

Corporate Vision: Why an Inspiring Vision is Critical to Your Company's Success

How do you get an employee to go the extra mile, raise investor capital, exceed your customers' expectation, or build trust in your company? The first, and probably the best place to start, is to clearly articulate a compelling corporate vision.

Without a clear company vision to inspire your employees, customers, and other key stakeholders, your organization will likely quickly flounder or never reach its full potential.

A business vision is an essential part of an organization's strategic plan. A vision can be a statement about the future of its business, a set of key guiding principles, or even a story about what the company wants to be.

A powerful example of how a compelling corporate vision can drive business success is Microsoft.

In the 1980s, Bill Gate's vision for Microsoft was to have a computer on every desk. Why was this vision so significant?

Because it drove everything that Microsoft did. Their vision helped kill their most successful and profitable product and radically changed their business model.

Pull yourself back into the early 1980s when only geeks and hobbyists had personal computers. There was very limited software available at the time that did anything practical or was easy enough for the average person to use.

By envisioning a computer on every desk, Microsoft had to completely change its approach to software development and marketing.

To achieve Bill Gate's vision, software had to be easy to use, inexpensive, and very practical; nothing like Microsoft's

operating system and main revenue source at the time: DOS. Gate's vision led directly to the introduction of Windows and eventually the achievement of its goals.

Now that there is a computer on every desk, Microsoft wants you and your business to "realize your full potential." Again, Microsoft is driving its organization forward by making its software an essential part of our everyday activities.

So how do you create a compelling vision for your company?

Basically, there are three questions you need to answer: What are your organization's core values? What is its core purpose? What are the visionary goals?

Your corporate vision is the intersection of the answers to these three essential questions.

The best place to start creating your company's vision is with the company's core values - those few key beliefs that are central to the company and are used to personify the organization. Typically core values reflect the deeply held values of the organization and are independent of management fads.

For example, at Starbucks their core values center around providing a great work environment, treating each other with respect and dignity, contributing positively to local communities and the environment, and recognizing that profitability is essential to their future success - among others.

The next step in the vision planning process is to articulate the core purpose of the company. The core purpose of the organization helps set the firm apart from other firms in its

industry and defines the direction in which the firm will proceed. It's the organization's idealistic reason for being. What is most important to answer is how the firm will earn its profit, since "how" is what defines the firm.

For example, the Walt Disney Company's core purpose is to make people happy; for Hewlett Packard, it is to make technical solutions for the advancement and welfare of humanity; and for Merck, it is to preserve and improve the human life.

The last step to defining the company's vision is to create the company's visionary goals. These goals are those lofty objectives that the firm's management decides to pursue. Visionary goals describe significant milestones that the firm will reach in the future that could take a decade or more to achieve. Visionary goals are longer term and more challenging than strategic or tactical goals.

For example, DuPont's visionary goals are to be the world's most dynamic science company, creating sustainable solutions essential to a better, safer and healthier life for people everywhere.

For RBC, their visionary goals are to be recognized as the undisputed lead provider of integrated financial services in Canada, a best in class provider of personal and business financial services in the United States, and a premier provider of selected global financial services.

Once you have defined the company's core values, its core purpose, and its visionary goals, you can begin to create the company's vision and communicate it to the world.

It is important to remember that all strategic decisions must

emanate from the corporate vision and support achieving this vision. Your vision should be an essential part of the corporate DNA – embedded in every strategy and tactic your company implements. Above all, it should be highly action oriented.

Are you headed in the right direction? The litmus test for knowing whether you're on the right track or not is to ask yourself the following questions: Is the vision easily understood? Can it be easily communicated to others (remember the elevator pitch)? Does it inspire your employees, customers, partners, and others into action? But most importantly, will it add value to your customers' lives or their businesses and will it improve the bottom line.

If you answered yes to all of the above, then you are probably on the right track to building a successful business that will prosper in the future – and who knows – maybe even be the next Microsoft.

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