Analysis of Reason and Countermeasure on Power Deficiency in Constructing Shared Enterprise Vision

Jin Yiting
School of Law, Henan University of Technology, Zhengzhou, P.R.China, 450001
(E-mail: laojin@haut.edu.cn)

Abstract Applying field investigation and research methodology, this paper explores into the reasons and Countermeasures on power deficiency in constructing shared enterprise vision, indicating the defects as below: flaws in human resource construction, lack of the consciousness of cultivating shared vision, imperfection of the benefit assignment mechanism, difficulty in realizing the shared vision, the negative influence on breaking a promise by the policy-maker. Through the construction of a frame of power deficiency in constructing the enterprise shared value, it proposes the countermeasures in the conclusions including: to change the method of human resource management, to continually encourage staffs to develop their individual visions, to innovate the enterprise ownership, to optimize the benefit assignment structure, and to also study by more respectful listening.

Key words Construction; Shared vision; Power deficiency

1 Introduction

Compared with the modern developed country's enterprises, our country enterprises usually die young. Generally speaking, the average lifetime of small and medium-sized enterprise' is from 3 to 5 years, while big enterprise's average lifetime is also less than ten years. There are many typical cases, like "the Giant Collision", "Flying Fragon's Landing", "Aiduo Disputes", "Chundu's Sank" and so on. The reason of these enterprise's failure is various, but the common reason is to formulate and implement decisions under an impetuous psychological obligation, but lack of a shared vision that could condense the people and has the explorative and forward-looking [1]. The notion of shared vision in academic field is generally described as the commonly acceptance and approval of the vision by all members of the organization, which is lofty ideals and the blueprint of the future that outlined by all the members, and also will be the intersection of individual visions in the organization. The shared vision is common wishes or an ideal that established on consensus of shared values and missions among organization and the members. The shared vision covered what, why, and how the enterprise needs to pursue. It described the possibility of the future organization, members believing in its feasibility, and is willing to pay diligent efforts^[2]. The main representative views of scholars and large enterprises both at home and abroad are as follows: Walt Disney Company: making people happy; 3M Co.: creatively solving those pending issues; Hewlett Packard Company: for the happiness of mankind and development, making technological contributions; Mary Kay Cosmetics Inc.: giving women infinite opportunities; Sony Corp.: experiencing benefits of development of technology and bringing happiness to people, etc. Research at home holds that enterprise culture, values, trust, quality, harmony and the like should be the shared visions of enterprises. Objectively speaking, quite many enterprises do not own shared vision and the power to construct the shared vision is surely insufficient. The reason of it is various, and because each enterprise's different situation is greatly varied, which also lead to differences in each enterprise's concrete reasons. This paper only studies from the microscopic angle, or called enterprise's own angle, based on these foundations to generate the corresponding countermeasure.

2 Reason Analysis of the Power Deficiency of Shared Enterprise Visions

2.1 Existing defects of human resources framework

2.1.1 The imperfect of the leader appointment system

Imperfection of this system discourages the leading power of the enterprise to set up the shared vision. The assignment system in the enterprise makes existing high-level managerial staffs focusing on the short-term achievement as the most urgent pursue, specially the state-owned or the state-controlled enterprises' main policy-maker. They believe: invest the scarce resources such as fund and manpower into a very great uncertainty and time-cost domain, rather than into introduction and the scale expansion fields, with the redundant production adapt to the high-level superintendent's preference for short-term achievements, to obtain a good achievement, thus lost the policy-making ability to establish long-term shared vision.

2.1.2 The imperfect enterprise incentive mechanism

It has suppressed enthusiasm of the subject. First, this kind of material motivation which set effective goal as the guidance is the division of decided benefits, and it only reflected the differences of material capital and working character. Further more, this kind of differences is kinds of discrimination in the labor market, which will not have good motivation effects. Second, the spirit stimulation was to implement reward and punishment, honor, and promotion mainly based on the work achievements. It is difficult to stimulate the deep level prospect power, which pays great attention to foretime, care about small number of people's rewards and punishment spirit stimulation cannot take a good effect.

2.1.3 The inconsistent of vision with people's value that they abide every day $^{[3]}$.

For managerial level in enterprises, "vision" is a familiar concept. However, once you observe carefully, you will discover that the majority of visions will be imposed to the organization by just a person (or a community). Such visions simply do not have the reliable foundations, and some even are made by the leaders' temporary hotness. Such visions are unable to obtain all members' approval radically. Wins the obedience at most, but not the truly pursue and the true shared vision.

2.2 Faint consciousness of cultivating shared vision

The consciousness of cultivating shared vision is not strong, which causes the enterprises lost the thinking power of setting up the shared vision. Some enterprises thought that their enterprises are too small or does not have the competitive power, and then gave up setting up and raising their own long-term shared vision. This is the exhibition of organization's lack of trust in the team working in the macro-environment, and members' lack of enough confidence to common goal. Regardless of the size of the enterprise, they all need to own their visions. It is very difficultly for the company to achieve successful situation without these visions. Because of small size, they gave up establishing shared visions, without visions leading to the enterprises' difficulty to grow big. Then such kind of enterprises is easily fall into the vicious circle, which limited the enterprise's development. The desalination of establishing shared vision is also an important factor of intrinsic power deficient for establishing a common prospect.

2.3 Imperfection of benefit assignment mechanisms

Enterprise's benefit distribution is not only unfair in fact, but also weaken the enterprise's outstanding team cooperation culture, caused the staff lose the work fervor to finally suppress the power release of enterprise constructing shared vision intrinsically. The human capital is also a noticeable ingredient among all enterprise capitals; moreover, there is increases focus on human capital now. The change of enterprise capital viewpoints also causes the investor or high-level managerial staffs are no longer solely enjoying the enterprise's ownership. All the business managers and the staffs also become enterprise's owners by investing their own human capital in the enterprise, This also brought about the revolution of benefit distribution system of the enterprise, then the profit of enterprise is no longer monopolized by the material capital investor, but the strain shares for the material capital investor and the human capital investor, namely construct high-level managerial staff. Therefore, the business manager and other staffs are involved in owner's benefit distribution system, and it makes the business management be away from policy discrimination consciously, solve the contradiction between benefit assignment structure and the innovation mechanism, to realize promoting all staff's working enthusiasm, and release human capital to establish powerful engine to build shared vision [4].

2.4 Huge difficulty in realizing shared vision

The process of establishing the vision, will encounter the difficulty, which is not easy to overcome, and make the people discouraged. It is very easy for the staffs to produce suspects and vacillates to the company's the long-range objective; this is also a reason that leads to the failure of the vision. The more people can clearly see the characteristic of shared vision, the more can realize the big disparity between the prospect and the present. The people will possibly become depressed, felt uncertainty of the result, even taking the negative attitude to the shared enterprise vision to ridicule it.

2.5 The negative influence by the policy-makers who break promises

In management practice, the policy-makers and the employees are two body of psychological contract, so policy-makers who break promises would bring bigger negative influence [5]. In general, the policy-makers break the promise stems from three reasons: First, they are incapable of keeping a promise. Namely the original pledge is too sincere, which surpasses one's present ability to be unable to realize the pledge. Second, they intend to break a promise. Namely decision-making do not fulfill the psychological contract intentionally for only their own benefit or other reasons, or the content they fulfill is widely divergently original. Third, they usually comprehend the contract in different meanings. Namely the policy-makers and the employees have the different meanings about the content related to

the psychological contract. Either of the above three kind of situations appears, in the situation of lack friendly communication mechanism and under the science communication condition, the negative influence to the employee is still the same. The policy-makers break promises which brings the negative influence mechanism on the employee to be expressed in Figure 1

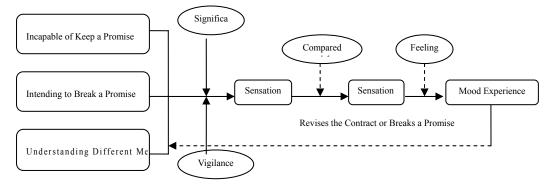


Figure 1 The Policy-Maker Breaking a Promise with Negative Influence Mechanism

After the policy-maker violates the psychological contract, because the significance of employee's vigilance and the contract violation is different, they will feel the difference of contract and the result and by comparison, feel the psychology contract has not been fulfilled, and then make the response according to the psychological contract's different content. The research indicates ^[6]: The psychological contract or many contents are violated will cause the contract transaction content increase from now on, the relations content reduces, the employee's trust to the policy-maker drops or they no longer believe the enterprise, Simultaneously the employee reduces their emotional investment to policy-maker's, will revise with the policy-maker original significance psychological contract, make the psychological contract "to break your promise, I also break mine", convert to the negative psychological contract direction.

3 Countermeasures

3.1 To change the method of human resources management

3.1.1 To improve the suitable system of enterprise high-level managerial staff

Without good surveillance and the evaluation system it is possible for the enterprise high-level to work under the non-restraint condition, which is bad to company's positive development. Perfect suitable system of the enterprise high-level managerial staff, enhances the decision-making ability and executive ability of establishing shared vision. Establish and perfect the enterprise engagement and the management value appraisal mechanism for high-level managerial staff, especially the mechanism in State-owned business, which is the important premise for enhancing and displaying enterprise intrinsic power to establish the shared vision.

3.1.2 To be fairness and justice

The enterprise can evaluate scientifically and objectively to the organization behavior, and the staff behavior and other participant behavior is also the best motivation measure, also the best government plan. But the essence of motivation is to understanding the difference and the behavior the most important demand of the evaluation organization and individual work. Presently, fairness is what organization and individual most needed. For people, fairness and equivalence is the most persuasive power and positive factor to stimulate the enthusiasm. For people who work under the same environment, their work achievement will be entirely different, because of the difference in individual quality, ability and level of efforts. Therefore, it is much fair through appraisal and recognizing the differences and pay back according to it.

3.1.3 To share the vision with other people

The leader must be glad unceasingly to share their own individual vision with other people. They must ask whether others are willing to try hard with him for a shared vision. On leader's part, this is not an easy matter. But it is a matter which leaders truly should do. Leaders take the enterprise's core duty, and play an important role in strategic decision making and the enterprise's development. Leaders who intend to share their own individual vision with others would affect the enterprise's staffs sharing their individual vision with others. Therefore, the company and the leaders should share his individual vision

with other people.

3.2 To constantly encourage members to develop individual vision

Without their own visions, what people can do is merely echo others'. Then the result is only obeys, not the wish comes from the heart. On the other hand, people who has the intense goal feeling respectively originally unified, may create the formidable achievements, makes great strides forward to a goal that the individual and the association truly wish ^[6]. "Self-surmounting" is the foundation to develop "the shared vision", nobody can give his own vision to others, also cannot force other people to develop vision. Moreover what must pay attention to is after the team collecting information, do not determine everybody's common goal immediately, but to ponder about the viewpoint that personally proposed, leaves behind a space for the team and their own member, turn about to consider these suggestions and viewpoint to solve the adverse effect which the hurried decision brings. So while the member develops individual vision, everybody could try hard to establish the shared vision that suits everybody's wishes (to see Figure 2).

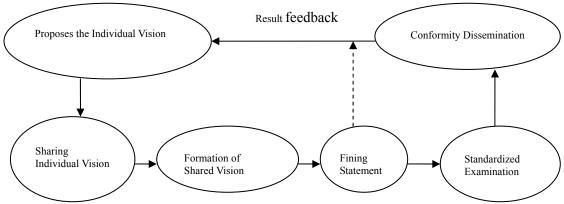


Figure 2 Shared Vision Construction Flow

3.3 To innovate enterprise ownership, and perfect profit assignment structure

Transformation the enterprise ownership can make the business management to cease the policy discrimination behavior consciously, solves benefit assignment structure and enterprise long-term vision's disproportion contradiction, and realizes salary system which adapts the prospect establishment mechanism, then activates and promotes all staff's work enthusiasm to release human capital establishment shared vision power. The reasonable different benefit assignment is one kind of fairness, it is unfair not to divide ability level, the level of effort, and the degree of the sense of responsibility; it is also unfair to make differences according to the property system of ownership and the derivation status's assignment. But according to everybody's contribution to the enterprise is objectively fairest, because it has differences and a fair distribution system, it is fairer than average distribution or ownership and derivation. It can maximum display the organization and individual's potential, make the organization resources and individual ability obtained the optimized disposition when the enterprise develops and completes the prospect. Promote power maximization of the enterprise's development directly and indirectly [7]. Therefore, construct the appraisal incentive mechanism that faces each innovation main body which activates enthusiasm and the creativity of the enterprise main body and releases the staff power.

3.4 To learn to listen respectfully

In the association, it is impossible to achieve overnight to reach each other's true vision sharing and blending. The shared vision is grown through individual vision's interaction. The experience shows, if the vision can truly become common, it needs to undergo an unceasing conversation. When establish the shared vision, everybody discusses it together, and revises each other's opinion and the common goal content. Moreover, it is difficult to make all the members agree to the vision, but they accept to seek the common points and keep the different points in mind. So the acceptable goal is the most important. Only in this way, the enterprise can obtain the members' real pledge to the shared vision. Therefore, in this process, the individual can not only express their dream freely, but also study how to listen respectfully to others' dream. In the process of listening to others, they gradually blend a better conception [8]. The process of shared vision is an unceasing revision and the correct in the foundation of the individual vision.

4 Conclusions

Nowadays in our country, there are quite a number of enterprises who have no shared visions and the power to build them is also inadequate. The causes are maniffold because situation in each enterprise is varied, which may lead to different specific reasons. From micro perspective, that is, from personal angle of each enterprise, this article does research and on its basis puts forward corresponding countermeasures. It analyses the reasons for power shortage of shared visions in enterprises and concludes that disadvantages are as follows: There exist disadvantages in human resource schema. Sense of fostering shared visions is insufficient. Benefit distribution mechanisms are imperfect. Realization of shared visions is in great difficulty. And there is negative impact left by policy makers who do not keep their promises. The author proposes countermeasures for enterprises to establish inherent power in shared visions. They mainly include: methods to change human resource management, continuous encouragement for members to develop their own personal visions, innovation of enterprise ownership, perfection of benefit distribution structure, and learning and listening respectfully etc.

References

- [1] Peter Sengi. The Fifth Discipline—Study Organization's Art and Practice[M]. San Lien Book Store Publisher in Shanghai, 1998: 237-25 (In Chinese)
- [2] Guo Haiyan. Vision[M]. Chinese Spinning and Weaving Publisher, 2005: 49-59 (In Chinese)
- [3] Wagner, Heart. 12 Essential Factors of Great Management[M]. Chinese Youth Publisher. 2008: 23-29 (In Chinese)
- [4] Li Xiaoyun, Wang Zhongming. Leadership Vision and Enterprise Achievements Relations Research[J]. Chinese Geology University journal, 2004, (4): 6-9 (In Chinese)
- [5] Li Wei. Impact the Entrepreneur Credit on Enterprise Organization Credit Mechanism Research From the Angle of Psychological Contract[J]. Nankai Management Commentary, 2002,(6): 20-22 (In Chinese)
- [6] Chance E.W. Developing Administrative Vision, (e ERIC Document Reproduction Service No.ED 315221), 1989:3-5
- [7] Collins James C. Building your Company's vision[J]. Harvard Business Review, 1996, (5): 7-9
- [8] Conley D.T., Dunlap, D.M., and Goldman. The Vision Thing and Scholar Structuring[R]. OSSC Report, 1992(2):4-6