

LeaderPerfect Newsletter

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In the Absence of Vision: The Sustaining Power of Values

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Books on leadership inevitably place a priority on developing a compelling corporate vision. But articulating a compelling vision is a challenging task. Just ask anyone who has ever taken a stab at it.

So what do you do if you can't come up with a strong statement of vision for your organization? As a consultant and coach, I'm increasingly asked this question by clients. Oh, they have a general, well-conceived notion of where they want to take their people. But they are stymied when it comes to reducing these intuitions to crisp, compelling language, visionary enough to guide the organization for years to come.

It's not that these men and women lack the imagination, creativity, or insight to develop a well-formed vision. No, the villain is most commonly the relentless pace of change. These leaders find themselves in settings where vision statements are outmoded almost as soon as they are finished.

This is especially the case in industries where marketplace realities change color more quickly than a chameleon. In technology-related businesses, for example, product obsolescence is often measured in months, not years. It's not uncommon for market conditions to compel companies to rethink their entire business model in relatively short-term cycles.

A Heretical Notion

In circumstances like this, how can you develop a long-range, sustaining vision? The truth is, it's often nigh unto impossible. You fundamentally have three choices.

First, you can forego a vision statement altogether. A second alternative is to develop a vision statement in precise, engaging language, simply accepting the fact that it is likely to be quickly outdated. Yet this goes against the principle that vision statements should provide consistent, long-term definitions of direction.

The third option is to offer a vision statement that is so generalized that it can weather periodic wholesale redefinitions of the core business. When they are this generalized, however, vision statements typically sacrifice the precision to be motivational and compelling.

Thinking about this problem recently, I've begun to toy with a bit of a heretical notion. Namely, vision may not always be as necessary for success as our management

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theories make it out to be. In particular, if you have a set of core values that are well-conceived, precisely-stated, and consistently-pursued, your organization may be able to do quite well based on these orienting values alone.

The power of vision is that it gives people a common focus and a common sense of direction, while also serving to inspire them to superior performance. Well-stated core values have the same potential. True, values do not give us as much focus as a compelling, well-articulated vision. But it seems to me that (in the absence of a clear sense of vision) corporate values which are carefully-enunciated, constantly promoted, and consistently followed can afford us much of the benefit of leadership vision.

A Values-Shaped Company

I had been toying with this concept for several months when I came across a book that seems to illustrate the power of values to shape a company's destiny. The book is Kirk Kizaniian's *Exceeding Customer Expectations*, a study of Enterprise Rent-A-Car and how it rose from obscurity to be the number one rental car company in the world.

Founded by Andrew Taylor, who fifty years later is still its Chairman, Enterprise began as a car leasing business. It started in two rooms (actually converted service bays) at a Cadillac dealership in St. Louis. Taylor had no vision of becoming a dominant player in the car rental business. In fact, he made a reasoned, purposeful decision to stay out of the car rental business. He felt the car rental industry was cluttered with too many players, which made margins too thin for sustained profitability.

From the outset, Taylor set out to build his automobile leasing company around a handful of orchestrating values. His first and foremost value was to exceed customer expectations and to do so consistently. Another value was to make it easy for customers to do business with his company. Still a third value was to provide a fun place for people to work and to give employees every opportunity to grow and advance both personally and professionally. Only satisfied workers, he believed, would rise to the performance standards to meet his customer satisfaction expectations.

Responding to Values

Without making this newsletter interminably long, let me quickly summarize how Enterprise went from ignoring the rental car business to being the industry's front-runner. Taylor's leasing customers kept asking him if he had a car that they could rent for a few days. Usually this was because they needed extra wheels for guests from out of town or because their own vehicle was out of commission for repairs. In the early years Taylor said, "No, we don't offer short-term car rentals."

But then he concluded that his failure to accommodate these request violated his value of exceeding customer expectations. So he added a few "loaner" cars that could be rented on a short-term basis by preferred customers. Slowly the rental car side of the business grew and expanded. Soon it was operating out of several locations.

But to honor another of his values — making it easy for customers to do business with him — he located his rental agencies in residential neighborhoods, not at some remote

airport, as other companies did. This same core value led to another innovation which became his company's hallmark, the famous "We pick you up" policy.

Next, because customers needed a rental car so often in the wake of an accident, he pioneered arrangements with insurance companies to provide Enterprise vehicles to policy holders who had cars in a body shop. And to make things even more convenient for customers, Enterprise today offers rentals at body shops themselves.

At each step of the way, this progression of expanded services resulted from a commitment to exceed customer expectations and to make it easy for customers to do business with Enterprise. None of these innovations occurred because Taylor had a vision of revolutionizing the car rental business. To the contrary, his innovations all came about because he kept his eye on his orchestrating values. Had he not given himself so thoroughly to exceeding the expectations of his leasing customers, he might well have never entered the rental car industry.

Values as Substitutes for Vision

If Taylor had a genuine vision early on, it was apparently to build a company that was true to his orchestrating values. Then, as unexpected opportunities came along, he opted to capitalize on them, not on the basis of a compelling vision, but on the basis of their alignment with his most critical values.

This, then, takes me back to the observation at the outset. A crisp, well-articulated vision may not always be essential if, in its stead, a proper values-structure is in place. Now, I'm not suggesting that just any set of values will suffice. From what I can tell, the values that best serve in lieu of a vision are those that embody the essence of the Golden Rule: "Do unto others as you would have them do unto you."

Moreover, the primary, orchestrating values need to be few in number. Perhaps no more than three or four. Otherwise it's difficult to maintain consistent focus on the critical values over the long haul. And these values must be the determining factor in who gets raises, who gets promotions, and who gets celebrated as a hero within the corporate culture. Only then will employees take the values seriously enough for these orchestrating values to exercise their full potential to shape the organization.

So strive for vision. There is no substitute for a precise, inspiring, compelling vision statement. But absent a vision statement (or the ability to create one), capitalize on a central core of appropriate values. Talk about the constantly. Relate every element of your business plan to them. Embody them personally yourself as the leader. Let them serve as marker buoys to keep you moving in the direction of whatever success the future holds out to you and your people.

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