Imagine That!

How visioning spurs performance

"There's a force in the universe that makes things happen," Ty Webb says to the young caddy Danny in the movie *Caddyshack*. "Picture the shot. Turn off all the sound. Be the ball, Danny."

It's a classic movie moment, in part because many people use envisioning success to improve performance, from the second grader who has her first speaking part in a school play, to professional golfer Jack Nicklaus, who swears by the technique Ty was trying to teach Danny. Visioning, he says, "gives me a line to the cup just as clearly as if it's been tattooed on my brain. With that feeling, all I have to do is swing the clubs and let nature take its course."[1]

In much the same way, organizations and institutions can use visioning to see their future, successful selves. Visioning can help them articulate the impact they want to have in larger contexts (e.g., an organization's impact on the world or a team's impact on the organization) and to bring various organizational functions into alignment as they work toward that vision. This research summary sets out to answer the questions: What is visioning? How does the visioning process work? More importantly, why do it at all?

Vision and Visioning

Because vision and visioning are related, it's helpful to understand what each is. Vision has been described as "a compelling image or picture of the purpose having been achieved"[2] and as "a clear mental picture of a desired outcome."[3] *Good to Great* author Jim Collins defines vision as having two major components—"core ideology (what we stand for and why we exist) and

envisioned future (what we aspire to become, achieve, create) that will require significant change to attain."[4]

Unlike a mission, which states the organization's unique, or uniquely better, contribution to the market, and unlike strategy, which reflects how the organization chooses to allocate time, people, and dollars to achieve results, a vision is future oriented, articulates the ideal, is bigger than the organization, and typically remains consistent for the long term.

Collins uses the analogy of mountain climbing to demonstrate the difference between vision, strategy, and tactics. Vision is the guiding principles you use regardless of which mountain you're climbing (i.e., core values) plus the reason you climb mountains at all (i.e., core purpose). Strategy is "the route you intend to take and the general methods you intend to use to reach the top of that specific mountain. Tactics are the specific methods for climbing the sections of rock and ice that confront you right now."[5]

A vision may be encapsulated in a statement. Done well, the statement "provides an inspiring portrait of what it will look like and feel like to achieve the organization's mission and goals."[6] The unit of Johnson & Johnson that designs and makes orthopedic implants such as artificial knees has a great one: Restoring the joy of motion. So does Apple, whose vision is "to change the world by empowering individuals through personal computing technology."

However, a company can have vision without crafting a succinct vision statement. Companies like Hewlett-Packard, 3M, and Johnson & Johnson didn't start out with a vision statement but were guided by "a set of strong personal core values and a relentless drive for progress…3M has always had a sense of its core values—sponsoring innovation, protecting the creative individual, solving problems in a way that makes people's lives better."[7]

Whereas a vision is a stated or implicit philosophy, visioning is a process organizations can use to discover or arrive at a vision, a way to answer these questions: What do we value? Why are we doing what we do? Where do we want to be in 30 years?

Sometimes a CEO sets the vision and lays it out in a compelling fashion. Al West, founder and CEO of SEI Investments, did just that in 1990 when he realized his company needed to react more quickly to market conditions, get closer to the customer, and become more innovative. He talked about his vision but also acted on it, getting rid of some key executives and all administrative assistants and moving to a new space that had no offices, desks on wheels, and power cables hanging from the ceiling. The result is a fluid environment that communicates empowerment. As teams form (all self-managed and many ad hoc), they configure the space they'll need. The offices are, says West, "a visual statement of who we are. This is what our culture is all about—constant change."[8] In the last decade, the stock has returned 697 percent, compared with 61 percent for the S&P 500,[9] ample proof that the vision West laid out for SEI was a compelling one.

While SEI is a great example of what a visionary leader can do, sometimes leadership will opt for a more inclusive approach, in effect saying, "Let's determine our vision together. Let's see what the organization truly values and where it can go." It's in cases like this that a company or group would undertake an organized visioning effort.

Vision Leads to Performance

Some people discount visioning as "soft," but proponents say a solid vision unifies the organization and acts as a beacon in the distance that employees make their way towards, day after day, year after year, regardless of changes in management or strategy. A good, well-articulated vision "infuses you with energy, passion, and resourcefulness. It can propel you to accomplish great things….and empower you to push through and beyond difficult times and obstacles."[10]

It also makes work meaningful. An employee at a company without a vision thinks, "I'm here to finish this report." The employee at that division of Johnson & Johnson, on the other hand, thinks of her work as something that will enable a grandfather to pitch balls to his grandson, pain free.

People in organizations without a vision are more likely to spend their time putting out fires or "drift[ing] to
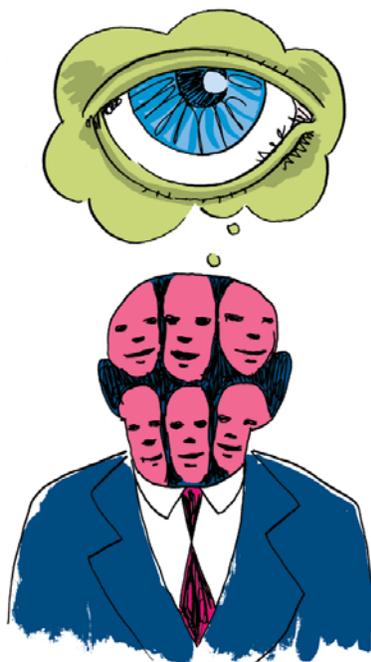
the next appealing project as soon as things don't go they way they planned."[11] A solid vision is even more critical during change efforts. Without one, warns Harvard Business School professor and author John Kotter, "a change effort dissolves into a list of confusing and incompatible projects."[12] Vision is so important during change that three of Kotter's "Eight Common Errors in Organizational Change Efforts" are related to vision: underestimating the power of vision, failing to communicate the vision, and permitting obstacles to block the vision.[13]

While vision is intangible, its impact on the bottom line is anything but. The *Harvard Business Review* found that "a well-articulated vision implemented companywide had a profoundly positive impact on sustained growth. As a group, companies with a vision were twice as profitable as the S&P 500. The visionary companies earned their investors 17.7 percent more than the S&P 500 overall."[14] According to another study, vision-driven companies performed 55 times better than the general market.[15]

Characteristics of a Good Vision

The key lies in having not just any vision, but a *powerful* vision, one that is compelling, that people can see in their minds' eye, and that inspires all who hear it to commit wholeheartedly. Like Johnson & Johnson's "restoring the joy of motion," a vision "crystallizes the emotional connection between employees and the business."[16]

Second, "Visions must describe the desired long-term [10 to 30 years] future of the organization—a future that typically is not quite achievable but not so fantastic as to seem like a ridiculous pipedream," writes Mark Lipton, author of *Guiding Growth: How Vision Keeps Companies on Course*. He was dubious about vision until he set out to prove it wasn't useful, only to discover the research showed just the opposite.[17]

Third, to be effective a vision must also be easily understandable. Kotter says, "If you can't communicate the vision in five minutes or less and get a reaction that indicates both understanding and interest, your work at this stage isn't done."[18]

Fourth, as mentioned earlier, a workable vision also incorporates a company's purpose and core values—what the company stands for and how it would conduct business, even if it had a negative effect on profitability. Thanks to global competition and speeded-up times to market, products and services can be replicated by other companies faster than ever. In order to survive, companies must define themselves by what they stand for rather than what they make.[19]

Companies that are clear about their purpose and values are better able to adapt to change because they are able to focus not on what they do but on what they *could* do.[20] Zenith, for example, saw itself as a maker of televisions. Motorola also made televisions, but it thought of itself in terms of what it stood for. Writes Collins, "It defined its core purpose as 'applying technology to the benefit of the public,' not 'making television sets.' Motorola, by thinking about what it stood for, could give up what it made."[21]

The Visioning Process

Arriving at a workable vision takes time and the commitment to see the visioning process through to its conclusion. Usually that process involves a group of individuals coming together to brainstorm and visualize the ideal future for the company or institution. When the goal is to create a comprehensive vision, the group is usually cross functional, with a cross-section of people at different levels of the enterprise to get as many different perspectives as possible. Since a vision won't "take" without senior management buy-in, at least one representative from senior management should also be included.

While the final outcome is the reason people get together, many are surprised to find there's a lot of value in the process itself, says Tracy Brower, a workplace consultant at Herman Miller. "As you'd expect, different constituencies have preconceived notions based on their worldviews, and the visioning process will surface those issues." The group considers questions like "what will success look like for us in 20 years?" and "what's most important to us?" It then goes through some prioritizing exercises and discusses the results. The discussion is typically very lively. "Vision depends on the ability to feel," says author Mark Lipton. "It requires passion, a deep visceral commitment that signals to others what [you] stand for.…[and] figuring out what you stand for requires that you clarify who you are."[22] That can be a conversation that often isn't typical in a business setting.

The conversations that take place in the visioning process are distinct from scenario planning. It is a tool that helps groups explore contexts the organization might be operating in in the future. Because scenario planning focuses on what's happening outside the organization, it includes:

- Gathering information about the operating landscape, e.g., competitors, trends, pending legislation;
- Identifying views of the future that incorporate the different ways those elements will play out;
- Assessing the probability of each; and,

- Making recommendations about how the organization should respond.

While scenario planning informs visioning, the latter focuses on the organization itself. It considers what it wants to be in the future, rather than on the future in which the organization or institution will have to operate.

To know whether or not they are on the right track, team members can ask themselves if what they are creating will[23]

- Motivate people to join an organization—and to stay with it once there,
- Be a beacon for guiding the kinds of adaptation and change required for continual growth,
- Challenge people,
- Serve as the basis to formulate strategy that can be acted on, and
- Provide a framework to keep all strategic decision making in context.

Eventually, the group arrives at an ideal picture of its organization in the distant future. It can be an exhilarating feeling, particularly when the vision seems like it has existed all along in the organizational DNA. But, the gap between the newly discovered "what can be" and the stark reality of "what is" can seem like a chasm. That, too, is part of a healthy process. "The distance between the vision and the present creates a dynamic tension and that's like a stretched rubber band," says Brower.[24] "To the extent that the vision is well articulated and shared, you will be drawn toward that vision. The act itself of visioning will help you create that future in some very real ways."

Vision and the Workplace

Often, the vision has implications for the organization's facilities, as was the case with SEI. CEO West reported that the new facility was his most useful tool for communicating the vision: "You walk through here, you intuitively grasp 60 percent of our culture."[25]

Facilities do send a message and the key is to be intentional about that message. "Buildings are one of the best opportunities to provide clues for new behaviors and therefore help move

a culture in a new direction," says Lori Gee, solutions lead at Herman Miller.[26] "A facility can catalyze social norms that can help realize a vision." Locating collaborative spaces near the entrance, for example, signals not only that a company values social interaction, connection, and collaboration, but also that decisions can happen any time and not just at scheduled meetings in structured settings.

A visioning workshop developed by Herman Miller's workplace consulting group helps clients create a detailed image of what an ideal workplace would be like and how to go about achieving that workplace. A group brainstorming technique removes mental constraints that often prevent people from thinking beyond the realities of the present. Workshop participants then use a technology that enables groups to prioritize through anonymous voting. The process allows groups to reach consensus on key issues that are important to achieving success.

As with corporate visioning, participation from a diverse group is critical in facilities visioning sessions because it assures diverse ideas and generates support. "If people are involved in crafting a vision, they'll be committed to ensuring its success and committed to pulling it through," says Gee. And if the session hasn't generated facility ideas far out enough to make people uncomfortable, it probably hasn't been aggressive enough. "If you're trying to bring about meaningful and lasting change, it should generate 'stretching' ideas," she says.

The process of creating a facilities vision actually does begin to pull the company toward that vision in at least one important way—it gives people a shared vocabulary for talking about the criteria for design. "People will ask for a flexible environment," says

Gee, "but that doesn't mean anything until the group shares an understanding of what 'flexible' means, because it can mean everything from 'furniture that's not bolted to the floor' to 'things that can change once every few years.'" The process forces the group to agree on specific definitions of the words they're using.

Alignment—The Real Power of Vision

While there's value in the visioning process itself, a shared vision has real power because of its ability to achieve alignment. "If you don't know where you're going, it's hard to align the organization," says Brower. "There has to be a unifying vision, a view of where the organization wants to head together, that resonates with all stakeholders." Then human resources, information technology, finance, and corporate real estate can all work toward the vision, making decisions based on whether or not they will help achieve the mission.

Two conditions are prerequisites for that alignment. First, the vision must have leadership's support. Second, leadership must communicate the vision consistently and persistently. Good leaders make use of everything at their disposable—corporate communication tools, facilities that reflect the corporate culture and encourage people to work a certain way, stories about successes and failures, awards that recognize individuals and teams working toward that vision.

The best tool members of the leadership team have is their own behavior. Before workers buy into anything new, they look to see if their managers are "walking the talk." When Gordon Bethune took over Continental Airlines, he dramatically lit a copy of the company's massive handbooks on fire to show that nothing should get in the way of employees improving the customer experience.[27]

One of the most effective ways to bring the organization into alignment is to first identify misalignments. This can be accomplished by talking to people throughout the organization and asking, as Collins suggests, "'If these are our core values and this is fundamentally why we exist, what are the obstacles that get in our way?' Misalignments occur because years of ad hoc policies and practices have become institutionalized and have obscured the firm's underlying values."[28]

Once the misalignments have been addressed, any latent cynicism and suspicion fade and it becomes easier for people to keep their eyes trained on that future vision of the company. And when they do, "doors seem to open, they connect with the right people, and serendipity occurs. It's as if a magnet attracting the resources they need. There is power in vision."[29]

Still, given that a vision should be good for the long term, it seems it would be difficult to know if it's doing any good. Not so, says Collins. When you have a strong, sensible vision and the "superb alignment" that follows it, "a visitor could drop into your organization from another planet and infer the vision without having to read it on paper."[30]

Notes

[1] George Land and Beth Jarman, "Future Pull: The power of vision and purpose," *The Futurist*, July/August 1992, p. 25.

[2] *Ibid.*

[3] "Quest for Workplace Excellence," Fall 2005, p. 1. (accessed at www.pbsconsulting.com).

[4] Jim Collins, "Building Your Company's Vision," June 2000 <http://www.jimcollins.com/lab/buildingVision/p2.html> (accessed September 20, 2007).

[5] Jim Collins, "What are your Base Camps?" <http://www.jimcollins.com/lab/buildingVision/p4.html> (accessed September 20, 2007).

[6] Michael Watkins, "Vision Decisions," *Harvard Business Online*, January 7, 2008 <http://discussionleader.hbsp.com/watkins/2008/01/vision_decisions.html> (accessed September 30, 2007).

[7] Jim Collins, "Aligning Action and Values," *The Forum*, June 2000 <http://www.jimcollins.com/lib/articles/06_00_a.html> (accessed September 30, 2007).

[8] Kelly J. Andrews, "A CEO Who Broke Out of the Box," *Wharton Alumni Magazine*, Spring 2007 <http://www.wharton.upenn.edu/alum_mag/issues/125anniversaryissue/west.html> (accessed March 7, 2008).

[9] Harold Brubaker, "Success through Change," *Philadelphia Enquirer*, January 28, 2008 <http://www.philly.com/philly/business/homepage/14479191.html> (accessed March 7, 2008).

[10] Phil Glosserman, "Vision: Designing the Future You're Meant to Have," 2002, p.1 <http://www.coachphil.com/articles/vision.pdf> (accessed March 7, 2008).

[11] Paul Lemberg, "Will and Vision," 2004, p. 1 <http://ezinearticles.com/?Will-and-Vision&id=7854> (accessed March 7, 2008).

[12] John P. Kotter, "Leading Change: Why transformation efforts fail," *Harvard Business Review*, March-April 1995.

[13] John P. Kotter, *What Leaders Really Do* (Cambridge, MA:, Harvard Business Review Press, 1999).

[14] Mark Lipton, "Envisioning Growth," *Information Week's Optimize*, Issue 19, May 2003 <http://linuxriot.com/issue/019/leadership.htm> (accessed March 7, 2008).

15 "Quest for Workplace Excellence," Fall 2005, p. 1. (accessed at www.pbsconsulting.com).

16 Michael Watkins, "Vision Decisions."

17 Martha Lagace, "Guiding Growth: How Vision Keeps Companies on Course," (interview with Mark Lipton), *Harvard Business School Working Knowledge*, February 24, 2003. <http://www.hbswk.edu/archive/3342.html> (accessed March 7, 2008).

18 John P. Kotter, "Leading Change: Why transformation efforts fail."

19 Jim Collins, "It's Not What You Make, It's What You Stand For," *Inc.*, October 1997 <http://www.jimcollins.com/lib/articles/10_97_c.html> (accessed September 20, 2007).

20 *Ibid.*

21 *Ibid.*

22 Martha Lagace, "Guiding Growth: How Vision Keeps Companies on Course."

23 Mark Lipton, "Walking the talk (really!): Why visions fail," *Ivey Business Journal*, January/February 2004.

24 Tracy Brower, phone interview, September 10, 2007.

25 Scott Kirsner, "Total Teamwork–SEI Investments," *Fast Company*, Issue 19, March 1998 <http://www.fastcompany.com/magazine/14/totalteamwork.html?page=0%2C0> (accessed March 7, 2008).

26 Lori Gee, phone interview, September 24, 2007.

27 Martha Lagace, "Guiding Growth: How Vision Keeps Companies on Course."

28 Jim Collins, "Aligning Action and Values."

29 Phil Glosserman, "Vision: Designing the Future You're Meant to Have."

30 Jim Collins, "Aligning Action and Values."