

Building an Entrepreneurial Culture to Drive Results

How to Create Motivation and Commitment Across the Organization

BY SEIFI GHASEMI



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Businesses move at a fast pace, and the world is constantly changing. From small independent distributors to large industrial gas suppliers, companies are challenged to continue delivering results in an unpredictable and often disruptive world. But individual companies cannot change the economic or political course of the world. Therefore, companies need to develop a strategic plan for success that is totally focused on the things they can control within their own companies. These are related to a clear and focused strategy, excellent customer service, constant productivity improvement, organizational focus, effective control of capital expenditures, a meaningful and targeted reward structure, and a culture that promotes entrepreneurship, simplicity of work processes, and speed of execution.

I have been involved with the industrial gases business for the last 37 years. I have had the privilege of observing large and small companies in this sector for a long time. As a result, I have developed a great deal of admiration for the independent distributors and the very entrepreneurial and effective way they run their businesses and create value for their shareholders. I have been inspired by them and have always thought that large companies will really benefit if they run their companies the same way the real entrepreneurs, the independent distributors, run theirs. The following is very much based on what I have learned from observing these admirable entrepreneurs.

I very strongly believe that the only sustainable element of competitive advantage for any business is the degree of commitment and motivation of the

people in the enterprise. Therefore, the number one job of the leadership of any company must be to create an environment that promotes teamwork, eliminates discrimination and politics, and slashes bureaucracy so that people feel empowered, motivated and excited to do their best.

ATTITUDE FIRST

At Air Products, we want to employ people who are naturally positive and motivated. That is why when it comes to hiring, I advise our Human Resources department to hire people based on *attitude first*, and then we can train them for skill. We want people who would like to work for our company rather than those who simply need to work for our company to pay the bills. Finding people with the right attitude is fundamental to creating a motivated and committed workforce.

Ideally, we want to build an entrepreneurial culture where all employees come to work thinking and acting like they are the CEO of the company. A key to building this kind of culture is to create an atmosphere of inclusion and respect, where individuals are valued for the unique perspectives and experiences they bring to the organization. By fostering a collaborative and respectful work environment, we can engage employees in a way that sparks their entrepreneurial spirit and enables them to achieve their full potential.

A company's success requires every employee performing at their best ... every day. Research shows that 70 percent of employee development happens *on the job*, as we learn from our experiences. For this reason, Air Products recently replaced its Performance Appraisal process with

a Performance Development process. This shifts the focus to making feedback and coaching a regular and routine part of how we work. Our people use a simple form to capture priority objectives, development goals and annual results. The focus, though, is on managers and employees having regular, development-focused conversations throughout the year to review progress on key priorities. The intentional focus of these conversations is providing regular feedback, recognition and coaching.

OPEN DIALOGUE, ANY TOPIC

It is equally important that every single employee connects with the organization's strategic plan in practical and meaningful ways. Whether they work in the boardroom or the mailroom, every employee should understand how their day-to-day work fits with the organization's purpose, vision, mission and values. When employees connect with an organization's strategic plan, they begin to examine every work process and ask, "Why are we doing this, and will it help us reach our goal? How can we eliminate low-value work so we have the time and energy to focus on what matters most?"

The best way to emotionally connect with people and build trust is through open, face-to-face dialogue. My second day on the job at Air Products, I kicked off a "listening tour" with small groups of about 50-70 employees. To date, I have personally met with thousands of employees around the world. The purpose of these sessions is to meet as many employees as possible and not only share the vision for the company, but just as importantly, hear their ideas for business improvement and understand the challenges they face in their day-to-day work.

To completely engage employees, you must be prepared to take questions on any topic; no subject should be off limits. Air Products employees are very enthusiastic about asking questions and sharing their thoughts during these communication sessions. What became very clear from many comments was that people felt an "emotional reconnection." They were left feeling positive and upbeat having listened to me express how important our people are, and that we should feel proud of what we do and the company we work for. These communication sessions are continuing until I have had the opportunity to meet every employee face-to-face, and will then start again.

Leadership has a critical role to play in communicating with employees in a simple and clear way. If employees do not have clear direction, they will not have a good sense of what is expected, and their performance will reflect that. However, when clear direction is provided, and employees are not only held accountable for their performance, but also rewarded for it, they will rise to the occasion and deliver the desired results.

CREATING EMPOWERMENT

Another job of leadership, in my view, is to create an organization that does not demand a lot of unnecessary work from its people. Authority and decision-making should be pushed to the lowest possible level that can be managed, so people feel empowered, and *are* empowered. When employees understand their responsibilities and are empowered, they typically make good decisions and can do so with speed and self-confidence.

In an entrepreneurial culture, employees start thinking and acting like it is *their* company. They start thinking about things like, "How do we improve safety? How do we improve productivity? How can we do our jobs faster and more efficiently? What unnecessary steps can we eliminate?" When every employee starts coming to work thinking and acting like that, delivering the necessary results becomes much more achievable.

At Air Products, creating this kind of culture required a major restructuring of the company. We reorganized our Industrial Gases segment on a geographic basis, moving from a centralized to a decentralized organization. I fully believe that a decentralized organization releases entrepreneurial energy, minimizes costs, and by design, creates a simpler and more efficient structure with true profit and loss accountability at many levels of the organization. People have the freedom to collaborate in ways they could not before because barriers have been removed. They are able to see issues, think differently, and solve them.

This kind of entrepreneurial thinking is something distributors understand, because they live it every day. In the U.S., distributors are an important sales channel to the packaged gases market for Air Products, and over the years we have built many long and loyal relationships. By working closely together, we have been able to learn from each other and uncover new market opportunities that are mutually beneficial. When it comes to building our Air Products culture, I see many opportunities for us to continue learning from distributors who are modeling the right behaviors and whose businesses are thriving as a result.

As I've said, it all begins with the right attitude. When you build a truly entrepreneurial culture, every person comes to work saying, "This is *my* company." Engaging employees in a way that promotes this kind of motivation and commitment is key to a company's continued growth and success. In today's ever-changing world, it is truly the only sustainable competitive advantage. 