

Gebhard Borck
unleash the power of auto-organization

Whitepaper Power of Ownership



We (re)cognize how it works



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Power of Ownership

Brave, lean, simple, open, flat, and free

How would you describe a company's organization, grown over a few decades? I have a suggestion, how about: «Brave, simple, lean, open, flat, and free.» Or is it rather: «Cumbersome and weary»?

In this whitepaper, we explore the Mind Tool of Power of Ownership. Behind the new behavioral patterns introduced later, is the idea that we unleash the Power of Ownership throughout the entire company.

I once met a businessman who explained to me: „You know, Mr. Borck, people should work as if it were their own shop.“ The conversation continued for five minutes and then I heard the statement: „If only everyone just did what they were told.“ He said this without any ulterior motives. But it's clear to us what's going wrong here. People who do what they are told are missing information. Often, that's exactly what their leadership wants. On the other hand, those who act like owners should know everything there is to know. That's our first pattern break already...

Cash Transparency

Modern work frameworks often celebrate transparency as if it were a holy grail. I can't get much out of that. But in one respect it's true. In terms of profitability, we need rigorous openness. Only if you are well versed in income and expenses, can you make sensible financial decisions. But more is needed than just access to the information. It should be prepared in such a way that your colleagues and you can quickly and reasonably understand and apply it. That means, controlling changes its customer. Instead of making analyses for the top, it explains to the work force how the company is doing. If this succeeds, there is no need for planning anymore. What is on the agenda instead, is the second pattern break in the Power of Ownership.

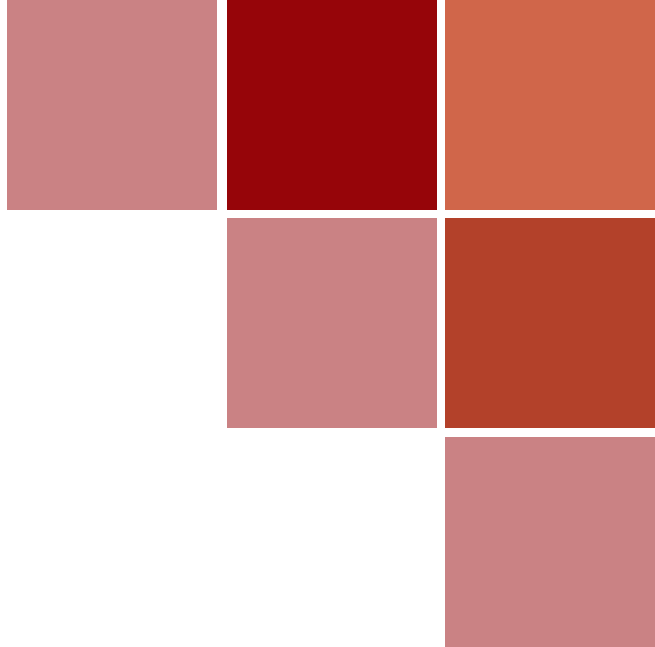
Open-ended Expectation Management

To this day, in almost all companies that hire me, it is common practice for management to announce their planning, indicating the direction.

Once the plan is in place, right and wrong emerges from the check against the target.

Since life is what happens while we plan, a whole tail of work hangs on this pattern.

- Constant plan revisions.
- Regular conflicts in the difference between plan and reality.
- Employees who politically optimize their interests, as they know that planning has no long-term value.
- Jour fixes to check the implementation of the plan.



- Meetings to get plan adjustments (changes of direction) on track in a timely manner.
- Suspension of command relationships to pave the way for task forces.

You probably know it from your daily life even better than I do. We do this, even though there is a very uncomplicated alternative:

«Everything that has to do with an uncertain future, we formulate as expectations and then check with actual figures whether they are met.»

This way, we replace the false certainty of planning with naturally given uncertainty. The great thing about this is that we are biologically perfectly prepared to deal with it.

But what falls by the wayside then? Well, here is a list that you can add to as you please:

- Strategy retreats,
- Budgeting,
- Sales targets,
- Market penetration goals,
- Sales quotas
- etc.

Here is a clear example of an announcement for sales growth. Instead of saying:

„Next year we will increase our gear product sales by 20%.“

It is phrased as:

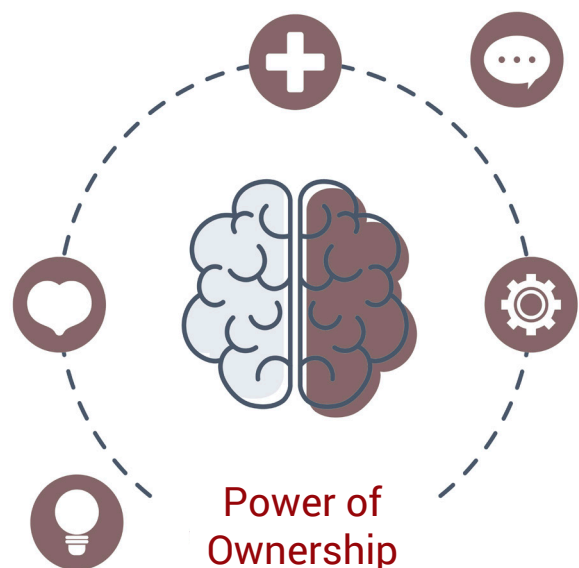
„We see in the market for gears, due to certain circumstances (...) the opportunity to achieve a significant increase in sales.“

Of course, the factors we base ourselves on should be transparent (see above). And then comes the vague statement about a „significant increase“. That's the crux of the matter. Now all we need is regular updates – perhaps in a fortnightly or four-week cycle – on what is happening and the business is up and running. Why? Because there is no clear „right“

anymore. Where I imagine „significant“ as five percent, someone else sees twenty-five. We automatically try to cope with the future securely.

The key: community.

In it, we find the mental stability to deal with uncertainty. The bonus is, if it turns out that our expectations or assumptions are wrong, we can change our behavior super quickly, because we don't want to fulfill any plan anymore. So far so good, but what happens with strategies that require perseverance? This is probably the most radical pattern break, as it is scientifically sensible for these tasks to ...



Make Bets not Plans

Yes, you read correctly. Now we're heading to the race track. Where investments delude us that we control the world, betting includes risk management from the beginning. You can probably imagine how often I have seen investment projects „surprisingly“ fail. No? Well – let's just say, significantly more often than they turned out as desired.

When betting, the mentality is different. There are risky, thoughtful, hopeful, and skeptical people. If I let a lot of all of them bet on the same alternatives, various experiments show that their group estimation is very good. Often significantly better than the assumptions and predictions of experts or those responsible. Of course, only if they focus on the desired outcome, not the bet itself.

Nevertheless, the books of Surowiecki and Bregman provide several proofs of how much more sensible betting is in dealing with uncertainty than preemptive investing. And that's how you make a shoe out of your Power of Ownership.



3 x new behavior for your success

Stable overall profitability is achieved by:

01

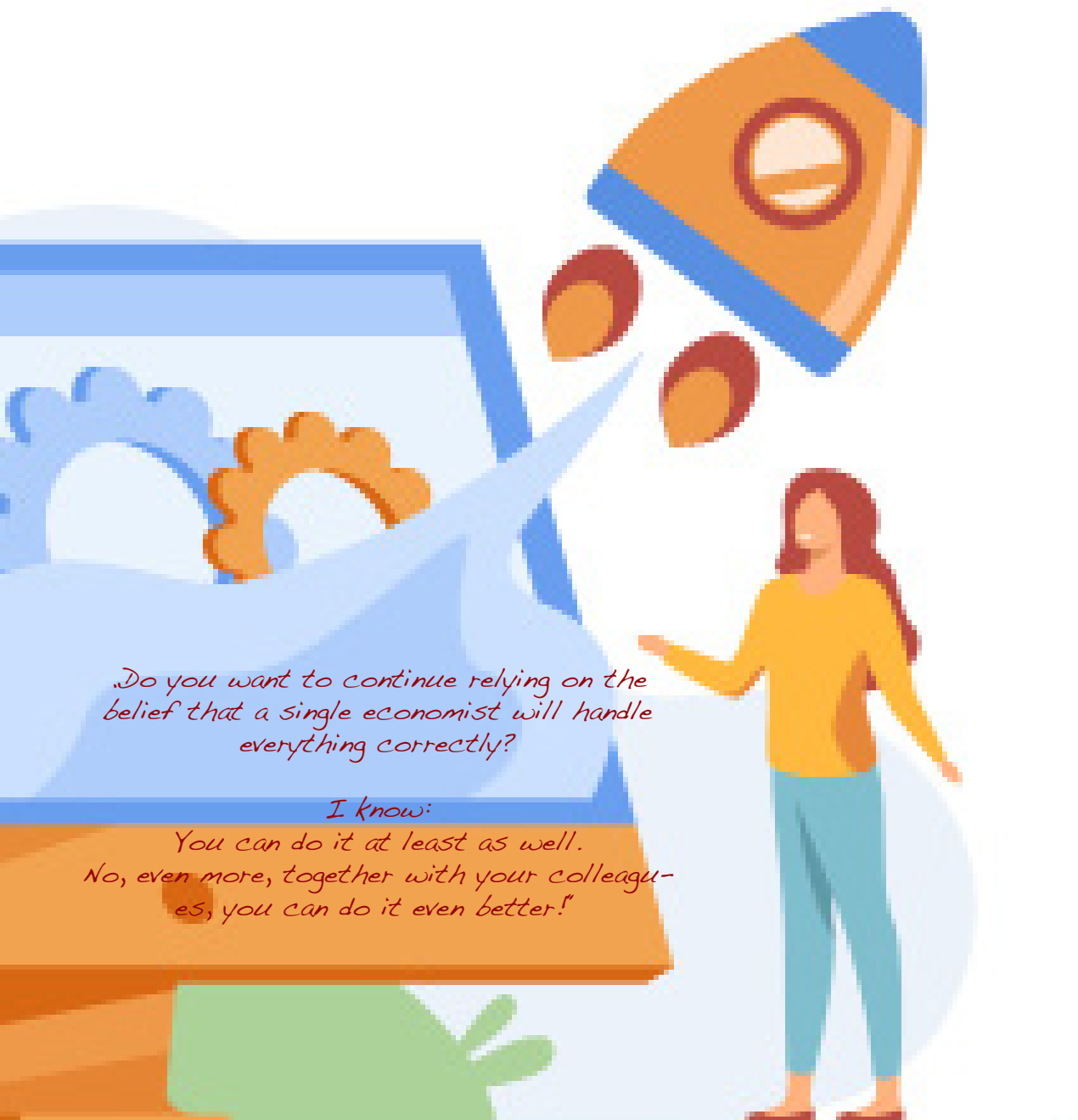
Sharing information transparently and preparing it in such a way that everyone understands it for their everyday life.

02

Largely abstaining from planning the future and instead learning to deal with its uncertainty in a human as well as professional manner.

03

Recognizing strategies for what they are, «hopeful bets on a better future».



„Do you want to continue relying on the belief that a single economist will handle everything correctly?”

I know:

You can do it at least as well. No, even more, together with your colleagues, you can do it even better!”



Thank You



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