business* and attending several Town Hall meetings, Hannah Harris returned to her team with an idea rather than an assignment. She launched a MiniGame to improve the accuracy of the team's volume measurements at any given moment. When the MiniGame began, reported volumes were typically off by 15 to 20 percent.

By engaging her coworkers, tracking results, and making small improvements along the way, the team reduced that variance to less than 1 percent.

NO ONE INSTRUCTED HER TO START THE GAME, AND SHE DIDN'T WAIT FOR PERMISSION. SHE SIMPLY SAW AN OPPORTUNITY TO IMPROVE THE BUSINESS.

Stories like Hannah's are increasingly common as employees begin to view the scorecard as something they can influence rather than something they simply review. Teams seek better vendors. Supervisors rethink operating costs. Technicians identify opportunities to improve efficiency. The scorecard isn't teaching accounting. It's teaching people to think like owners.

KNOW & TEACH THE RULES LESSON #4

THE BEST INVESTMENT DOESN'T SHOW UP ON THE BALANCE SHEET

Every month, Harvest invests more than 1,000 employee hours in Town Hall meetings alone. On paper, that sounds expensive. More than 670 employees step away from their daily responsibilities to review scorecards, discuss forecasts, ask questions, and learn how the business is performing. But Harvest doesn't see lost productivity. Leadership sees hundreds of people learning to become businesspeople.

“ WHAT WOULD IT COST IF WE DIDN'T MAKE THAT INVESTMENT? ”

— **BRENDAN LYONS,**
DIRECTOR OF HUMAN RESOURCES

KNOW & TEACH THE RULES LESSON #4

THE BEST INVESTMENT DOESN'T SHOW UP ON THE BALANCE SHEET

The impact of that continued focus on unlocking employees' potential is evident across the company. **Performance bonuses have averaged more than 35 percent annually over the past decade.** During the uncertainty of COVID-19, leadership lowered expectations to account for the unknown. Employees responded by outperforming the company's original operating plan because they understood exactly what the business needed. Education didn't slow the company down. It made the company stronger.

Knowing the rules isn't just good for business. It changes how people experience work. When people understand the business and are trusted to influence it, they become more engaged, make better decisions, and find greater purpose in what they do.

AN AMBITIOUS FUTURE

Every hour Harvest spends teaching the business to its people leads to hundreds of better decisions long after the meeting ends. People ask better questions. They notice when something doesn't look right. They understand that every purchasing decision, every maintenance project, and every operational improvement affects the value of the business. The real purpose of teaching the rules isn't for employees to pass a financial literacy class. It's to help them begin seeing themselves differently, not as employees, but as businesspeople.

As Harvest closes in on achieving its Big Hairy Audacious Goal of doubling both EBITDA and enterprise value by the end of 2026, one lesson has become unmistakably clear: extraordinary growth isn't built by a handful of leaders. It is built by hundreds of employees who understand the business, think like owners, and take responsibility for its success. Every acquisition has added assets, but Harvest's greatest investment has been developing businesspeople who understand how the company wins and who are empowered to influence that success every day. That investment continues to compound with every Town Hall meeting, every MiniGame, every thoughtful question, and every employee who chooses to act like an owner instead of simply doing a job.

THE GREATEST MEASURE OF SUCCESS ISN'T THAT HARVEST TAUGHT HUNDREDS OF EMPLOYEES HOW TO READ A SCORECARD. IT'S THAT HUNDREDS OF EMPLOYEES NOW REFUSE TO IGNORE ONE.