Praise for
The Culture Engine

"Chris Edmonds' approach will boost your team’s spirit, trust, and performance. WD-40 Company’s tribe culture was built upon these same concepts. Don’t hesitate - get this book and create your organization’s constitution!"
— E.ppWPsbec, president/CEO of WD-40 Company, author, Fcjnd e Nţi mjc U ǎ r U ncpy

"Where has this book been? Rf c Asjrd c Cl ed c demystifies the ‘what’ and ‘how’ of driving your company’s culture to produce transformational business outcomes. Chris Edmonds operationalizes culture while offering practical tools necessary to align your people and gain profound competitive advantage. Thank you for this game-changing book.”
— Haçnf Kgf cjgg New York Times #1 Best-selling author of 6 business books like J c bdj e rf c Qř p  }}/jU _vand Rf c X mmq Concgg cl ac

"Organizational culture and performance are intricately interwoven. In his excellent book, The Culture Engine, Chris Edmonds shows how to create and use an Organizational Constitution - a breakthrough tool to help you shape this elusive, yet critically important ingredient to organizational success."
— Haçf Qmř cp co-author Dsji Qc_k ?f c_bV S j c_d rf c Nnm cprnT 'gghn

"This book is a concrete road map to creating and managing a productive and inspiring culture for your organization. The idea of developing an Organizational Constitution is brilliant. Who doesn’t want to work in an environment where the employees feel trusted, valued, and respected with a sense of purpose? This book will show you how to design such an environment. I highly recommend it.”
— Fwpk Qk gf, Co-Founder of FranklinCovey

"Finally a book about culture that answers the 'how.' Everyone knows culture is important but most don't know 'how' to change their culture. Edmonds creates a detailed road map to help any leader deliver an inspiring culture that generates lasting organizational success. You will be hooked from chapter one. The Culture Engine is must-read for leaders of the future."
— Hnj ? l bcpm, president and CEO of Walmart.com
Chris Edmonds is the founder and CEO of the Purposeful Culture Group, which he launched after a 15-year career leading and managing teams. Since 1995, he has also served as a senior consultant with the Ken Blanchard Companies. Chris has delivered over 100 keynote speeches to audiences as large as 5,000, and guided his clients to consistently boost customer satisfaction and employee engagement by 40+% and profits by 30+. He is the author or co-author of six books, including *Leading At A Higher Level* with Ken Blanchard. His latest book, *The Culture Engine: A Framework for Driving Results, Inspiring Your Employees, and Transforming Your Workplace* was published by John Wiley & Sons in September 2014.
A FRAMEWORK FOR DRIVING RESULTS, INSPIRING YOUR EMPLOYEES, AND TRANSFORMING YOUR WORKPLACE
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FOREWORD

I have been a big fan of Chris Edmonds for over 20 years—ever since I coaxed him into leaving the Federal Reserve Bank and joining our consulting partner group. Chris has been and continues to be one of our most requested consultants. One of the main reasons for this has been his deep interest in helping organizations produce high-performing cultures. I know few people who are better qualified to talk about this subject. Why? After you have read The Culture Engine, the answer will become clear: Chris understands what constitutes a culture that drives results and what it takes to make that culture come alive.

As a student and proponent of servant leadership, I love this book. When I mention servant leadership to many organizational leaders, they think I’m talking about the inmates running the prison, pleasing everybody, or some religious movement. What they don’t understand is that there are two aspects of effective leadership. The first is the strategic leadership aspect of servant leadership. Leadership is about going somewhere. If your people don’t know where you want them to go, there is little chance they will get there. That’s why Chris spends a great deal of time helping you develop an organizational constitution that outlines your team’s or company’s purpose, values, strategies, and goals.

While there should be widespread involvement in the development of your organizational constitution, the responsibility for making sure you have one lies with top management. Once everybody is clear on your business purpose and values, the next aspect of effective leadership kicks in—living according to your organizational constitution. That involves turning the traditional hierarchical pyramid upside down to emphasize that everyone is responsible—able to respond—to living the constitution and getting the desired results while modeling the organization’s valued behaviors. Now top management becomes responsive cheerleaders for actualizing the organizational constitution. This brings in the second, servant aspect of servant leadership—the operational/implementation aspect.
While our research indicates that 80 to 85 percent of the impact on organizational vitality or success comes from operational leadership, without a clear organizational constitution there would be nothing to implement or serve. Chris believes in these two aspects of effective leadership—and so will you when you finish this wonderful book.

Thank you, Chris, for helping everyone who believes that culture trumps everything to make that belief a reality.

—Ken Blanchard

coauthor of *The One Minute Manager*® and cofounder and chief spiritual officer of The Ken Blanchard Companies®
INTRODUCTION

Is your workplace frustrating and lifeless, or is it engaging and inspiring?

When you think of your work environment, what descriptors come to mind?

For many people, descriptors such as “dreary,” “discouraging,” “fear-based,” and “missed promises” apply to their organization’s culture.

Today, people spend more time at work than with their best friends or family members. When the workplace is an inspiring, respectful, creative place to be, people engage deeply, serve customers effectively, and produce quality goods and services consistently.

The problem? Most leaders put greater thought into their organization’s products and services than they do its culture. Yet culture is the engine – it drives everything that happens in an organization each day.

Leaders don’t want a dreary or frustrating organizational culture, but most don’t know what to do about it. They’ve seen inspiring workplaces but have never been taught how to create or maintain one.

Of course, understanding the need for a safe, inspiring culture is one thing. Creating and managing a productive, engaging culture is another thing entirely.

How does a leader go about creating something that, on one hand, is so important, but, on the other hand, seems so amorphous?

It can be done through the creation of an organizational constitution.

An organizational constitution is a formal document that states the company’s guiding principles and behaviors. These liberating rules present the best thinking on how the organization wants to operate. It’s a North Star that outlines the company’s or team’s defined playing field for employee performance and employee values.
Stephen Covey said that a personal “mission statement becomes a personal constitution [italics mine], the solid expression of your vision and values.”

Marcus Luttrell, former U.S. Navy SEAL and author of Lone Survivor, said in that book, “As with many big corporations which have a dedicated workforce, you can tell a lot about them by their corporate philosophy, their written constitution [italics mine], if you like. It’s the piece of writing which defines their employees and their standards.”

Your organizational constitution builds on this foundational understanding of the power of formal, liberating rules for citizenship, values, and teamwork. An organization’s constitution is the solid expression of its purpose and values, of its corporate philosophy.

Your organizational constitution describes exactly how its members will engage with each other, suppliers, vendors, and customers, as members act to fulfill their organization’s purpose, values, strategies, and goals.

An organizational constitution outlines your team’s purpose, values, strategies, and goals. It paints a vivid picture of success, values, and behaviors. It maps out how to work from that picture each day.

An organizational constitution gives employees’ jobs and roles meaning and clarity.

The organizational constitution eliminates unspoken assumptions. There is no more confusion about what the “integrity” value really means or why a decision was made (or not).

Through their organizational constitution, leaders make expectations explicit and describe what a good job and a good citizen look like in specific, tangible, observable terms.

Once your organizational constitution is written and shared, leaders can live by it, lead by it, and manage to it. Your constitution provides the organization’s managers and employees a clear understanding of how they can do their best work, treat others respectfully, and help the organization prosper.

This is what The Culture Engine is about: it teaches you how to formalize liberating rules that transform your work environment from frustrating and lifeless to engaging and inspiring.
HOW DID I LEARN ABOUT ORGANIZATIONAL CONSTITUTIONS?

Forty-five years ago I joined the workforce. I’ve had a lot of jobs. I’ve had some good bosses—and some lousy bosses, too.

One of my lousy bosses made grand promises—to staff, to volunteers, and to customers. Yet he kept few of his commitments. I learned that his word was not trustworthy.

Another lousy boss was skilled at pointing out my mistakes and failures, but he was quiet when I exceeded expectations and moved the organization forward. I learned to insulate myself from his presence because all I heard from him was disappointment.

My worst boss asked me to lie. My staff and volunteers raised $25,000 in my first year as branch executive, double what that branch had ever raised before. At the campaign’s closing dinner, with 300 people in attendance, my boss told me to announce that we had raised $30,000. I refused and announced our actual total. My boss wasn’t happy. Neither was I. I left that job as quickly as I could.

It took one great boss to open my eyes to the power of organizational culture. Jerry created a team of high performers who exceeded performance standards while, at the same time, demonstrating great team citizenship. Jerry set high standards for values, outlining how team members were to behave to ensure we were modeling our team’s values.

Jerry paid attention to more than our performance traction and accomplishments—he paid attention to how we treated each other and how we treated customers. He called us on our bad behavior promptly and cheered our aligned behaviors loudly.

During this time, Jerry handed me the project of a lifetime. He wanted me to take the ideas he used to build his staff team’s culture and apply them to YMCAs in the country’s roughest neighborhoods.

I went to YMCAs in South Central Los Angeles, San Diego, and San Francisco, cities that had heavy teen gang presences. Some of the kids in these gangs were drug users. Others were into prostitution, robbery, even murder.
It was our job to make the YMCA a compelling enough place so that teens would leave their lives of crime and violence.

We created a strategy built upon what teenagers want: a sense of belonging, cool activities, and meaningful contribution. These same wants explain why kids are attracted to gangs.

Slowly, our ideas on creating a more inviting culture started taking hold. YMCAs began seeing teenagers return to their programs and buildings.

Some of the kids became Y-camp counselors, bus drivers, and camp directors. Others became YMCA program directors; a few went on to become YMCA executives.

I remember one kid in particular. He told us he had been a member of a street gang. But he was intrigued about cool happenings at his local YMCA, so he joined the California Youth & Government program. In Youth & Government, he learned parliamentary procedure, wrote bills, and served as a legislator in the actual Capitol facilities.

His finest moment was standing on the floor of the California Assembly in a borrowed suit, passionately presenting his bill to his Assembly peers. He was articulate, inspiring, confident—and immensely proud when his bill passed the house.

Jerry taught me how powerful a great culture is for driving performance and values alignment (or not, in the case of a lousy culture).

Jerry also taught me that aligned behaviors are the pathway to workplace inspiration—and that misaligned behaviors lead to workplace frustration.

I was so transformed by my experiences with Jerry that I wanted to expand those ideas out as far as I could. I figured that if having a more values-aligned culture could turn around gang members, perhaps it could work in other places.

Over 25 years ago I started teaching these same principles to organizations, divisions, departments, and teams, helping them clarify their organizational constitutions, helping bosses be great, and helping to build engaging, inspiring workplaces.
This book presents best practices of high-performing, values-aligned work environments. It provides insights from my decades of experience and research on proven ways leaders can craft a safe, respectful, dignified workplace where employees thrive.

It pulls back the curtain and reveals how to refine your team’s or company’s culture—your company’s engine and work environment—so your people feel trusted, valued, and engaged in wowing customers every day.

**HOW IS THE BOOK STRUCTURED?**

The book is organized around three themes: defining an organizational constitution, crafting your organizational constitution, and managing to your organizational constitution.

Theme one, defining an organizational constitution, resides in chapter one. In this first chapter, you’ll learn the elements of an organizational constitution and why you need one for your company, division, department, or team.

The second theme, crafting your organizational constitution, is found in Chapters 2 through 5. In these chapters, you’ll learn how to create your personal constitution as well as how to create your organizational constitution, using real client examples and worksheets to craft each element.

The third theme, managing to your organizational constitution, resides in Chapters 6-10. In these chapters, you’ll learn how to demonstrate, measure, and coach others to embrace your organizational constitution, bringing values to life in daily interactions.

Engage in this process! With it, you can change your work environment from dreary and frustrating to inspiring, fun, and productive.

You’re going to be in your role, anyway, right? You may as well build workplace inspiration while you’re there.

Let’s learn how to refine your culture engine and implement this constitution thing.
CHAPTER 1

What is an Organizational Constitution, and Why Do You Need One?

You sense it the moment you step onto the Southwest Airlines plane.

Flight attendants greet you with a hearty, “Welcome aboard!” They look you squarely in the eye and give you a big smile.

One asks how your day has been and genuinely listens to your answer as they walk with you up the aisle to your chosen seat.

What you sense and feel so readily is that Southwest Airlines employees care. They enjoy what they do. They enjoy their teammates. They enjoy their customers.

They willingly engage with customers and teammates and have fun with both. And, they have fun while flying customers safely to their destinations, consistently on time (arrivals and departures), and with one of the lowest incidences of lost luggage in the industry.

Southwest delivers top performance while serving customers happily.

Or, you may be shopping on Zappos.com. You don’t see the shoe model you’d like online so you call their toll-free phone number (which is prominently displayed on every page). As you dial, you realize it’s 1:00 a.m.

No worries. Zappos team members are available 24/7. Carmen answers the phone and cheerily asks how she can help you. You explain that the web site doesn’t show the shoe you’re looking for.
Carmen says, “Let’s see if I can find a shoe that you might love!” Within moments, Carmen suggests two models with similar features and styling. She points you to their web page on Zappos.com so you can view them and decide if you’d like to try them.

You tell Carmen you would like to “hold them in your hands.” She arranges free shipping of both pairs so you can try them on at home.

Carmen says, “Keep the pair you love, and ship the other pair back to us. Free!” She explains that if you don’t like either pair, ship them both back for a full refund.

Zappos delivers top performance while serving customers happily.

Both of these successful, service-driven, and unique companies have formalized their purpose and values.

They are intentional about workplace inspiration. They don’t leave their company culture—or the treatment of employees and customers—to chance.

Southwest Airlines staff and Zappos team members engage willingly, pleasantly, and enthusiastically with customers because they love serving people. Southwest Airlines and Zappos hire people with a service mindset and a servant heart. Team members who don’t embrace the values of these organizations don’t stay.

In these organizations, there is no space for team members who don’t align with the company’s values and who don’t enjoy serving others.

You may have experienced other providers that have “it,” that unique, friendly, authentic, inviting environment that envelops you as a customer.

It might be your favorite “mom and pop” espresso house or your local dry cleaners.

You might not stop to think about it; you might just bask in it!

And, maybe you have thought about it.

You’ve asked yourself, “How do they do that? How do they create such an inspiring workplace that includes employees who love their work and love their customers?”
What companies like Southwest Airlines and Zappos do is make workplace inspiration—the employee experience—as important as performance and profits.

**WHAT IS THE CONDITION OF YOUR TEAM OR COMPANY’S CULTURE, RIGHT NOW?**

Just as you can sense the customer-focused culture when stepping onto a Southwest Airlines plane or speaking with a Zappos customer service team member, you can gauge the culture of your team or company by walking around your operation, by listening to what is important to staff, and by observing the quality of interactions between leaders, followers, and customers.

I encourage you to pay attention to what you pay attention to.

Most leaders look exclusively at profits and production.

And, results are not the only important product of an organization. How people are treated—and how they treat others—is a vitally important element of workplace inspiration that needs proactive and intentional tending.

Leaders of teams and companies need to keep their fingers on the pulse of how their organization is operating, not just how it’s performing.

In each chapter, you will find a Culture Effectiveness Assessment that will require you to learn your organization’s “truth,” in order to check your assumptions about what is and is not going well within your team or company.

Leaders base plans, decisions, and actions on what they believe to be true about their team or company “in the moment.” To what extent, though, do leaders check their beliefs against others’ perceptions before making a decision or taking an action?

This book is designed to help educate leaders and team members about what a high-performing, values-aligned work environment looks, acts, and feels like. The book includes tools like the Culture Effectiveness Assessment, step-by-step ways to craft each element of your
organizational culture, and proven guidelines for how to communicate, market, and manage to your organizational constitution.

Each of these elements is designed to make you hyper-focused on both your team or company’s performance and the values it lives by. The examples, stories, and tools presented in this book will help you to learn your organization’s truth and the reality of how the workplace environment operates today.

To understand your organization’s truth, you need to:

- **De-Insulate Yourself.** It is likely that you have, unintentionally, depended upon a select few players to give you information about what’s happening around your workplace daily. Increase the number of your sources inside the company. Dedicate space and time to learn from different players throughout the organization to ensure you’re getting a bigger, more accurate picture.

- **Genuinely Connect with Team Members.** Employees know which leaders are truly interested in them as people, not just in them as contributors or “cogs in a wheel.” Connect with players in every department and function. Learn people’s names. Engage them in conversations about their families and hobbies. Take five minutes to visit, without problem solving. Listen without defending. Over time, these genuine connections will enable others to tell you their perceptions, concerns, and hopes.

- **Seek Out Truth-Tellers.** It is all too common for leaders to, over time, surround themselves with people who reinforce the leader’s current beliefs and perceptions. However, the most effective leaders engage with truth-tellers often. Truth-tellers are unafraid of describing their perceptions, theirs and others’ understanding of the reality of the leader’s plans, decisions, and actions. Knowing more people’s truths can help make the leader’s future decisions more effective.

- **Share Your Assumptions and Your Learning.** Check your assumptions by sharing them with team members. Say, “I
believe x is an opportunity for us. What do you think?” As you learn more of your organization’s truths, share those. Say, “I’m learning that many of you don’t understand a recent decision of mine. Here’s what I was trying to accomplish . . . .” Listen, and continue to refine your assumptions, plans, decisions, and actions.

In the meantime, we need you to learn more about what’s happening in your work environment today. To help you start to understand your organization’s “truth,” I encourage you to take a tour, right now, of your team or company’s work environment.

Don’t take notes. Just wander around, and observe the current state of your team or company culture.

On your tour, notice whether the work environment is clean, bright, and inviting.

Notice if workspaces and hallways are free of any material that might cause someone to stumble or that inhibits free and safe passage.

Is signage helpful and clear?

Does the facility and equipment “shine” with loving care, or is it dull from years of use and neglect?

Do employees greet each other kindly, not so kindly, or not at all (they mostly ignore each other)?

How do employees greet customers (if yours is a customer-interfacing environment)?

How do team members treat each other—with respect, with disdain, or something in between?

Are team members doing the work they need to be doing—or are they distracted?

Is the work environment one of steady activity, frantic activity, or something in between?

How are customers referred to—as valued partners or “distractions” to getting the “real work” done?
Observe meetings, paying close attention to plans, decisions, and actions. Do those plans, decisions, and actions honor employees, customers, and stakeholders equally—or does one group win out over the others?

Take in every function during your tour. Observe behavior and conditions all over your facility. Take notes on your insights.

If you have facilities located in far-flung regions, you can phone people you trust in those facilities and ask them to tour, observe, and report back their insights.

Before we review your tour notes and insights, let me congratulate you. You’ve just done something that far too few leaders do: examine the condition of your organization’s culture. These culture tours are vital ways for you to keep tabs on how well your culture operates, how inspiring your work environment is, and the degree to which employees are excited to serve in and for your company or team.

The best way—our proven way—for you grow skills for proactive culture management is to:

- Study the best practices of high-performing, values-aligned organizations (which this book and other avenues provide).
- Gather frequent data on the condition of your team or company’s culture (through observation, employee surveys, exit interviews, frequent informal conversations, and other means).
- Close identified gaps between your current culture and the high-performance, values-aligned culture you—and your employees—deserve.

If you choose to proactively manage your desired team or company culture—and I’m confident you will (after all, you’re reading this book right now)—you’ll be doing more tours more often in the days to come.

Let’s review your tour insights by having you rate the statements in the chart on a one to six scale. Circle your score for each item.
Tally up your scores. On this first assessment, the total possible point value is 30. A score of 25–30 is very good; that means you rated each item with “agree” or “strongly agree.”

It is likely that your total score at this early stage is short of 25 points—maybe even short of 15.

You may be a “tough grader,” holding your team or company to high standards. That’s not a bad thing here.

You may be an “easy grader,” believing your team is terrific, despite the reality that is evident just below the surface.

You need the perspective of the unvarnished truth, a clear understanding of your team or company’s true starting point in this journey towards a high-performing, values-aligned workplace.
Whether you scored your team or company culture as effective or not so effective at this stage, you probably believe your team or company is performing below it’s potential. You’ve seen opportunities pass the team by, maybe because they weren’t ready for it . . . or they couldn’t see the opportunity for themselves . . . or they didn’t want to work any harder . . . or a multitude of other reasons. “Why wouldn’t the team see this opportunity?” you might ask.

You probably see self-serving behavior by leaders or employees, periodically or more frequently. “Why do those players act in self-serving ways?” you might ask.

These are a wonderful, insightful example of the “concept of perfection.”
Order your copy today!

S. Chris Edmonds

the culture engine

A FRAMEWORK FOR DRIVING RESULTS,
INSPIRING YOUR EMPLOYEES, AND
TRANSFORMING YOUR WORKPLACE

WILEY