



How to Build Your Organization as a Highly Valuable, Sustainable Asset

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In the ordinary everyday world of business there is a lot of lip service to building great places for employees to work and really serving customers and the community. However, in reality, almost always a business is organized – in the way the business runs – to take care of shareholder return ...and then to take care of everything else. In other words, whether its obvious or not, the hidden context in which businesses seek to perform is to maintain shareholder return.

This paradigm is, in fact, detrimental to long-term shareholder value. The real asset of any organization is its people; and the way those people interface with the customer.

As a leader, if I do not put employee fulfillment as important as shareholder return, I guarantee that employees will not own the performance of the business.

Its undeniable that every CEO must make sure there is a fair shareholder return to investors, and it is equally important to generate a culture within which employees love to work and are committed to the future of the enterprise as their own personal future.

In the 2017 Gallup State of the American Workplace study, they found that 67% of employees do not like their jobs or where they work, and break it down this way: “16% of employees are actively disengaged — they are miserable in the workplace and destroy what the most engaged employees build. The remaining 51% of employees are not engaged — they’re just there.”

How is it possible to have sustained long-term value if people are simply not empowered?

How well is the customer going to be serviced by people not fulfilled by working where they work?

The mistakes and lack of responsibility that often show up throughout organizations could be said to be a response – a passive aggressive response – to a culture that communicates: ...in fact, employees come last. Do not kid yourself – people who are not fulfilled find a way to communicate it through their behaviors.

We are proposing that there is a way to have the three primary constituencies (shareholders, employees, and customers) be fulfilled when you shift the culture and the way leadership leads to actually being committed to the success of all three constituencies. At any given moment, one constituency may be more important than another, but overall, a great leader will know how to move focus so the concerns of each constituency are always attended to...

In our next blog, we will give you a case study of an organization that is leading the way in a new model for organizational design that keeps the ball moving forward with employees, shareholders, and customers - all the time.