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A Company of Entrepreneurs

Imagine a company where most employees feel like business owners because they “own” their job responsibility areas. Imagine further that these employees *act* like owners, regularly meeting with their (internal) customers to seek ways to improve the value of the services they deliver. Finally, envision the CEO who encourages this approach, and you’ll see a leader who created a team of proactive, high-accountability internal entrepreneurs. This scenario is possible when the leader *teaches* employees to think about the “value proposition” of their tasks.

A value proposition considers demand, customer experience, costs, benefits, and alternatives; it is typically associated with a company marketing strategy. However, you can use this same approach for internal customers.

It’s simple to visualize the value proposition of a team member who directly serves an external client. How, then, do you determine the value proposition of everyone else – the supporting cast – who indirectly affect the client’s experience?

Begin by identifying the activities a person carries out at work. Then categorize each activity in one of two ways: Value-added *from the customer perspective* or non-value-added. For example, paying the company's electric bill does not add value to the customer, but must be done. On the other hand, helping a customer-facing employee does add value because it enhances that person's ability to serve the customer.

Now, here's how to change a person's self-image from "just an employee" to an "internal entrepreneur." For convenience let's call the example employee Jane.

- Carry out a dialog with Jane to clarify and rank by value her routine tasks at work.
- Empower and encourage Jane to think of ways to spend more time on high-value tasks. It's not uncommon to discover some routine tasks are no longer necessary, or can be more efficiently performed by someone else, or even outsourced.
- Help Jane envision herself as an independent business serving co-workers.
- Naturally, as a business owner (Jane should have authority and control of her responsibility areas), Jane will talk with her internal clients to ask how she can better serve them, either by reducing unnecessary burdens or providing a faster or improved service.
- Dialogue with internal clients may lead to "contracts" between employees, where mutual agreements are established covering scope, schedules, and so forth. That is, expectations and responsibility areas are clarified. Clarity is a wonderful thing!

Getting comfortable with this new role of internal entrepreneur will take Jane some time because old habits tend to persist, but with the leader's continuing reinforcement her attitude will shift to an entrepreneurial mindset.

The big payoff from this approach is that employees feel more in control of their work life and more valued as people because they are now "owners." Being in control and feeling valued boost job satisfaction. Moreover, satisfied employees are easier to manage, have better attendance, and are more productive.

"What about slackers?" you may ask. Good question! The answer – **and the magic pixie dust** – is that the boss has many helpers to ensure people toe the line. Peer pressure plays a vital enforcement role, so less management oversight is

required. Negative peer attitudes toward a person who lets down a fellow employee strongly discourage failure to perform.

There are a few companies that have taken this approach to such a high level that they are employee-managed. Two examples include W. L. Gore (famous for Gore-Tex fabrics) and The Morning Star Company, the world's largest tomato processor.

Giving people more freedom in how they get results unleashes creativity and the passion of the human spirit. Let your over-cautious competitors have all the drones, while you attract the best and brightest employees.



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Courage to release some control is usually rewarded with better results

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