30

Corporate Visioning as a Strategy for Organisational Transformation in Nigeria Automobile Industry

By

KENECHUKWU THERESA NWATOKA
Department of Office Technology and Management,
Federal Polytechnic,
Oko.

Abstract

Vision is a description of something, an organisation, a corporate culture, a business, a technology, an activity, in the future. It is a mental perception of the kind of environment an individual, or an organisation, aspires to create within a broad time horizon and the underlying conditions for the actualisation of this perception. Organisations generally, and automobile firms in particular are supposed to be operating with a clear vision. In this vein, it is believed that a clearly articulated vision, fully implemented across an organization, makes a profoundly positive difference. This explains why some organizations state their visions right from their inception while others believed that articulating and implementing a growth vision was the key to getting them out of trouble when their very survival was at stake. Unfortunately, the situation regarding the Nigerian automobile firm is different from the one described in the foregoing. To facilitate the organizational transformation in Nigeria, the management of firms should organize industry interactions by way of seminars and conferences on corporate vision as this will help the management, staff and stakeholders of the industry to fully utilize the concept, its implementation and benefits. Thus, they should formulate and communicate a unique vision for the future, offering the needed support and providing the essential visionary and operational direction. The outcome will mean improved competitiveness in the local and global economy.

Etymologically, both the words *mission* and *vision* have their roots in religion. Most religions, from Taoism to Christianity and Islam have used the term vision in their religious texts for thousands of years. In these texts, the term *vision* depicts a

sacred encounter which results in a view of the future or specific advice on how to approach a situation. Gradually, *vision* has started to be used initially in general and subsequently in business literature to depict mental images related to the future. The use of a vision statement in business organizations can be traced far back. As its inherent meaning refers to what organizations want to achieve in the future, it can be argued that any company statement that clarifies this aspect can be considered a vision statement, even if not explicitly labeled this way.   In recent history, Sony was one of the first companies reported to have used the vision beyond a simple declaration, to drive organizational development and strategic decision making (Lyons 1976). Another famous early adopter in the late 70s-early 80s was Apple Computer (Schoemaker 1992). Initial literature on vision statements has associated the concept with leadership, as imagining the future is considered an attribute of a leader, (Mendall and Gerguoy 1984, Sashkin 1988, Westley and Mintzberg 1989). One of the earlier definitions of the vision statement in a business context was offered by Kouzes and Posner (1987: 85), who defined it as *"an ideal and unique image of the future"*.

A 2008 survey conducted by the management consulting company-Bain and Company ranks Strategic Planning as the second most popular management tool after Benchmarking, while Mission and Vision Statements are on the third place (Rigby and Bilodeau 2009). Despite the variance in research interest, usage in practice and the confusion with mission statements, vision statements are one of the most important strategic management and business performance management tools. They represent a much needed mental image of the future state, inspiring and motivating leaders and followers towards a common desideratum. In doing this, they facilitate alignment and decision making. While they vary in format and usage, vision statements generally represent a good balance between the efforts invested in development and the impact their usage has on results.

Overall, research has demonstrated significant contributions of visions to organisational effectiveness (Zaccaro, 2001:367-380). Lack of vision also appears to be associated with failed attempts to manage organisational change (Collins and Porras, 1994:87). Visions offer a value based direction for the organisation and provide a rationale for a strategic decision making. Thus, the concept of corporate visioning according to Bennis and Nanus (1985:102-105) "is a mental image of a possible and desirable future state of the organisation which articulate a view of a realistic, credible, attractive future for the organisation. Corporate visioning has direct bearing with the situation being experienced by the national automobile industries. For instance, Lipton (1996:83-91) asserts "a clearly articulated vision, fully implemented across an organisation, infact makes a profoundly positive difference." Gladwell (2000:2) in supporting this position notes that guided by visionary leadership, transformation can gather momentum until it reaches a "tipping point" where it will spread like epidemic

throughout the many intertwined systems and dramatically alter how organizations operate. Furthermore, Roberts (1983:5-16) states that all successful transformation are vision led. However, transformation is defined as "the radical shift from one state of being to another, where the new state is uncertain until it emerges and is better able to meet the sophisticated demand of the environment than the old 'tried and true' state" (Ackerman Anderson and Marquardt, 1997:16). Hence the Nigerian automobile industry is facing a tremendous environmental demand. As a matter of fact, the issue of corporate visioning in the Nigerian automobile industry has raised great concern in the face of myriad of problems within the industry. Further to the high cost of the operating environment, low patronage by government and general public, poor perception of locally made goods, very low capacity utilization, insufficient government protection policy, weak and deteriorating infrastructure, many units went into bankruptcy followed by retrenchment of labour force in large numbers. The firms also failed to innovate and transform to move with time and hence cannot meet the taste of their customers. They also have the problem of non motivated work force. All organisations face problems in their lives but a well thought out vision together with effective operations gets the organisation out of these troubles. Thus vision is like the headlights of a vehicle on a road at night which shows the way to the destination on a dark path avoiding any accidents and carefully leaving behind the other cars on the road.

In spite of all the enumerated myriads of problems confronting the industry, there is need for the industry to look beyond the present situation if the nation will harvest the gains of the industry.

Problems of Nigerian Firms With Reference To Corporate Visioning

Organisations generally, and automobile firms in particular are supposed to be operating with a clear vision. In this vein, it is believed that a clearly articulated vision, fully implemented across an organization, makes a profoundly positive difference. This explains why some organizations state their visions right from their inception while others believed that articulating and implementing a growth vision was the key to getting them out of trouble when their very survival was at stake. Unfortunately, the situation regarding the Nigerian firm is different from the one described in the foregoing. It is observed that the Nigerian firm has been performing below expectation. As a result of this, the Nigerian government is not resting on her oar as she is poised to initiate a bail-out plan for the moribund firm that collapsed as a result of harsh operating environment and these have great consequences on their operations. Nigerian firms have the problem of ageing or obsolete technology, the inability to acquire the latest and up to date technology in the firms, lack of investment on new and modern production facilities and the problem of non motivated workforce, all these have resulted in their inability to effectively compete with imported goods from other

countries. The firms also failed to innovate and transform to move with time and hence cannot meet the taste of their consumers. This requires visionary leadership to envision, formulate and adopt appropriate strategy that will enable the firms to withstand their vulnerability to environmental risks such as changes in consumer needs and taste, technological advancement, changes in economic factors, socio-cultural factors and competitors' activities.

The environment of business and its corporate visioning strategy have been hypothesized and demonstrated empirically to have significant impact on organisational performance. As a result of this, any firm that desires to perform must pay particularly attention to environmental factors especially in a tough operating environment**.** It is in view of this system collapse in the Nigerian firm which spans infrastructural and economic malaise that is taking its toll on the firms. Thus, the main problem of this study has been that most of the firms lack visioning strategy and where they have, the visioning strategy has been inarticulate or inconsistent. With all these overwhelming problems, it is not surprising that most firms in the country have closed and those still operating, operate below their installed capacities.

The Impact of Corporate Visioning on Customers Satisfaction
The study by Nutt and Backoff (1997:308-29) found out that employees use vision more effectively in guiding their daily operations, thereby improving customer satisfaction. While the importance of vision is widely accepted, there is lack of clearly articulated and integrated theory addressing how vision are generated and in what ways they influence organisational performance. However, this lack of clearly articulated and integrated theory addressing how visions are generated and in what ways they influence organisational performance will be addressed by any of the following ways as observed by Anugwom (2004:105-106): Mere dream of the founder/Chief Executive: Most visions reflect the dream of the founder/chief executive. The founder or chief executive usually charts out an idea or vision for the firm and all other members are compelled to share the vision and work for its fulfilment. However, with globalization, corporate vision has gone beyond one man's dream or vision. Innovations and Invention: A firm may develop a new idea, product, services or inventions, which did not previously exist. This can ignite and chart out a vision for the firm.   Rooting around in the territory of a problem, an attempt to investigate and find solutions to a problem can open up avenues for discovering new or better methods or idea which can lead to vision creation for the firm. This particular method of vision creation and innovation has been the key to getting many chief executives out of trouble when their very survival was at stake (Baum, 1998:62). Identification of opportunities: In the process of scanning the external environment: The firm may discover opportunities presented to it, an attempt to exploit those opportunities may create a new vision for the firm to follow. Awareness of strengths: In the process of

assessing the firm's internal environment, the firm may discover certain competencies which had and were not previously utilized. Such discovery can propel the firm into charting out a new vision for the firm to pursue. Once corporate visions are created by any of the above ways, each of these ways will eventually have its own influence on organisational performance. However, all studies lend support that vision is a core antecedent of customer satisfaction and high organisational performance. Without meaningful corporate vision content, the vision attributes are unlikely to significantly impact corporate performance and its organizational transformation either. Therefore, its content or "imagery" is critical to the future of their organisation. The content of a vision may focus on products, services, markets, the organisation, or even shared ideas to form the central driving image (Westley and Mintuberg, 1989:51-58). Despite relatively little research into the relationship between vision content and business performance, a successful strategic vision appears to take account of industry, customers, and an organization's specific competitive position in the industry (Pearson, 1989:94-101). A meaningful content vision is the driving force for all the organisations' activity.

The Relationship between Corporate Visioning and Organizational Transformation

Transformation is another occasion for visioning, when an organisation is in trouble, (Mintzberg 1998: 289-315). While vision is called into play at founding and in crises, it also may be awakened in crises, it also may be awakened in established organisations when there is a "wake up call" for staff or board to re-examine culture and operations (Nanus and Dobb, 1999:221-213). An empirical search by Nutt and Backoff (1997:308) confirm that vision does come into view at the time of a major redirection or recasting of purpose is in view, or when organisational transformation may be on the horizon. Generally, victor and Franckeiss (2002:41) lending their support argues that transformation is imperative to align with a clear vision and business strategy and that subsequent activities and interventions are coordinated and consistent. Hinterhuber and Popp (1992:4) maintain, having a vision is behind any new, entrepreneurial activity or major corporate transformational program. Many empirical studies have confirmed that having a strategic vision is linked to competitive advantage, enhancing organisational performance and achieving sustained organisational growth and transformation.

Although several terms associated with major organizational or systemic change are used interchangeably with transformation, they are as follows: Reinvention and Redesign, Reinvention means building an entrepreneurial organization with a built-in drive to improve or "what some would call a self-renewing system (Osborne & Plastrik, 1977:104-132). Redesign: It usually requires devising a new strategic vision and competitive strategy, with the concomitant development of entirely new business

processes (AJA, n.d:56). According to Silverman (1997:2), there is need for an organization to recognize that they need to fundamentally recreate all aspects of an organization's functioning in order to proactively respond to environmental forces and survive in the future, The members of the organization should acquire knowledge of how to systematically go about the process of fundamental, organization-wide transformation. There appear to be four common themes that characterize the process and ultimate shape of the organizational transformations. They are: redefining the business and focusing on the customer, teaming and supporting non-hierarchical structures; leadership and shares values (Lancourt and Savage, 2008:1) all these themes are embedded in corporate visioning. A clear and compelling vision requires defining a key ingredient for successful transformation. Developing a vision requires defining a "perfect world" and clear principles to guide the transformation effort. Organizational vision is described as a guide for the change process (Mink et. al 1993:26-39).

Corporate Visioning and Employee Motivation

Corporate vision attainment will be a failure without employee participation. So there is need for corporate visioning to be a total package. As Thomas and Greenberger (1995:212) put it that corporate vision is a cognitive image of the future which is positive enough to members so as to be motivating and elaborate enough to provide direction for future planning and goal setting. Corporate visioning includes the elements of a positively stated idea of where an organization wants to be in the future and the idea must be shared with everyone in the organization in order to motivate and attain the goal.

Empirically, visions characterized by the attributes of brevity, clarity, abstractness, challenge, future orientation, stability and desirability or ability to inspire have been found to indirectly relate to customer satisfaction (Kantabutra,2003:62) Visions characterized by the seven attributes were also found to have a significant, direct relationship with organizational performance, via staff satisfaction (Kantabutra, 2003:62) and venture growth (Baum 1998:149-162). Views on the attributes characterizing on effective vision vary widely ranging from opinions that an effective vision is inspiring, abstract, brief, and stable and motivating, strategic and well communicated (Conger, 1989:63-71), to ideas that long-term and focus should be included (Jacobs and Jacques, 1990:281-295). In his effort to develop a vision theory to fill in the gap of the prevailing corporate vision, Collins and Porras (1994:44-59) assert that the seven vision attributes interact to create a significant impact on overall organizational performance. Managers and management researchers have long believed that organizational goals are unattainable without the enduring commitment of members of the organization. Motivation contributes to a person's degree of commitment. In essence, where there is motivation, there is productivity and good

performance (Ekpunobi, 1999:2) There is considerable evidence of the correlation between high achievement needs and high performance.
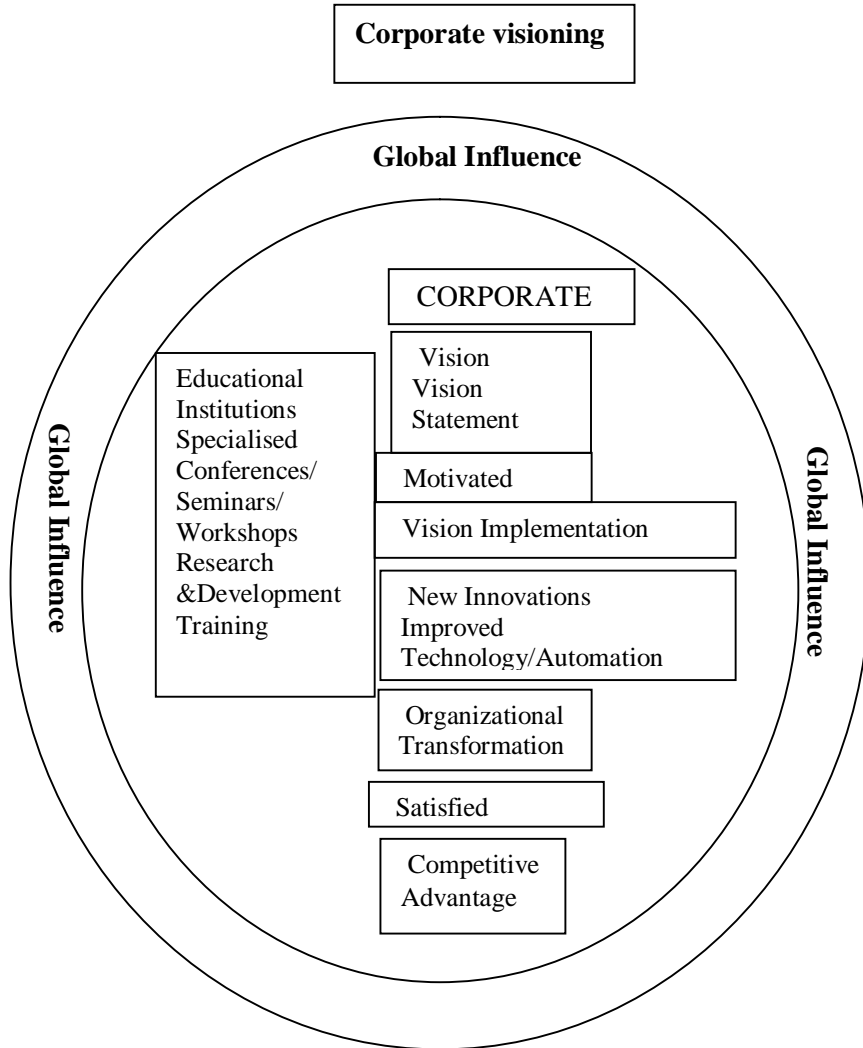
Conclusions

There is a significant relationship between corporate visioning and employee motivation, the stronger the corporate visioning the better the employee motivation. Thus, sharing corporate vision with the employees will make them to work harder towards achieving the organizational goals.

1. The consensus was that as corporate visioning becomes more effective in the industry, there would be more improvement of the firms' product thereby leading to more customers' satisfaction.

2. The application of corporate visioning in the firms within the industry in Nigerians is relatively low. Consequently, real transformation has not taken place in the industry. As corporate visioning becomes more effective in the industry, it would lead to the improvement of the firm's products which will lead to customers' satisfaction.

Recommendation

a. The management of firms should make arrangements with the academic institutions to fully design courses to suit the industry's needs and also, the management of the firms should organize industry interactions by way of seminars and conferences on corporate vision as this will help the management, staff and stakeholders of the industry to fully utilize the concept, its implementation and benefits.

b. The management of the firms should implement the concept of corporate vision. Thus, they should formulate and communicate a unique vision for the future, offering the needed support and providing the essential visionary and operational direction. The outcome will mean improved competitiveness in the local and global economy.

c. The management of the firms should get the firms to be totally transformed – starting from the design, production process and eventually to marketing process. All these can be achieved through corporate visioning. This will help the industry to grow and face the challenges, which are bound to be in the free market.

d. The management of the firms should ensure that corporate visioning is effective within the firms, as it will lead to the improvement of the firms' products which will finally lead to customers' satisfaction.

e. The management of the firms should ensure that the leadership is subjected to management training and development on corporate visioning so that they will be prepared to lead the firms as visionary leaders.

Corporate visioning

Global Influence

Global Influence

Global Influence

CORPORATE

Educational
Institutions
Specialised
Conferences/
Seminars/
Workshops
Research
&Development
Training

Vision
Vision
Statement

Motivated

Vision Implementation

New Innovations
Improved
Technology/Automation

Organizational
Transformation

Satisfied

Competitive
Advantage

Modified Corporate Visioning
process Model (CVPM) for the
Nigerian automobile Industry
Fig. 1
Source: Kenechukwu 2014

The constructed corporate visioning process modified model (CVPM) for the Nigerian Automobile industry as shown above is the researcher's contribution to knowledge. .

Model Description

This model gives a qualitative overview of corporate visioning as a strategy for organizational transformation in the Nigerian Automobile industry. The model shows that the industry is being bombarded by global influence which has given rise to imported/smuggled cars into the country that has almost wiped out the industry from existence.

Therefore, there is need for educational institutions like universities to come up with special programme, specialized conferences/workshops on automobile technology. The industry will also establish world class research and technology on design innovation and technology, raw materials, customer taste. This section will feed the leadership, the vision group and the employees to empower them.

The vision group will act as a vision think –tank for the leadership to enhance this vision. Once there is corporate visioning, employees are motivated leading to vision implementation which produces new innovations, improved technology quality/customized/branded products which will automatically lead to organizational transformation. This will bring about satisfied customers. The model also demonstrates that once the corporate visioning process is completed, the industry will have competitive advantage over the imported/smuggled cars. This will in essence reposition the industry in the global world markets and thus leads to the following:-

1. Employment generations
2. GDP is increased
3. Reduction in imported/smuggled products
4. Reduction in crime as a result of employment opportunities
5. Increased revenues to all stakeholders
6. Macro-economic objectives are achieved leading to National progress and development.

References

Ackerman, A.; Anderson, D. & Marquardt, M. (1997). *'Development, Transition or Change Transformation: Bringing Leadership into the 21ˢᵗ century,* OD practitioner, 28(4).

Bennis, W. G. & Nanus, B. (1985), *Leaders: The strategies for Taking Charge.* Harper and Row: New York.

Ekpunobi, G.N. (2010). *Corporate Visioning as a Strategy for Organisational Transformation in Nigerian Textile Industry,* PH.D. Thesis UNN Nsuka.

Filion, L.J. (1991). 'Vision and Relations: Elements for an Enterpreneurial Metamodel', *International Small Journal,* 9.

Finkelstein, S., Harvey, C. & Lawton, T. (2008). 'Vision by Design: a Reflexive Approach to Enterprise Regeneration', *Journal of Business Strategy,* Vol. 29 (2).

Gladwell, M. (2000). The *Tipping Point: How Little Things Can Make a Big Difference,* Little, Brown and Company, Boston.

Kotter, J.P. (1990). A *Force for Change: How Leadership Differs from Management,* Free Press, New York.

Parras, J.I. & Silvers, R.C. (1991). '*Organization Development and Transformation', Annual Review of Psychology'*, 42

Raynor, M.E. (1998). 'Vision, that Thing: Do We Need It', *Planning,* 31 (3).

Roberts, M. (1983). *Corporate Transformation: the Future Direction of your Organization,* Decision Science International Ltd, Austral.

Westley, F. & Mintzberg, H. (1989). 'Visionary Leadership and Strategic Management', *Strategic Management Journal,* 10.

Zaccaro, S. J. (2001). *The Nature of Executive Leadership: a Conceptual and Empirical Analysis of Success*, APA Books, Washington DC.

Baum, I. R..;Locke, E.A. & Kirkpatrick, S.A. (1998). "A Longitudinal Study of the relation of Vision and Vision Communication to Venture Growth in Entrepreneurial Firms" *Journal of Applied Psychology. 83.*

Kouzes, J.M. & Posner, B.Z. (1987*), The leadership challenge How to get extraordinary things done in organizations*, San Francisco, Jossey-Bass.

Bennis, W.G. & Nanus, B. (1985*) Leaders Strategies for Taking Charge,* New York, Harper and Row.

Lyons , N. (1976) *The Sony vision,* New York, Crown Publishers.

Anugwom, G. (2005) *Strategic Management and Issues in Business Policy Concepts, Illustrations & Cases*, Enugu, CIDJAP Press.

Rigby, & Bilodeau ,(2009) *Management Tools and Trends* , a Bain and Company, Inc. publication, accessed at http://www.bain.com/bainweb/PDFs/cms/Public/ Management_Tools_.pdf on 29 June 2010.

Mendall, J.S. & Gerguoy, H.G. (1984) *Anticipatory management* Lipton, M. (1996) Demystifying the Development of an organizational Vision, Sloan Management Review, 37 (4).

Silverman, S. (1997) "Vision and Mission: Strategic planning Systems Need" *Paper presented in fulfilment of Doctoral Requirements Society for Technical Communication, (2005), A model for Transforming STC,* Retrieved January 3 2008, from http://www.stc.org/transformation/article 6.asp

Collins, J.C. & Porras, J.I. (1994) *"*Building Your Company's vision*"*

Nutt, P.C. & Backoff, R.W. (1997) *"*Crafting Vision" *Journal of Management*

Pearson, A.E. (1989) *"*Six basics for General Managers", *Harvard Business Review*, 67(4).

Collins, J.C. & Porras, J.I. (1997) *Built to Last: Successful Habits of Visionary Companies.* London, Century.

Lancourt, J. & Savage, C. (2008) "Organizational Transformation and the Changing Role of the Human Resource Function" Retrieved form http://www./cee-inc.com/article.htm.

Kantabutra, S. (2003), "*An Empirical Examination of Relationship Between Customer and Staff Satisfaction in Retail Apparel Stores in Sydney*, Australia', unpublished

Doctoral Dissertation, Macquarie Graduate School of Management. Macquarie University, Sydney.

Nutt, P.C. & Backoff, R.W. (1997). *"Crafting Vision" Journal of Management.*

Nanus, B. & Dobbs, S.M. (1999). *Leaders who make a difference, Essential Strategies for Meeting the Non Profit Challenge*, Francisco, Jossey-Bass San.

Victor, P. & Franckeiss, A. (2002). The five dimensions of change, an Integrated Approach to Strategic Management, Strategic Change.

Mintzberg, H.; Ahlstrant, B. & Lampel, J. (1998). *Strategy Safari, a Guided tour through the Wilds of Strategic Management*, Free Press, New York.

Hinterhuber, H. H. & Popp, W. (1992), "Are *you a strategic or just a Manager?"* Harvard Business Review: January-February.

Mink,O. Owen, K. & Santakinen, T. (1993*).* "Long–term Thinking and Cultural Change" *Asia, Pacific Journal of Quality*, 2(2).

Osbourne, D. & Plastrik, P. (1997). *Banishing Bureaucracy: the five strategies for Reinventing Government.* Addison Wesley, Reading, Massachusetts.

Conger, J. A. & Benjamin, B. (1999). *Building Leaders, How successful Habit* of *Visionary Companies*. San Francisco: Harper Generation Jossey – Bass.