Vision – Purpose – Identity
Creating a Culture Which Fosters the Entrepreneurial Spirit

Introduction:

Porras & Collins, in their book Built to Last (2002), argue that attracting passionate, entrepreneurial-minded employees who possess values compatible with a company's vision, purpose and identity will generate a supportive culture for implementing the company's high-level strategy, and will help to retain those employees. Entrepreneurs are competitive, motivated and disciplined, and are therefore likely to fit well with companies that can successfully create a climate whereby individual rewards are given to those who meet the challenges that contribute to specific goals and objectives, while simultaneously providing for employees' personal needs. Doing so requires formulating the proper blend of cultural qualities that promote collaboration, within a framework of minimal control, and which recognizes competence and performance. (Economic Development America – 2005)

A recent study from the W.K. Kellogg Foundation (W.K. Kellogg – 2004) highlighted some of the key components to be found in those companies that have developed a culture of comprehensive entrepreneur support systems, including:

- Entrepreneurs desire to continually develop their skills, and a company that creates small teams of talented persons driving toward specific strategic goals will nurture the needs of the individual to progress through group interaction, and will produce tangible, measurable results that support the strategic the needs of the company.
- Education, both to enhance their knowledge and to establish their professional credentials.
- Access to resources necessary to adequately fund and support the projects to which they are assigned.
- Access to networks – opportunities to connect with peers and mentors; to form strategic alliances wherein their innovative ideas can take root and come to fruition.
- Entrepreneurial culture – a culture that recognizes, embraces and celebrates their unique contributions.
- Support of their financial and family needs.
- A place where entrepreneurs choose to live, work and play.
- A sense that those with whom one affiliates share a strong sense of similar purpose. In the age where many have lost a sense of value based on such traditions of church and country, a higher purpose in life may come from their jobs. Retaining employees who look to their work for a sense of purpose, as do entrepreneurs, means creating an environment that is directed toward disciplined, work-based values, and provides clear guidance to employees about priorities for allocating time, effort and resources (see also Porras & Collins, 2002).
- Another element of the entrepreneur's psychology is the need to be a stakeholder, to share the risks and the rewards. Vehicles such as stock options and employee recognition programs are key ingredients toward inspiring loyalty amongst those who value individual achievement. (see also Garmise & Pages, 2003).
- For those engaged in activities requiring intense concentration, managers must institute policies which will reduce the "cycle of hysteria" caused by frequent interruptions.

Paradoxically, providing an entrepreneur-friendly culture upgrades a person's skills such that s/he becomes highly attractive to competitors. Though it may seem counterintuitive, such a culture actually creates an incentive for workers to remain with the company that is nurturing their growth (Raffoni, 2003). As in all interpersonal relationships, the attitude of "What can I do for you?" is likely to galvanize relationships.

Examples:

Two companies, SAS of Cary, North Carolina, and IDEO of Palo Alto, California, provide excellent examples of companies that foster the entrepreneurial spirit, while simultaneously operating with great efficiency, productivity and profitability. SAS is renowned as a provider of world-class business software, while IDEO is a professional consultancy company that turns designs and operational concepts into marketable goods and services. The innovations that evolve into practical applications produced by SAS and IDEO require a delicate balance of inspiration and discipline in order that the ideas that spring from the imaginations of entrepreneurial talent are channeled into tangible results.

° Jim Goodnight is the CEO and co-founder of SAS. He was named the 2005 Ernst & Young Entrepreneur of the Year, and received the Stevie^{TM} Award for Best Executive in the 2004 American Business Awards (SAS, 2006). During a 2002 <u>60 Minutes</u> interview (University of North Carolina Filmfinder – 2002), Mr. Goodnight stated that his most important job was to ensure that his company's sole asset – its employees – returned to work the next day. Where most software companies have a 20% per year turnover rate, SAS's is at 3%, the best retention rate in the computer/dot.com industry. The company has the most advanced and generous benefits of any major corporation in the United States. From daycare, to medical costs, to its own country club, the company's goal is to insure that the work environment contributes to the company's productive creation of first-rate software products for corporations all over the world. One of the guiding policies is to eliminate "burn out", so software developers work no longer than 35 hrs per week (Pfeffer 2001).

° IDEO has built a "culture of innovation", employing persons who are not only entrepreneurs but polymaths -- people with two or three advanced degrees who climb mountains, go birding in the Amazon, and bike through the Alps – capable of converting anything-is-possible brainstorming into useful products and operational procedures for their clients (Nussbaum, 2004). To target qualified innovators, senior staff of IDEO teach courses in the Master's of Design program at Stanford University, amounting to a three-year interview of promising designers (Deloitte, 2005). David Kelley, founder of IDEO created a seemingly unorganized company where there is no corporate hierarchy and no management structure. Employees are invited, not ordered, to attend meetings. IDEO's "swap" program allows workers to change positions with another employee to avoid boredom. As a result, IDEO has had a very low turnover rate, according to Kelley. "Mainly", he says, "it is because everyone feels some type of ownership in the company and fits in well with their [sic] co-workers." (Virtual Advisors, 2000)

Conclusion:

This essay demonstrates that creating an effective entrepreneur support system can generate huge benefits for business owners. By promoting real collaboration, it improves productivity and program effectiveness while also generating improved outcomes in terms of attaining strategic objectives, retaining valuable employees, and improving the overall quality of the working environment.

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