

CPS Energy Defines and Drives Its “Big Audacious Goal”

How a Collaborative Process Involved and Aligned Every Employee on the Vision



SITUATION

CPS Energy (then City Public Service), under the leadership of CEO Milton Lee, used a collaborative process to develop a Vision meaningful to every CPS Energy employee. CPS Energy used Jim Collins’ and Jerry Porras’* principles and the Interaction Method™ to help move its culture from one of top-down autocracy to a more collaborative, team-based environment.

CPS chartered a team (the “Jupiter Team”) in 2003 to undertake the work they called Creating “Vision 2020.” The diverse, cross-functional team embarked on a Board of Trustees-driven Visioning and Audacious Goal Development Process, intended to create shared understanding, alignment and ownership of its BAG (“Big, Audacious Goal”) and its implementation throughout CPS -- not just within the executive management team.

According to Collins’ work, a company must first discover and articulate its Core Values and Core Purpose. These, then, become the foundation for creating the Big, Hairy Audacious Goal (at CPS, referred to as the Big Audacious Goal, or BAG), and the Vivid Description of what the future will look like, once the BAG is accomplished. The company’s Vision is the combination of all four of these elements.

CPS had a vision and a set of stated values, but many people in the company felt little connection to them. The Jupiter Team quickly decided it was imperative to create a process that gave all employees the opportunity to be heard and to have their input considered as the Vision was created. Meetings were scheduled to give all 4,000 CPS employees an opportunity to participate.

SOLUTION

The Jupiter Team divided the effort into two phases. Phase I focused on identifying Core Values and Core Purpose. The team enlisted 77 Jupiter Team Ambassadors to help conduct small-group meetings throughout the company to gather input. More than 160 meetings were held in Phase I alone. CPS executive input was gathered at the regular employee meetings, with employee input and executive input being given equal weight.

According to Collins’ “Three Circles” model, a critical success factor for any Big Audacious Goal is that its focus reside in the intersection of the Three Circles:

1. What can you be the best in the world at (and, equally important, what can’t you be the best in the world at)?
2. What drives your economic engine?
3. What are you deeply passionate about?

* Collins, Jim and Porras, Jerry I. "Building Your Company's Vision." Harvard Business Review. Sep-Oct. 1996.

case study

Phase II focused on the development of the BAG and Vivid Description. In meetings, employees were asked to share their thoughts on what CPS was passionate about, what we could be the best at, and what drives CPS' economic engine. The Jupiter Team recognized that development of the BAG was more a creative and strategic effort, and development of the Core Values and Purpose was a discovery effort.

RETURN ON INVOLVEMENT

The Jupiter Team divided the effort into two phases. Once input was received from throughout the organization, the Jupiter Team considered the responses to the three questions and looked for groupings that fit in the intersection of all three questions ("the intersection of the three circles"). The Team then conducted several meetings with executives and the Board of Trustees sponsor to discuss possibilities for the BAG. Finally, the team held a work session with the CPS Board of Trustees to answer their questions and get addition-

al input before the final BAG was approved by the Board, approximately one year from kickoff.

By operationalizing Collins' work through a collaborative process, CPS not only defined and created a plan but also put itself in an ideal position to realize its goal with the full support of every employee.

More information about CPS Energy can be found on the Web at www.cpsenergy.com.

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