# 3 Reasons Why Enterprise Organizations Need to Think Like Startups

Here’s why corporations should embrace the bottom-up mindset of scrappy startups.

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It’s time big business rethinks how it views employees. Too many companies treat workers like children. Whether it takes the form of senior management barking orders or telling subordinates how to do their jobs, office paternalism, no matter how well-intentioned, can disenfranchise employees and undermine creativity and efficacy.

There is another way to operate, one that rewards individual contributions and better serves organizations: Corporations must embrace the bottom-up mindset of scrappy startups. Tomorrow’s companies needed to understand this modus operandi yesterday, suggests bestselling author Michael Levin in our recent conversation. Those that don’t risk succumbing to irrelevance — or worse, unprofitability.

Though the Business Roundtable just woke up to the fact how corporations treat workers should be a consideration as crucial as maximizing shareholder profits, Levin is no stranger to this idea. As a keynote speaker to enterprise organizations, he’s been pushing for an “ownership mentality” amongst all stakeholders for years.

“Too often, senior management can be prone to a scarcity

mindset," says Levin. "But that's the wrong approach to innovative leading in 2019. C-Suite must get out of its own way by developing a positive sum mentality — one in which everyone is heard and everyone wins. This is the way toward lasting organizational growth."

As a recovering former employee who experienced disenfranchisement from clueless bosses and managers, I appreciate this leadership paradigm shift. Here are three reasons why today's enterprise organizations should consider embracing an "all-in-it-to-win-it" startup mentality.

# 1. Forcing change on workers could lead to disaster.

"Your employees should have an active voice in your company," writes David Rodeck for ADP. "After all, their day-to-day work experience can provide them with a slew of great ideas on how to improve your business."

Change moves at light speed for today's organizations. To keep up, collective buy-in of the startup variety is a must. Yet too many companies think the way to steer the ship is to do most of the talking and little listening. To illustrate this reality, Levin offers the following anecdote: He was asked to speak before a group on the theme of embracing change at their annual meeting. When Levin asked leadership what this idea meant to them, he was told the organization was rolling out new programs that the front lines just needed to accept.

"I said, 'Good luck with that.' The people who need to embrace change are not the employees. It's senior management. They need to change how they lead. They must learn to give their people a voice and not feel they have to control everything."

To ensure employees grow with the company as a result of sharing their thoughts in a more laid-back, startup fashion,

more top organizations are recognizing the value of Levin's workshops, as well as those put on by the Management Training Institute, which address the "rising challenge of developing subordinates" for the greater company good.

## 2. Making bank isn't the only employee motivator. People want more.

A survey conducted by LegerOpinion on behalf of ServiceNow, a cloud-based software for workspaces, found that millennials crave jobs offering deeper meaning. In fact, nearly half of the respondents said they would trade a significant raise for a new position if the latter generated more fulfillment. This report dovetails with Levin's consulting experiences. "The key reason enterprise must embrace a startup mindset comes down to belonging," he says. "You may be of the mind millennials just care about promotions or raises, but the opportunity to make a difference is what really drives their engagement."

There is another reason to court buy-in from younger workers: historically low unemployment rates. The key to securing and retaining top new talent often comes down to culture. As a result, the question big business must ask itself is: Do the jobs you provide offer more than just a paycheck? If the answer is "no," you may have a problem. The startup down the street isn't just sexier; it also promises greater purpose, which is the apex of priorities on Maslow's Hierarchy of Needs.

To be sure, continuing to operate as an autocratic, top-down institution in 2019 may not just put off younger workers; it may also cost the company enterprise-seasoned associates. *The Harvard Business Review* reports a whopping 90 percent of Americans across ages and industries would rather accept lower pay for greater fulfillment in their work.

So how can companies provide opportunities for greater meaning? Endless opportunities abound. For starters, consider Google's so-called 20 percent time. "We encourage our employees, in addition to their regular projects, to spend 20 percent of their time working on what they think will most benefit Google," writes founders Sergey Brin and Larry Page. "This empowers them to be more creative and innovative." Talk about cultivating buy-in.

## 3. You can grow faster (and better) with an ownership mentality.

I once worked in the corporate office of a big movie studio. This might sound like an exciting job, but for me, it wasn't. Most of my day consisted of checking and rechecking the limited tasks my boss gave me, and I felt I was publicly admonished any time I made a mistake.

The above is an example of management proceeding from a scarcity mindset. Too afraid to participate for fear of making mistakes, I felt stifled at every turn and sought to be invisible. Forget all of the wasted time this micromanagement caused; the real problem was ownership. I felt that my employment was transactional and that making a mistake could cost me my job at any time. Such risk-aversion is often rampant in top-down organizations. Growth and innovation don't occur as they should because employees are afraid to stick out their necks.

This mentality flies in the face of what Levin encourages in his talks. Instead, people-based initiatives permeate his teachings. Through seminars and participatory activities, senior management realizes when you encourage your associates to own their work, as in any devoted startup tribe, good results often follow.

"I like to tell the story of an organization in which a third

of the employees had difficulty speaking English," says Levin. "As you can imagine, this deficiency led to a host of problems. Workers couldn't read their job description, much less safety instructions."

Speaking to the power of ownership, an initiative team (comprised of front-line employees) made it their mission to bring English proficiency to an organization in which most workers communicated in Tagalog or Spanish. Possessing not even a whiff of wariness, these self-assured workers brought their idea to senior management, who greenlit the plan. It's worth considering why the powers that be would come on board with a plan undoubtedly requiring lots of coordination, time, and expense. They didn't do it just to be nice. Although providing English skills was likely the right thing to do, businesses exist to make money.

The employees got C-Suite buy-in for two reasons. First, they could demonstrate why this project would lead to growth. More importantly, they were able to influence leadership because they were confident in their standing with the company. They felt invested in the group's fortunes as if they were their own. There is a word for this mentality: ownership. These employees felt empowered to make their recommendations in much the same way startup collaborators feel secure about presenting their ideas.

So how did this bold initiative change things for the company? It catalyzed an ownership mentality in the organization, leading to a more welcoming corporate culture. Gratified that their ideas were heard and implemented, the front-line employees gained a greater sense of belonging. In the future, it's easy to imagine these employees taking on greater responsibility, including key roles in succession planning. Even better, should another opportunity arise, they'll likely turn it down to remain with their company family.

But the positive results don't end there; they also extend to

management. Those supervisors who helped foster this program have a sense of ownership, too. Proud of their contributions, they feel it’s also their legacy. Lastly, from a financial standpoint, these senior leaders received more than they bargained for. After witnessing the good that can occur when employees and management are aligned, they have a new understanding of what’s possible.

## How to bring necessary change to your organization now

Do you know in your gut your company could do bigger and better things if only the culture would shift? The trick is transforming how senior leadership thinks. According to Levin, this requires them to dispense with their role as commanders in chief.

Instead, they must see themselves as mentors. Doing so may feel uncomfortable at first, but only when enterprise organizations recognize true leadership involves empowering others will they wake up to their potential.

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