

Harnessing the Power of Ownership Passions: Creating a Shared Ownership Vision

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Behind every strategic intent, and guiding the balancing of constituencies, is an underlying set of values and beliefs. Explicitly or by default, values and beliefs guide the decisions of corporate life.

— Francis J. Gouillart and James N. Kelly, *Transforming the Organization*

In her recent book, *Leadership and the New Science*, Margaret Wheatley says that there is nothing more important than a vision. While goals and objectives will undoubtedly change, a clear and meaningful vision can keep us on our path and prevent us from getting lost in the chaos of change. A vision is a picture of the ideal future. By describing a future that is strongly desired, a vision can inspire people's commitment and mobilize people's energy in order to move toward that vision.

For employee-owned companies, creating a shared ownership vision is a means of aligning the inevitably diverse expectations that the term "ownership" connotes, while capturing the passions that ownership can excite. When a company becomes employee owned, the change in ownership structure often causes employees to believe that now that they are owners, things will be different. How things will be different is the image that is described by an ownership vision.

What Is a Shared Vision?

The idea of developing company visions became popular several years ago. Many organizations have crafted lofty-sounding visions that are printed and framed in the cafeteria, the hallways, and the entryway. Some companies print their vision, mission, and values on wallet-sized cards and distribute them to all employees. More often than not, visions have been created by a strong leader or by a small group of managers. As a result, these visions may bear little connection to the everyday experience or behavior of employees. In most cases, employees can't even

tell you what the company vision is. Much less do they view it as an inspiration or motivator of their behavior.

Developing a *shared* company vision requires a different and more complex process, and creates a more meaningful outcome. The goal of creating a shared vision is to develop a desired image of the future that most people in a company feel connected to, believe in and care about achieving. For employee owners who anticipate and desire having a voice in their company, active involvement in developing the company's ownership vision may be a first step in "feeling" like owners. "Owning" the image of your company's future can be a powerful motivator.

Although the inspiration, motivation, and commitment that result from actively participating in developing your company's vision are worthy ends in and of themselves, a company's real benefit accrues when people's passion for achieving a vision results in improved company performance. In his book, *The Fifth Discipline*, Peter Senge clearly identifies the development of a shared vision as a core element in creating high-performance "learning organizations." When an ownership vision is tied clearly to a company's business goals, it is the power of the shared vision that focuses employees' behavior on attaining those goals.

Key Factors in Making a Company Vision Effective

By now it should be obvious: a vision is only part of what channels the energy and passion of employee owners. There are three other factors that weigh in with at least equal importance.

The vision development process

The first critical factor is the process of creating a vision. If this process contradicts the vision itself, you're already working against yourself. If, for example, an ownership vision declares that employee owners will be empowered and involved, then developing an ownership vision without their input may simply be viewed as a demonstration of the company's lack of commitment to the vision.

For employee-owned companies, the process of creating a vision is particularly important. This can be one of the first steps in creating a meaningful ownership culture. Central among the range of expectations that employees usually have about ownership is "having a voice." If one of the first company efforts to make employee ownership meaningful is through a process which clearly gives them a voice, then their initial expectations are supported.

In addition, the process of jointly creating a company ownership vision will provide the opportunity to talk through differences in expectations and to come to a set of shared expectations that define the vision. What emerges is a widely shared view of what ownership will mean in the company. In this way, employee owners both have a voice and, through their participation and discourse with other employee owners throughout the company, a way aligning their expectations.

Linking the ownership vision to strategic business goals

The second critical factor is connecting the ownership vision to the company's 5 strategic business goals. Too often we think of things like vision and values as the "soft" stuff of organizations that are nice, but not central to accomplishing the real business goals of the organization.

In our view, a company's ownership vision should define the process for how the company is going to achieve its business goals.

Indeed, if the ownership vision is not solidly connected to the business goals of the company, you might as well not have an ownership vision. Managers or unit leaders and members who are responsible for meeting specific performance or productivity goals or targets will be focused on those goals. If the ownership vision is going to drive behavior in the company, then organization members need to clearly understand and believe that by working toward the ownership vision they will also achieve their business goals. It isn't enough to make your company a "good place to work" if being a good place to work doesn't also make your company profitable. What good is a nice work environment if you don't have a job?

When people feel threatened, they revert to behaviors that are most familiar. If an ownership vision isn't clearly connected to a company's business goals, then competitive pressures may result in managers' focusing on achieving the business goals without reference to the ownership goals.

Although in some cases such behavior may rescue profitability in the short run, it can seriously set back the company's success in the long run. People who have been working to realize the company's ownership vision will feel they have been betrayed and high levels of distrust can develop.

The long-term consequences for the company overall would be far better if, in the midst of a crisis, a company that had committed to achieving an ownership vision could use behaviors consistent with that vision to work through the business threats. That would demonstrate for everyone the true link between the business goals (what you want to achieve) and the ownership vision (how you want to achieve it)

Furthermore, if managers are being rewarded (evaluated, promoted, given bonuses) according to their ability to have their unit achieve its business goals, then they should likewise be rewarded for acting in ways that support the ownership vision in order to achieve those goals. If vision-consistent behaviors are not part of what is rewarded, they won't be regarded or attended to with the same degree of seriousness as other goals.

Making the ownership vision live

Like wine, words can describe a vision in detail, but the real test is in the tasting.

— Francis J. Gouillart and James N. Kelly, *Transforming the Organization*

The third element of developing an effective shared vision is making the vision "live." Flowery words of inspiration go nowhere if there isn't a process for making them real in employees' daily work experiences. People need to understand concretely how the vision can be achieved and what part they can play in it. They also need to see and experience a consistent company message supporting the vision. This message should be communicated through management behaviors, processes, and practices that are aligned with the vision, the structure of authority and responsibility, and policies that reflect the values implied in the vision.

Determining what changes need to be made to support the achievement of an ownership vision may be the most difficult step of all. Gathering people's ideas, synthesizing them, and writing a vision statement are all clear and concrete tasks. Reflecting deeply on individual behaviors, authority structures, policies and practices, management styles and strategies, and making appropriate changes is a much more time-consuming and slow-moving process. Furthermore, this process doesn't have a clear end point.

How Do You Create a Shared Ownership Vision?

There is no one method for creating a shared ownership vision. However, one goal of any method should be to maximize the inclusion of organization members in the actual process of creating a vision. It is through a person's involvement in developing a plan, setting a goal, or generating a solution to a problem that she or he becomes committed to that plan, goal, or solution. At the very least, this goal precludes either a management group or a "vision" task force from going off to work alone for several hours, days, weeks, or months to create a vision that then gets communicated to the rest of the organization.

One process that maximizes employee involvement, generates high energy, and results in a high degree of aligned expectations and commitment to a shared future, is to bring all employees into one room to participate in a structured one- or two-day vision development event. Even an organization of several thousand can do this in a large facility such as a warehouse or an airport hangar; alternatively, they can do it by site or division. Through a carefully structured set of activities, the process moves from defining and discussing personal visions, to developing small group consensus about elements critical to an ownership vision, to creating a whole company image of a desired definition of ownership, to linking the ownership vision to the company's strategic business goals, to laying the foundations for a plan to achieve the vision.

The process for creating visions within small groups of 8 to 12 usually begins by having people first develop their own individual vision of an ideal ownership culture. Then, through sharing of each individual's vision and discussion of common and uncommon elements, the small group can develop agreement about those elements it thinks are critical. This process of discussion is important because it builds both trust and connection across groups and levels in the company (small groups are usually created to establish a maximum mix of company members).

It is also a process through which differences can be discussed and aired, and often resolved. This is particularly important when developing an ownership vision because of the different, and possibly conflicting, expectations employees associate with the concept of ownership. If the day's activities are well structured, it is often the case that during the day consensus begins to emerge, not only in the small groups, but also throughout the room. Finally, this kind of process also gives participants the experience of working in small groups which can be a good foundation if the company is moving toward a more team-based structure.

Once small groups have identified what they believe are core elements of an ownership vision, their lists can be combined into a master list that includes the elements identified by each group. The large group can then prioritize those elements it agrees are the most important. At this point, a representative group can be elected or appointed to take this input and create a vision statement to bring back to either this group or to each functional group or team in the company for revisions. During a two-day event, the synthesis of small group visions and development of a company vision can be done by a representative group between the first and second day.

In addition to the specific activities focused on developing the vision itself, other activities can enhance the visioning process. One useful strategy for an early part of the day is to provide participants with different models of what ownership could mean; for many of us it is hard to imagine something that we haven't experienced. This can be done by having guest speakers talk about what ownership means in their companies, handing out readings ahead of

time that describe companies with ownership cultures, or sending small groups of people out to visit other employee-owned companies ahead of time and then asking them to speak on panel about what they saw. This kind of process creates a shared set of possibilities for the participants that serve as a kind of common experience on which to draw.

An example of an activity that might take place after an initial company vision is developed might be to assemble participants in functional groupings. These small groups would be asked to develop a model that describes how the realization of an ownership vision (encompassing all of the core elements that were agreed to by the large group) would facilitate the achievement of the company's business goals. This activity, then, becomes the basis for the next step in the process of creating a shared ownership vision: making the vision live.

An alternative to the large-group process described above is to hold a series of meetings that ultimately involve the whole organization. This can be arranged through a cascading process (up, down, or across) in which representatives from each meeting attend the next meeting to input the conclusions from the previous group. Although this process can be effective, it rarely generates the excitement and energy that a large-scale event can create. Because it provides fewer opportunities for discussion and enhanced understanding across units, sites, or functions, it also results in less cohesion.

How Do You Give Your Shared Ownership Vision Life

The essence of a visionary company comes in the translation of its core ideology and its own unique drive for progress into the very fabric of the organization—into goals, strategies, tactics, policies, processes, cultural practices, management behaviors, building layouts, pay systems, accounting systems, job design—into everything the company does. A visionary company creates a total environment that envelops employees, bombarding them with a set of signals so consistent and mutually reinforcing that it's virtually impossible to misunderstand the company's ideology and ambitions.

— James C. Collins and Jerry I. Porras, *Built to Last*

Articulating an exciting vision of an ownership culture that taps the reservoir of people's feelings about ownership is still not enough to make the vision matter day to day. Until the vision is translated into action, it is only a piece of paper. The real work begins when people are asked to connect their daily behavior to core values of the company vision. That is, how does each person, in each action she or he takes, or decision she or he makes, help move the company closer to its ideal image?

There are many ways to bring your ownership vision to life. One of the most straightforward is to ask each work unit (team or functional unit, depending on how your company is organized) to develop a specific plan that details the actions, operations, or behaviors of that unit that will support the vision. This process can begin at the company wide retreat by dividing people into work unit teams near the end of the day and asking them to begin the process of defining how their unit will contribute to achieving the vision. The work can continue in each specific work unit.

The important element here again is the process. The process needs to allow all of the people in each work unit to participate in defining the ways in which they individually and in their own group can work toward achieving the vision. By discussing the vision and how they will relate to it, people become committed to behaviors that are aligned with the vision.

This process puts the ownership vision that has been created even more clearly into people's minds. In addition, each work unit should set some clear, measurable goals related to both the vision and the company's business goals so they can track their own performance. Knowing they will report on their progress at the end of a specified time frame will keep the vision clearly in front of them on a daily basis.

A second part of the process of bringing an ownership vision to life is to assess everything that a business unit now does and ask the question, is this process or action or decision consistent with the vision we have articulated? If, for example, the human resources department has created a "top down" evaluation process, and your company's ownership vision is one in which people are responsible and accountable to each other across the company, then perhaps the evaluation process needs to be changed to be better aligned with the ownership vision. Or, if a new manager is going to be hired, the ability to manage in a style consistent with the articulated vision should be a major criterion in the selection process.

A more dramatic means of drawing everyone's attention to the seriousness of a vision is illustrated by the actions of one CEO. After engaging the whole company in a visioning process and developing a shared vision that reflected the key elements that tapped people's passions, the CEO, on a Friday morning, announced that he was going to resign and asked everyone in the company to do the same. He wanted everyone, himself included, to spend the weekend thinking about whether they were really committed to the new vision and whether they were willing to change their individual behaviors in whatever ways were necessary to support it. If a person's answer was yes, she could discuss her commitment with her manager and be rehired on Monday. This action gave meaning to the company vision in a very powerful way.

The Role of Senior Management

If the whole organization works together to develop a shared vision, what is the role of senior management? Until recently, many observers of organizational life have declared that the CEO should be the company visionary, developing a vision that inspires employees to become committed to the company and its goals. The model I am suggesting here takes a different position. It is not through the framing of an exciting vision that a successful leader mobilizes the energy of company members. Rather, real visionary leadership is provided through the leader's ability to connect the members of an organization to a vision that ignites the power of their individual passions.

Few leaders can create a vision on their own that will tap the aspirations or desires of the majority of members of a large organization. In part, this is because for many of us it is the process of generating our own vision, discovering our own meaning, that charges our energy. It may even be easier for most leaders to inspire others by involving people in a process through which they can realize their own passions and link them to the achievement of the organization's goals.

In *Built to Last*, Collins and Porras talk about the leaders of successful visionary companies as being clock makers rather than time tellers—that is, people who focus on building visionary companies rather than on always being the visionary themselves. This idea is consistent with the role of the leader being one of creating a process for defining a vision, rather than creating the actual vision. In a company of owners, this model makes great sense.

Finally, it is through the process of dialogue that the individual visions of each organizational member can become aligned with each other and formed into a central organizational vision. Without dialogue, an individual is left on his or her own to decide whether there is a connection between the organizational vision and his or her own, assuming the individual cares enough in the first place to even bother thinking about the connection.

At a recent conference where we introduced the process of developing a shared vision, one person asked about the role of the CEO in developing such a vision. In response, a second participant shared an experience from her company in which the whole company was involved in the process of developing a vision. At the end of the process the CEO was disheartened to find that the vision of the company that was created was not aligned with his personal vision. As result, he resigned.

I'm sure this example gave pause to some of the CEOs in the room. However, this kind of experience makes it clear how out of touch that CEO was with company employees. Perhaps a different CEO would have been able to present some compelling ownership images that would have captured the imaginations of employees and helped to shape some of their thinking. After all, the process of building a vision doesn't happen in a vacuum. It is built on people's past experiences and hopes for the future.

Will Everyone Buy In?

If you go through a process of creating a shared vision, will everyone feel "ownership" of the final product? Will everyone be inspired? No, of course not. Some people's ideas will not be accepted by the larger group. Some people will find that their own visions are so divergent from everyone else's that they will feel like outsiders. Some will feel frustrated, some will even leave, and some just won't care.

The point isn't that every single person in the organization feels completely attuned to and excited about the company vision. Rather, the goal is to create a picture of the ideal organization that captures or ignites the passion of the majority of its members and turns that energy into actions that result in improved company performance. For employee owners, an inspiring image of ownership can motivate ownership behaviors by creating the links between individual behaviors, company performance, and individual rewards through increased share value.