

The Power of an Ownership Culture

You have been on the service side of an insurance company for some time. You are about to change sides and experience it as a customer.

You're meeting with the provider of one of your insurance plans to discuss how your account has been serviced. You expect to meet with management. Instead, you are introduced to a claim examiner, an underwriter and a customer service representative who handle your account. You explain your issues and state your service expectations; they describe the actions they will take. You are surprised at their responsiveness, their decision-making ability and how much they know about you and your business. You are surprised at the comfortable feeling you have that they will resolve your issues. And as you think about it, you are perhaps a little bit jealous when you compare this event to your own company. But, you are certainly glad that you don't compete with a company like this – or do you.

You didn't meet with management – but you did meet with the decision-makers. You met the front-line employees who own your business. Like most owners they are not satisfied with average performance or average results. They know that continually providing above average performance and results is the only way to keep your business and the only real way to make their business more successful. These are people working in an "Ownership Culture" where every employee thinks and behaves as an owner. They have a core interest in creating and maintaining a successful company beginning with the part of it they own – you, their customer.

Ownership cultures require time to grow and need to be cultivated. To unleash the full power of ownership a number of corporate elements must be in harmony. A fully integrated ownership culture will reflect a corporate environment with these characteristics ...

More decisions made by front-line employees. They are empowered to make the best informed decision for their customer, their unit or team. To accomplish this, employees have access to **free-flowing customer information** so they know the business, demographics and trends of the policyholders they serve. And, they have the ability to understand the information and the skills to make the right decisions. There is an environment of **employee growth and development** in which training programs are designed to increase employees' knowledge and skills and to support corporate goals and objectives

Employees have an **operational focus on managing the business**. This is often a contrast to the traditional insurance company focus on processing transactions. Jobs are designed to naturally **focus on outcomes** rather than activities and the performance management systems will **link individual success to team, unit and business results**.

A focus on **continuous improvement** is present in every area of the company. Business process and procedures are viewed only as tools to achieve results - not unchangeable systems - and employees are responsible for maintaining process efficiency and empowered to make improvements.

Several corporate factors must also exist to create the foundation and support of an ownership culture. **Clear business goals** are linked throughout the company and are understandable and actionable by all employees. The **organization structure is built around customers** to facilitate service quality, process customization and results measurement. There is a climate of **fairness and community** that promotes mutual trust between employees and management – a sense that "we are in this together". And there is **corporate equity** through a compensation system that permits employees to share in the gains created through their efforts.

In our management consulting practice we help companies find the power of an ownership culture to identify and attain their full potential. This is our vision. It is what we do. Please visit our website (McDonaldConsultingGroup.com) if you want to learn more about our firm.