Developing a Culture of Excellence

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What Is a Culture of Excellence?

As a leader, you don't head to work every day intending to achieve mediocre results. Nonetheless, you may be inadvertently setting mediocre expectations through your actions or focus. Unfortunately, this is a trap that snags many organizational and business leaders.

Every executive and business owner wants **immediate results**, **accelerated performance** and **lasting change**. However, many leadership, corporate culture and training programs produce only short-term gains that fade away as teams go back to their old habits.

The key to moving your organization from mediocre to a state of excellence requires a fundamental shift in your corporate culture. When you build a corporate culture of excellence, you create organizational capacity and a structure that empowers, focuses and engages employees. You stop wasting a tremendous amount of time and money nurturing an outmoded culture focused on problem solving. Instead, you equip your teams with the right mindset and skills necessary to focus on creating the desired results.

What are Key Characteristics of a Culture of Excellence?

1. **A Compelling Organizational Vision that is well Communicated and Understood**
   It's not enough to simply have a stated organizational vision. To achieve a Culture of Excellence, every employee must understand not only the company's vision, but also know their own roles, responsibilities and the specific actions they need to take in order to help achieve this vision.

2. **Clear Purpose and Meaning**
   In a Culture of Excellence, employees feel that what they are working on is meaningful, significant, and purpose-based. Everyone concerned is highly inspired by the common purpose, which becomes the driving force behind everything that they do.

3. **Mastery of Roles and Focus on High Performers**
   Most companies unconsciously concentrate on problem solving and fire fighting and end up rewarding mediocrity. In fact, many managers actually enable their low performers by focusing their time and energy on trying to solve their problems — while paying a disproportionate amount of time to their high performers. Those high performers eventually leave the organization because they aren't being recognized or rewarded for their hard work.

   Companies with a Culture of Excellence set an expectation of high performance organization-wide. Every employee is supported and encouraged to become a master in their role and area of expertise. High performers are nurtured, rewarded, mentored and recognized, and average performers are coached to move into the high performance category. In these cultures, there is no place for low performers, and they either move up or leave the organization.

HIGH PERFORMERS

4. Resilience to Change and Challenges

In most organizations, when change or challenges occur, employees become distracted and lose focus on the organizational vision and goals. In a Culture of Excellence, employees develop the flexibility and resilience to deal with change, challenge and uncertainty. Even when there are obstacles and challenges that may seem impossible to overcome, the motivation to achieve the organizational vision is higher than the urge to avoid discomfort and pain. With that clarity of purpose and a strong desire to succeed, they push through the barriers and move forward toward their vision. Managers support their teams in staying focused and on track, despite difficulties and challenges.

5. Highly Collaborative Teams

Most of us have worked at companies where the silo mentality reigns. Teams and individuals closely guard their expertise, projects and knowledge. Collaboration across teams is nearly non-existent unless forced. A key feature of a Culture of Excellence is highly collaborative teams—both internal and external. Because every employee and all teams are working together toward a common organizational vision, they feel they are on the same side. And because this collaboration is encouraged and rewarded from the top down, there is no more reason to protect individual roles, projects or expertise.

6. Pioneer Mentality

Most companies that achieve a Culture of Excellence do not settle for mediocre. Instead, they are focused on creating something that has never been created before, breaking records and achieving unprecedented results. From the outside, it may seem as if they are achieving the impossible. The resulting energy, excitement and drive creates a certain positive tension that reverberates throughout the company. Employees and teams are encouraged to explore, nurture and co-create to achieve common goals.

"The best path to achieving a sustainable competitive advantage in a dynamic marketplace is through the development of an innovative and winning corporate culture. In building and optimizing a leading culture, an organization can significantly differentiate their brand in the hearts and minds of their customers, employees and communities whilst delivering meaningful value appreciation for shareholders."

Darren Entwistle, TELUS President & CEO

How Is Culture Related to Performance and Results?

If your business were a computer, your corporate culture would be its operating system. You have to have the right operating system in place, otherwise your software programs simply won't work. It's the same with your business. If you don't have the right corporate culture in place, you won't achieve your performance goals—no matter how much time and money you spend.

Many executives mistakenly think of corporate culture as an intangible concept. So when their company experiences challenges, they turn to what they consider to be more concrete solutions like team building or skills training. Unfortunately these activities are akin to putting out little bush fires without considering the current climate or environment. They tend to address only the symptoms and not the core problem.

In reality, corporate culture is a tangible concept that can be quantified and measured. By working on your corporate culture, you are both addressing the core cause of any problems you may be experiencing, and accessing the solution to real growth and the business results you want to achieve.

The Bottom Line Results You've Been Looking For

Because corporate culture deals with every aspect of your business, you can expect to see measurable improvements in productivity, revenue generation, retention of high performers, and profitability. You can expect the following behaviours and results to become the norm in your organization:

- Significantly improved engagement, alignment, and team collaboration
- Committed and engaged employees working toward common goals
- Loyalty and commitment to the vision and values of the organization
- People who are happy and proud to be part of something 'Big' that they are creating together
- More satisfied customers that keep on coming back
- Increased efficiencies and productivity
- Overall improvements in profitability and market share.

Companies in Canada's 10 Most Admired Corporate Cultures Hall of Fame include TELUS, PCL Constructors, BlueShore Financial and Cineplex.

Companies with the strongest corporate cultures tend to be the companies you read about in the media. They are the market leaders and market shapers. They are constantly creating new products and, in some cases, inventing the future. They are innovative and constantly learning and tend to add significant value to society. These are companies creating breakthroughs in fields such as medicine, technology, research, and communications.

Research Links Corporate Culture to Financial Performance

Research studies have clearly demonstrated that cultures of excellence achieve results that are far superior to those who do not have cultures of excellence.

Kotter and Heskett:

A landmark 11 year study by Kotter and Heskett titled "Corporate Culture and Performance" documented results for 207 large U.S. companies. They reported that companies that managed their cultures well saw revenue increases of 682% compared to 166% for the companies that did not manage their cultures well; and net income increases of 756% versus just 1% over that period.

Waterstone:

In 2010, Waterstone Human Capital released the results of its 2010 Canadian Corporate Culture Study, which involved interviewing 185 Canadian executives from a variety of industries. The study found that there is a direct correlation between a positive corporate culture and corporate performance:

- 77% say that they measure their corporate culture (a number that more than doubled since 2006)

- 71% say their corporate culture drives sales and revenue

- 82% either agreed or strongly agreed that corporate culture impacts their ability to acquire top talent, and 87% agreed or strongly agreed that corporate culture impacts their ability to retain top talent.

The three-year compound annual growth rates of Canada's 10 Most Admired Corporate Cultures of 2011 have significantly outpaced the S&P/TSX 60 by 1300% in asset growth and 600% on return on revenue.

Why Is Skills Development Training Not Enough?

If your company is like most, you don't realize that the core cause of most of your organizational problems is an underdeveloped or poor corporate culture that is out of alignment with your strategy, so you waste valuable resources treating the symptoms, usually in the form of better planning, team building activities, or implementing new processes or skills training. Problems in a team? Let's do some outdoor team building activity. Leadership issues? Send the manager to leadership skills training. Team building and skills training will not solve your corporate culture problem. Here's why.

Team Building Sessions:
Team building type activities like river rafting, bowling, skiing and weekends away are a lot of fun. But when your teams return from their fun activities, the same issues and problems reappear within a few days or a week. This is because you're skating around the real issues and dealing with symptoms.

Skills Development Training:
Sending people to skills development training in sales, leadership and service is a common initial response to problems in the organization. However, when the culture is stifling, or not positive or constructive, people aren't engaged or interested. And when they're not interested, they don't care. So when you send employees to these training programs (that cost a lot of money) they are present because they have to be, but they don't take much in. And when they go back to work, they still aren't happy with their managers or they still have issues with team members because these core issues were never addressed.

The Connection Between Culture and Skills Training:
There is a direct correlation between the culture of the organization and the skills and behaviours of the people. Skills training and development programs are ineffective without a positive culture in place.

When an organization has a constructive or positive culture, people are more receptive because they are more engaged. And when they are more receptive and engaged and are sent to learn new skills, they want to be there. As a result, their level of learning increases significantly and so does your return on investment. When they return from training, you see the results right away.

The important thing to remember is that while technical and skills training are important, they should be seen as a second step to be taken only after a positive corporate culture has been established. Only this results in engaged employees who are ready to learn and to apply what they have learned to achieve their goals. If this culture is not yet in place, your training and development programs will simply never produce the results you would hope for.

THE CONNECTION

Why Is Leadership Coaching Not Enough?

Many managers are promoted from within the company, and not elected as leaders by their teams. Furthermore, companies tend to promote the best operators to become managers and these operators may or may not have any knowledge or skills in managing people and leading teams. To make up for this, they are sent to leadership skills training or coaching programs.

However, when they are sent to leadership skills or coaching programs, these new managers frequently don't apply the learning. They may try one or more of the skills when they get back to the office, but then they often feel uncomfortable and stop and find excuses as to why the skills training didn't work.

The challenge is that these programs tend to focus on theories and general skills, but most of these tools are either not practical enough or are used in the wrong context. And if the managers don't have the right mindset in place, and the right culture back in the organization, they won't have the confidence or courage to deal with difficult problems or personalities. As a result, they avoid handling tough situations—and do not use the coaching and leadership skills they were trained to use.

A Culture-First Approach to Leadership Coaching

In 2012, Forbes magazine posted an article declaring that, "Training is the #1 reason leadership development fails." Why is this so?

Skills-based leadership programs are simply not enough. Your leadership team may lack confidence, willingness and focus. Additionally, they may not be engaged or may lack the motivation and drive to achieve your organization's goals. In fact, a Towers Perrin Global Workforce study of 90,000 workers world-wide (including 5,000 in Canada) revealed that only 23% of employees consider themselves highly engaged. If your leaders and managers do not take full responsibility for their own performance and for that of their teams, and if they don't change their mindset and attitude, no amount of skills training will ever deliver results.

However, if you focus first on building the right leadership culture and mindset, confidence problems and fear of change will disappear, and your leadership team will be engaged and ready to learn and apply new tools, strategies, and tactics.

> The challenge is for leaders to resist short term pressures and instead look inwards at their organizational culture and ask how they can create an environment that allows for greater alignment and integration.

How Does Powerful Organizational Change Begin?

Whether it's at work or in our day-to-day lives, the desire to avoid discomfort and uncertainty overrides nearly everything else. That is why effectively managing organizational change is a monumental challenge for most organizations.

While companies want their teams to be focused on organizational goals, employees are more motivated to avoid change, fear and uncertainty. In order to keep their teams focused, many companies resort to a problem-solving style of response. Unfortunately, it is exactly this style of response that backfires and moves companies even further away from their intended results.

Reaction and Problem Solving Is Not the Right Strategy for Change
When companies spend their time and energy focusing on getting people back on track, they automatically become reactive and their orientation becomes more **problem-solving** focused than **vision creating**.
In fact, in most organizations more energy is used for fixing existing problems than focusing on the mandate and the vision of the organization.

Real Change Must Start with Engaging Every Employee at the Core
The only way to keep teams focused on your organizational goals during times of change is to create a culture where every individual feels in their very core that focusing on the highest aspirations and meaningful goals of the company is more important than the uncomfortable feelings created by change.

No matter how good your strategy is, when it comes down to it, people always make the difference.

Three Steps to Building a Sustainable High Performance Organization

A key ingredient to transforming your business from the status quo to a sustainable, high performance organization, therefore, is your corporate culture. When you build a corporate culture of excellence, you create organizational capacity and a structure that empowers, focuses and engages employees. You stop nurturing an outmoded culture focused on problem-solving. Instead, you expend your energy and resources to equip your teams with the right mindset and skills necessary to focus on creating the desired results.

A dysfunctional culture can drive your best talent away; an exciting, supportive, and empowering one can attract and retain them.

As an organization, you also need to help employees develop the flexibility and resilience to deal with change, challenge and uncertainty that may arise along the way. This will ensure that they are ready to learn, absorb and retain new skills and stay focused on their goals. Finally, your leaders need to embrace practical coaching for excellence skills to sustain your momentum over the long term. Without this internal leadership and coaching capacity in place you will resort to the old pattern of finding short term solutions that fall by the wayside as employees slip back to their old habits.

By implementing a three-phase process, you can start building a new culture of excellence and creating an organization where your employees feel empowered, inspired and motivated.

- **Phase 1: Mindset of Excellence.** The first step to building a corporate culture that will drive a high performance organization is to create a mindset that will engage and align every employee with your vision, mission and values, and leave them speaking a common language of excellence. You will build a new capacity for growth. Your employees will think in more creative and innovate ways, and will develop the tolerance to continue to move forward despite challenges, change and potential distractions.

- **Phase 2: Strategies for Excellence.** With the new mindset of excellence in place, your teams will be ready to focus on achieving their specific goals and plans for performance excellence. This phase is all about growth—building the skills and competencies required to grow the business.

- **Phase 3: Sustaining Excellence.** When the first two phases are complete, you will have a strong collective mindset of excellence in place, alignment around performance goals and the skills and competencies required to deliver excellence. Now, it's time to focus on developing strong leadership to ensure that the new mindset and performance skills learned are sustainable and simply become the way things are done. This is a critical step often missed in organizations — but is required to ensure that employees don't revert back to old habits.

Easy as 1 - 2 - 3

1. Mindset of Excellence
2. Strategies for Excellence
3. Sustaining Excellence

Building a Culture of Excellence Organization-Wide

Some companies make the mistake of limiting their corporate culture development to just their leadership or executive team, and hope it will simply trickle down to the rest of the organization. Or they may think they have a revenue problem or a customer service problem, and limit their focus to specific teams.

While there are times that high performance companies experience particular issues related to a single team, the most successful companies focus on building a culture of excellence organization-wide. They understand that every part of the organization has an impact on the other parts, and that the most powerful results are created when every part is in sync.

By focusing on every employee and team across the organization, you will ensure that each individual:

- Is aligned to a common vision that is inspiring and meaningful, a vision that the entire organization is proud to work toward.
- Understands what the end goal is, where the company is now and, specifically, how to bridge the gap between the two.

Leadership Excellence
If your executives and leaders don't have the right mindset in place, no amount of leadership development and skills training will ever make a difference because distractions due to feelings of powerlessness, insecurity, avoidance, resentment, fear of change, or a protectionist mentality will prevent them from being fully open, interested and curious about the new learning.

However, if you focus on building the appropriate leadership culture and mindset first, fears, resentment and confidence issues will be transformed into opportunities for growth, greater team cohesion and collaboration and a leadership team that is engaged and ready to learn.

When your leaders have the right outlook and truly apply practical leadership and coaching skills, not only do team members feel encouraged and supported, but they know that their roles and work matter, which results in higher levels of motivation and independence to work toward their goals. This frees up leaders and managers to move away from problem-solving and baby-sitting, and focus instead on what they are supposed to do—be strategic and improve team performance.

Leadership doesn't just happen. But when it's done right, the result is highly committed and engaged teams, with high levels of communication, workflow and productivity.

Sales Excellence
While it's common knowledge that a high performance sales team is vital to the financial success of any organization, many companies simply go from one sales training program to another, getting the same results each time—short term rises in performance and productivity that quickly drop off as sales people drift back to their old habits and routines.

LEADERSHIP

Once again, if your sales people don't have the right mindset in place, no amount of skills training will ever make a difference. Your sales team may lack assertiveness, commitment or focus but if you first concentrate on building the right sales culture and mindset, fears of rejection and confidence problems go away. Your sales team will become more confident, assertive, receptive and accountable—and will be able to deal with the different challenges facing them.

Teams that have achieved sales excellence operate from a customer mindset. They understand the needs and motivations of customers and partner with them to create a result that is mutually beneficial to both parties. It is all about relationships and partnership.

Customer Service Excellence

The essence of customer service excellence is the ability to create a memorable and positive experience. This experience must be unique to your organization and consistent at every touch point, whether it's on the phone with a representative, in person at the front desk, or speaking with the accounting department.

In order to deliver this level of customer service, a mindset or culture of excellence is again required. Only then will your customer service teams understand that a great service experience is not created simply through applying some skills, but comes from the energy and core essence of each person.

Service excellence is the ability to create a connection with the customer so that they feel you genuinely care about the fulfillment of their needs. This generates the superior service experience that causes them to come back for more. It creates the buzz and reference base that every company wants.

Team Excellence

If companies do not have that unifying element that comes from a strong corporate and team culture, most people will be more focused on protecting their own agenda rather than working collaboratively with others in a spirit of openness and common interest.

In order to create team excellence, there has to be a common unifying goal and aspiration that brings people together—where everyone on the team understands that by working together as a team, everyone will benefit more: individually, as a team, as an organization, and with customers.

To truly achieve team excellence, each individual must believe that by working together they will achieve more than by protecting their knowledge, skills and expertise.

Operational Excellence

To achieve operational excellence in a manufacturing environment, every team member has to have the right mindset in place, and understand the specific goals they are working toward. These goals must be motivating, inspiring, and ones that can only be reached by working together.

With the right outlook, skills and coaching in place, operational teams work in the same ways that the very top sport teams operate. They are not focused on beating the other team but rather on beating the clock, breaking records, and achieving something that has not been achieved before. On the production line, this creates excitement, energy and positive tension.

Sustaining Excellence: Don't Settle for Short-Term Results

Don't send your staff and leaders to skills training alone. While you may see some initial short-term results, they will drop off as your employees fall back into their old habits. You need to have a plan in place to ensure that all the work you've done on your corporate culture, engaging your employees and giving them strategies for success is sustainable over the long term.

A key ingredient to sustaining excellence is equipping your managers with leadership and coaching for excellence skills. Once your leaders have become competent at using these different skills to improve the performance of their teams, they will be able to:

- Remove any distractions that could be getting in the way of maximizing performance.
- Effectively coach their team members to un-tap their potential.
- Motivate and improve the confidence of their team members.
- Increase the focus and performance of their team.
- Increase their team's resilience and ability to deal with change and uncertainty.
- Enhance the creativity and innovation of their team members.
- Deliver excellence with their teams.
- Sustain your momentum over the long term.

Your leaders' focus will move from solving small problems, to coaching, leading and motivating their teams to stay aligned with the goals and vision of the company and move the business forward toward excellence.

Does Your Company Need a Corporate Culture Health Check?

Often, it's the companies that are already doing really well that realize what an impact corporate culture has on their organizations. These companies invest continually in improving their corporate cultures to support growth.

For most companies, however, there is *a significant event or trigger that causes them to seek help.* These triggers include:

- Mergers and acquisitions
- Moving from a private to a public company
- Privatization of a government or crown-type corporation
- Restructuring or new leadership
- Industry changes and increased competition
- Any significant change, including rapid growth.

Symptoms That Indicate You May Have a Corporate Culture Challenge

There are a few telling symptoms that show that your company has a corporate culture challenge:

1. **Distractions:** Your employees are distracted, and your managers are spending a lot of time dealing with small issues and problems when they should be focusing on your vision and goals.

2. **Silos and Conflict:** People are not working well together, and each department is guarding its own turf instead of working towards the common goals.

3. **Arrogance and Egos:** There are a lot of egos strutting around believing they already know it all and are above everyone else. This indicates that people are closed off and aren't open to hearing ideas and suggestions that might be better than their own and that could improve the business.

4. **Lack of Accountability:** Your employees are not taking full responsibility for their goals and their role in the company. Instead of focusing on improvement, they make excuses for poor performance and incomplete assignments, and lament that they aren't paid enough.

If any of the above scenarios sound familiar, you could have a corporate culture that is stuck on problem-solving versus vision creating. These are two hugely different focuses—the one delivers excellence and the other wastes your time and resources.

HEALTH CHECK

A Quick Quiz to determine if you have a Culture of Excellence

Culture of Excellence Health Check

To what extent do you agree or disagree with each of the statements below:	1. Strongly Disagree	2. Disagree	3. Neither Agree nor Disagree	4. Agree	5. Strongly Agree
1. The company has the mindset and culture to respond quickly to external changes	☐	☐	☐	☐	☐
2. We are all working towards the same end goal – pulling in the same direction (rather than working in silos)	☐	☐	☐	☐	☐
3. As employees we are encouraged to challenge the status quo in order to optimize everything we do	☐	☐	☐	☐	☐
4. We have the mindset and resilience to face challenges head on and deal with them	☐	☐	☐	☐	☐
5. Our organization focuses as much on achieving business results as it does on people engagement	☐	☐	☐	☐	☐
6. Our organization ensures that all leaders (particularly the CEO and Senior Leadership Team) base their actions on rock solid values, without compromise.	☐	☐	☐	☐	☐

If you rated your organization less than 4 (average), it is most likely that there is a gap between the culture you are aspiring for and the culture you currently have.

Building a Culture of Excellence will enable you to attract and hire the best people, increase engagement amongst your current people, and improve your overall performance and profitability.

Why Choose Dynamic Achievement:

Immediate Impact. Accelerated Performance. Lasting Change.

All executives and business owners want three outcomes from any investment they make in the business: **accelerated performance**, a **positive return on their investment**, and **lasting change**. However, many organizational development programs, be they leadership development, team development, corporate culture change initiatives, process improvements, or employee engagement interventions tend to produce only short-term gains that fade away as people and teams go back to their old habits. This is the analogy of the elastic band – as soon as you take your eye off the change initiative, the elastic band snaps back to the old way and people return to operating as they did before the intervention. Based on the five core differences outlined below, we ensure **Immediate Impact, Accelerated Performance, and Lasting Change**.

Our 5 Core Differences:

1. Business Strategy and Corporate Culture Expertise

We are not transactional consultants who start at the bottom of organizations in the hope that you will achieve some gains. We start where it really matters, at the top. We get to understand your business, your strategy, your differentiation, your customers, your competitors, your culture, your employees and your systems and processes. Our programs are all aligned with helping the business achieve its strategic objectives.

All three sides of this triangle (see below) must be in alignment for any business to stay in business. The organization must have a clear and competitive strategic direction and the organizational capability and human capital to successfully deliver the strategy. We see Culture development as a strategic initiative that must be aligned with the Corporate Strategy.

THE STRATEGIC ALIGNMENT MODEL

2. Unique Program Design

Dynamic Achievement has designed a unique approach to culture development that delivers real business results. We base our program design on the following beliefs: that people are an organization's most critical asset; it takes time to develop a high performance culture; that what gets measured gets managed; and that leaders must be accountable for producing great results through their people.

3. Mindset, Meaning, and Purpose

Real and sustainable business transformation can only happen when leaders and employees **feel engaged at the core**, and are aligned with a higher sense of purpose and meaning.

Specifically, leaders and employees must see and experience the following alignment and

connections:
- the organization's strategy and goals are aligned with their own personal purpose and goals;
- the culture of the business is aligned with the strategy (actions speak louder than words);
- the way leadership conducts business is in alignment with their personal values and the expressed values of the organization;
- that people at all levels (and particularly those in management) are going to be held accountable for performing at the highest level of excellence.

Many employees, at all levels of organizations, don't see or feel this connection or the accountability, which is why, in North America today, only 29% of employees feel actively engaged in their company and in their jobs.

Our programs start at the CORE, with the leader's Mindset and only when this has been correctly developed do we move onto skill development. On the other hand, most management, organization development and human resources training companies focus on teaching and developing new skills in the classroom. Unfortunately, all the new skills in the world will not help organizations to achieve their full potential. What is required is a mindset and culture that empowers people to take responsibility for changing themselves first before they start to try to acquire new skills and processes. No amount of skill training will work if leaders do not have the right mindset.

4. Real, Measurable Results
When it comes to organizational development, measurable and sustainable results are the true measure of success. This is the mandate within which every customized Dynamic Achievement program is developed, and it is how we ultimately wish to be evaluated. We will agree on evaluation criteria with you prior to the commencement of the program and throughout the process measure each milestone accordingly. The metrics we agree on will form the foundation of our measurement criteria.

5. Performance Excellence Guarantee
If, after implementing the complete, fully integrated program as designed and recommended by Dynamic Achievement, and after applying the new strategies, tools and processes as suggested, you are not 100% satisfied with the return on your investment we will continue to work with you at no extra charge until the agreed objectives have been achieved.

Contact Us To Get Started

For client references and client specific results from our programs please contact us:

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DYNAMIC ACHIEVEMENT
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