

FUELING MORE THAN CAR SALES

How driversselect used the Power of TED* (*The Empowerment Dynamic) to transform company culture and profitability

THE CHALLENGE: FIND COMPANY PURPOSE THROUGH PURPOSEFUL LEADERSHIP

driversselect is a discount retailer focusing exclusively on one-to-three year old vehicles with no reported accidents and still under the original factory warranty. All their inventory is offered at auction level pricing, with a buyer-centric, no-hassle process delivered by some of the most caring, engaged people in the industry. They have been a Dallas Business Journal Best Places to Work award winner two years running. But even this accolade does not begin to capture this extraordinary business with a model built around the four tenets of Conscious Capitalism and a stated purpose to “infect the world with highly contagious care.”

The story of driversselect and TED* (*The Empowerment Dynamic) has a happy beginning and a happy ending. In between, there was disenchantment and, then, a new beginning.

Founded in 2004, driversselect grew from zero to over \$70 million in just three and a half years. “I thought I had achieved everything I wanted to achieve in business,” says Steve Hall, CEO. “Yet, I wasn’t enjoying it. I wasn’t proud of what I was building or the impact I was making.”

Then, in 2008, the financial crisis broke the driversselect model apart. Steve saw it as an opportunity, and took the next two years to explore how to put the pieces back together in a different way. He enrolled in the Integral Leadership Program offered by the Stagen Leadership Academy, where he connected with people who were leading through higher purpose and conscious culture. The program also introduced him to the TED* framework, which really resonated.

It was a passing remark by a Stagen Academy colleague—“leaders deserve the organization they get”—that led Steve to look at leadership through a different lens. He had thought the answer to scaling the business was to bring on better people. “What I really needed was a better CEO,” he says. Steve knew that what he modeled was what would get implemented. If he showed up like a Persecutor, people would repeat that behavior. If he played the Rescuer role, it would signal that no one needed to take ownership. This was the beginning of the driversselect rebirth.

THE RESPONSE: TED* (*THE EMPOWERMENT DYNAMIC)

The TED* component of the Integral Leadership Program included weekly coaching calls and gave Steve the opportunity for deep, deliberate practice. “I realized how contagious my energy was. If I showed up as a Victim, it created more victim mindsets. But if I shifted into being a Creator, it led to more people adopting the creator mindset.” He was ready to bring TED* to everyone at driversselect.

Steve began to see that becoming a close-knit group was essential for driversselect to excel. Shared language played an important role, and the TED* framework was a vehicle for that. TED* also supported shared learning, which was foundational to the company’s culture and their core value of “Learn to Earn.”

Another thing Steve realized is that people show up to work with a finite amount of energy. How that energy gets used has a big effect on business outcomes. “If that energy is burned up persecuting and rescuing, we’re not going to have high performance. But if we can invest more of our time in being co-creators, coaches, and challengers, we’re going to sell more cars and do it better,” he says.

Currently, the company runs a 13-week Foundation Leadership Course each quarter. Taught by driversselect’s vehicle operations manager, it includes sections on conscious communication, attention management, and the TED*-based drama triangle (which has by far the most engagement). The course is open to the entire company, so people in entry level positions are in the same program as senior managers, promoting more empathic, effective interaction.

There is also an opportunity for anyone in the company to attend the two-day TED* “Deeper Dive” workshop with TED* principal facilitators David Emerald and Donna Zajonc. Those who participate come back energized, talk to others about their experiences, and model the behaviors.

THE RESULTS: ENGAGEMENT UP — 9X PROFIT INCREASE IS JUST THE BEGINNING

Bringing TED* into the driversselect culture has been enormously beneficial. The supportive environment allows people to be vulnerable. As they honestly share experiences, everyone learns, increasing productivity and reducing the time and cost of resolving errors. This safe space also allows people to talk about issues at home and use the TED* framework to explore them—a refreshing change from typical workplaces, which usually send the message, “We don’t want your drama here.”

Since embedding TED* deeply in the company culture, there’s been growth on multiple levels. “The engagement numbers are

off the charts,” says Steve. Even more telling are the profitability metrics. “Our profit is up 9x since we incorporated TED*. And our revenue per employee is more than triple the industry average.” The cultural transformation is more telling still. Recently, driversselect was acquired by a Fortune 300 public company. Their unique culture was a key consideration. And everyone is staying on. They love it that much.

As for the future? More of the same. “It’s a journey that’s never complete,” says Steve. “We’re playing the long game and will keep investing in our stakeholder community. It’s only been seven years, so there are lots of opportunities for improvement as we take the next steps in infecting the workplace with highly contagious CARE (Caring Acts Randomly Expressed).”

BIG BUSINESS RESULTS!

- ENGAGEMENT: BEST PLACES TO WORK IN 2016 AND 2017
- GLASSDOOR RATING: 4.6 AND CEO RATING OF 97%
- PROFIT: UP 9X
- REVENUE PER EMPLOYEE: 3X THE INDUSTRY AVERAGE (NEARLY \$2 MILLION PER EMPLOYEE)