Gerhard de Haan

Leitbild Analysis – a new Method for Future Science

Berlin, July 2002


Institute for Educational Science and Future Research
Department of Educational Science and Psychology
Freie Universitaet Berlin
Arbeitsbereich Erziehungswissenschaftliche Zukunftsforschung
Fachbereich Erziehungswissenschaft und Psychologie
Freie Universität Berlin
Arnimallee 9
D-14195 Berlin
sekretariat@service-umweltbildung.de
www.service-umweltbildung.de
# Content

<table>
<thead>
<tr>
<th></th>
<th>Introduction</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The function of guiding principles</td>
<td>6</td>
</tr>
<tr>
<td>2</td>
<td>Why are guiding principles so often ineffective?</td>
<td>8</td>
</tr>
<tr>
<td>3</td>
<td>The concept of a „Leitbild analysis“</td>
<td>9</td>
</tr>
<tr>
<td>4</td>
<td>Example: Leitbilder, revealed by the Leitbild analysis</td>
<td>12</td>
</tr>
<tr>
<td>5</td>
<td>Summary and conclusion</td>
<td>14</td>
</tr>
<tr>
<td>6</td>
<td>References</td>
<td>16</td>
</tr>
</tbody>
</table>
0 Introduction

Mostly all large as well as a lot of small companies and numerous non-profit organizations and non-governmental organizations have developed guiding principles as part of their company philosophy. Therefore we read on the Web-site of the famous company McDonald’s™:

http://www.mcdonalds.com/corporate/info/vision/vision.html

McDonald's vision is to be the world's best quick service restaurant experience. Being the best means providing outstanding quality, service, cleanliness and value, so that we make every customer in every restaurant smile. To achieve our vision, we are focused on three worldwide strategies:

1. Be The Best Employer
Be the best employer for our people in each community around the world.

2. Deliver Operational Excellence
Deliver operational excellence to our customers in each of our restaurants.

3. Achieve Enduring Profitable Growth
Achieve enduring profitable growth by expanding the brand and leveraging the strengths of the McDonald's system through innovation and technology.

And on the Web we also can find the following sentences about the Siemens™ company:


Guiding Principles for Promoting and Managing Diversity

Diversity is an invaluable source of talent, creativity and experience. It comprises all the differences in culture, religion, nationality, race, ethnicity, gender, age and social origin – in short, everything that makes the individual singular and unique within society.

Diversity improves competitiveness by enlarging the potential für ideas and innovation. Diverse teams addressing problems from varied perspectives will be more productive and achieve better solutions. We will benefit from the potential of diversity not only in a global context, but also at all levels within countries, locations and teams.

Diversity is a business imperative and part of our social responsibility as well. It must become an integral part of our corporate culture worldwide and thereby position Siemens as agiobai employer of choice.

There is no uniform approach to promoting diversity. Countries and regions must develop their own strategies based on local history, culture and actual needs.
These principles are intended to highlight diversity as part of our corporate strategy and to call für action.

**The Principles**

- We operate in countries with a variety of social structures, same are quite homogeneous, others very diverse. Regardless of this variety we promote diversity in all our locations worldwide. The cultural differences of employees with diverse backgrounds and nationalities will enrich our organization, including our central corporate headquarters and the headquarters of our groups and subsidiaries. Qualification and performance für the respective tasks are the only prerequisites für successful employment.
- In countries or metropolitan areas with different races, cultural, religious and ethnic groups, we recruit individuals who represent all dimensions of diversity. We motivate them to perform to their fullest potential by ensuring equal opportunities für personal development and professional growth. For groups within society who have not had equal access to education and training, we will actively support initiatives and partnerships to unlock and develop their talent and potential.
- We maintain and improve employability by training and continuing education. This applies to all employees irrespective of backgrounds.

These companies have set themselves admirable goals. But were you aware that many companies and organizations are not at all happy with their guiding principles or future visions, interrelated goals, corporate philanthropy? Again and again we hear that guiding principles are attractive as principles, but do not fulfil their guiding functions. (Morgan 1986; Boulding 1956; Czarniawska 1997) Why is this?

The **thesis** in this article is that official guiding principles often clash with hidden ones. These hidden guiding principles are named „Leitbilder“.

The word „Leitbild“ is a German term. (Marz/Dierkes 1992; de Haan et al. 1996) It is used in this article because we have to mark a difference between official and hidden guiding principles. Hidden guiding principles are called „Leitbild“ or „Leitbilder“ (plural). Although the term „guiding principles“ more or less corresponds to the meaning of the German word „Leitbild“, the word „Leitbild“ is still
more appropriate for this concept: for „Leitbilder“ are, as this article will show, not only hidden, but also much more complex than „guiding principles“.

In many companies and organizations, guiding principles already exist. (Knapp 2001; Steidl/Button/Emery 1999; Schmitt/Simonson 1997; Wild/Wild 1996) And there is no guarantee that new guiding principles will be in harmony with already-existing Leitbilder. These Leitbilder (hidden guiding principles) need to be brought out into the open. Then we can see whether and where the new guiding principles harmonize with the Leitbilder that already exist. Or whether and where the old Leitbilder can be superseded by new guiding principles. To uncover these Leitbilder, the research-group of our institute has developed a Leitbild analysis. (For details see: de Haan 2001)

This article is divided in five points:

*First* of all the function of guiding principles will be explained so that it is clear why companies and organizations need them.

*Second* the problems will be elaborated that lead to the failure of many guiding principles, when put into practice, to produce the effects expected of them.

*In a third* point the concept of a „Leitbild analysis“ will be figured out. What methods do we use to analyse „Leitbilder“ (guiding principles), and what is the result?

*After that* an example will illustrate how Leitbilder, revealed by the Leitbild analysis, can clash with new guiding principles.

*Fifth*, and last of all, together with a short summary, a short conclusion for guiding-principle management will follow.
1 The function of guiding principles

Guiding principles gather and focus the goals, visions, and hopes of an organization. For the people who work in a company, guiding principles summarize the general aims they share. They reduce the complexity of the world, activate people’s energy and help focus their attention. In the end, when everyone’s work is governed on a daily basis by this shared guiding principle, the expected effect is greater employee satisfaction and, above all, greater success for the company or organization.

From a systemic standpoint, guiding principles have the following five functions: (de Haan 2001)

1. **Guiding principles have an orientation function.**
   First of all, guiding principles function to clarify the goals and aims of a company or organization and at the same time make them attractive. This is important internally as well as externally. Internally, this guiding principle serves to gather and concentrate energies on one goal. The proclamation of a company’s guiding principle lets everyone know what principles their behavior should be based on. It establishes a guideline for their actions. Externally, it helps to create a distinctive image for the organization.

2. **Guiding principles have a community-building function.**
   Whether guiding principles are openly identified or latent – guiding principles that are mutually shared encourage employees to regard themselves as part of a „we“. Guiding principles bolster team spirit – at least they should. A guiding principle creates a common horizon of future-oriented goals. The existence of an openly or latently shared guiding principle ensures that one’s own interpretations of tasks and goals are compatible with those of the company or organization. This unity makes the company or organization strong – and effective.

3. **Guiding principles have a motivational function.**
   Third, guiding principles should make the objectives of an organization attractive. They function to ensure that employees not only voluntarily identify with the goals of the organization, but do so out of a sense of commitment, and from a general positive attitude. Employees who identify with an organization’s guiding principle do not need to be prompted to do their tasks. They do it willingly and on their own initiative. Guiding principles have a pull – not a push function.
4. **Guiding principles have a burden-relieving function.**

   If guiding principles are truly internalized, then the organization’s need to continually negotiate goals and aims disappears. It is freed from the danger of consuming itself in self-definition. And, in general, considerations such as which action is proper and in what form should the organization’s goals be attained need no longer be thematized. Guiding principles shorten negotiation processes and, to the extent in which they achieve this, work to ease internal communication.

5. **Guiding principles have a differentiation function.**

   Guiding principles also aid in differentiating the organization from others. This is the differentiation function of guiding principles. It is important for companies and organizations to differentiate themselves from others, to have a distinctive profile, to be unique. Guiding principles bond employees to the organization not only in making the organization or company attractive to them in relation to others – the competitors. They can also build a „we-feeling“ as opposed to „others“. Of course, differentiation from others can be harmful as well if the guiding principle does not offer sufficient opportunity for a gain in identity and the organization does not develop enough „We-strength“.

   Over all guiding principles function in various ways. Everyone can therefore rightly emphasize the significant role that guiding principles have in the success of companies and organizations.

   With all the efforts put into creating good and attractive guiding principles, why do organizations so often fail to implement them in a way that employees feel not only committed to them, but also pay heed to them with their hearts as well as their minds?

   To explain that, it is helpful to compare guiding principles in a metaphorical way with icebergs.

2 **Why are guiding principles so often ineffective?**

   What do guiding principles and icebergs have in common? With icebergs as well as with guiding principles, only the tip is visible. Most of it, the greater portion, the essential part lies submerged.
But guiding principles are published one could argue. They are formulated clearly and are accessible to everyone. But it is necessary to distinguish between a company’s official guiding principles and the Leitbilder (the hidden guiding principles) prevalent among its employees.

These Leitbilder are what require our attention – they are for the most part what lies submerged. They are characterized by three aspects:

First, the individual visions and hopes of the employees. What do they expect from the organization in which they work? What connects their lives with the written lines pursued by the organization? Employees do not always have their own visions and hopes directly before their eyes. And the Leitbilder do not always agree with official guiding principles: for example, when dealing with an expansion: many employees might find the current size of the organization or company appropriate – and this then clashes with one of the guiding principles that sees company expansion as a fundamental goal of its future strategies.

Second, the values, norms, and attitudes prevalent among employees should be identified. If, for example, the idea prevails in a non-governmental organization that environmental protection has priority over the creation of new jobs, then it will be difficult to implement a guiding principle in this NGO that strives in the future to connect ecology and economy.

Third, and last of all, secret rules and principles exist in companies and organizations. A rule could go like this: we are a family: conflicts are resolved internally within the family and never carried outside. In contrast, the official guiding principles might provide for clear separations of functions and concepts for conflict resolution. A company that values subject-oriented teamwork could flounder with this guiding principle because a majority of its employees base their work together more on rules of interpersonal, family-like forms of cooperation.
This can all lead very quickly to a clash between official guiding principles, on one hand, and hidden motivations on the other.

What can be done so that one’s organization does not ram into the iceberg of hidden guiding principles, i.e. Leitbilder?

What is needed is an analysis of these Leitbilder.

3 The concept of a „Leitbild analysis“

The Leitbild analysis rests on two fundamental premises:

First, existing Leitbilder in organizations are not fully transparent. They first need to be brought out into the open.

Second, an assessment of whether a new guiding principle can be implemented can only take place on the basis of an analysis of latent Leitbilder.

How can existing Leitbilder be analyzed? Our technique employs semi-standardized interviews and a set procedure of analysis to reveal latent Leitbilder.

In the process we ask questions within the framework of the following six categories: (de Haan 2001; Giesel/de Haan/Rode 2002)

First: Projections of desire and feasibility.

Projections of desire refer to ideas about how, in a best-case scenario, the future should look. This is the space for shared visions of the optimal state of the organization and its optimal development. In
contrast to this are projections of feasibility: included here are what people consider realistic when they look more closely at their desires. A tense relation often exists between what one desires and what is feasible.

Second, another significant category we have identified is „emotional resonances“.

This category says that Leitbilder, if they are really to guide, must appeal not only to the mind, the intellect of a person, but must win over the whole person. We are interested in identifying statements that belong in this category, therefore, above all, the emotions, feelings, affections, empathies, satisfaction, emotionally-colored and optimistic remarks expressed in the interviews.

Third, we look for „community-building imagery“.

In this category we collect metaphors and symbols as well as and graphic narratives. They play a central role for the organization and the employees in the organization: these make your position in the organization clear. For example: Machine metaphors or organic metaphors are often used in organizations to describe work routines. In the first case, you are merely a cog in the wheel; in the second case, part of a sprouting company. Both have a different effect in how employees see themselves.

Fourth, we try to capture the „thinking frame“ of the employees.

This is a fairly complicated category. For here we are looking for links between community-building imagery – the third category – and structured, rational argumentations. From metaphor research we know that the switch from pictorial language and graphic examples to systematic reflections is a good indicator of the existence of a larger thinking frame in which a person’s fundamental orientation can be categorized. A person, for example, who uses mechanical metaphors will have a problem with the guiding principles of the company Siemens, which was described at the beginning of this article: Siemens values the personal development of each member of its large Siemens family. This is hardly compatible with the notion that everyone should be aware of their function as a cog in the wheel – and only this.
Fifth, under the category „shared perspectives“

we look for those remarks with a binding nature and group together those which concur. Especially when naming tasks and problems that need to be solved, we often see that people hold similar convictions and follow a similar orientation; for example, if one believes that conflicts at the workplace should be resolved among the employees, that is, within the „office family“. The opposite is demonstrated by the sixth and last category called „excluded perspectives“.

In this category fall those attitudes and positions that people distance themselves from. Here is where the differentiation between „we“ and „the others“ is expressed. It is extremely important to know what people strongly distance themselves from. For here is where we extract the indicators that latent Leitbilder and potential new guiding principles might not be compatible. Thus, for example, in the „office family“ the idea that conflicts can be professionally resolved through external mediation might be rejected. Under these conditions it would be difficult to accept guiding principles that lean heavily on professional support from external third parties – whether it be conflict resolution, time management, or another issue. This would contradict the company’s Leitbild of being a „family“.

The questions asked in the interviews are framed within these six categories and refer to the specific conditions in which a company or an organization works. At the same time, of course, it is necessary to take a closer look at the type of business or organization under study. Whether it is, for example, a charity association, an urban daycare center, or an eco-station. The field in which the interviews are conducted must always be examined and taken into consideration.

This is followed by the evaluation procedure.

We match interview passages – let’s say from around 40 interviews – to the categories of the Leitbild analysis. To do this, we use computer-aided coding procedures and text-analysis programs (Kuckartz 1999), as well as conventional methods: namely, Clifford Geertz’s „Thick Description“, but also the concepts of Glaser/Strauss (1967) and Strauß/Corbin (1990).
Using a multilayered process, we finally obtain from the interviews several condensed statements for each category. We then try to group the statements using a systematic process aided by factor analyses so that, first of all, there is at least one statement per category – in general, there are more; and second, so that the categories can also be placed in relation to one another.

Then comes the decisive step: we take the hitherto hidden Leitbilder and formulate them into transparent ones. This is done in the form of short, consistent narratives.

Since in the fields we have investigated so far, several Leitbilder have generally been discovered, we try to formulate the Leitbilder as homogeneously and distinctly as possible.

4 Example: Leitbilder, revealed by the Leitbild analysis

This example is taken from a study that we recently conducted for the world’s second largest environmental foundation: we inquired into the Leitbilder of environmental studies centers. (Giesel/de Haan/Rode 2002) These are institutions which provide environmental education for children, youth, and adults. In general, these institutions comprised a building with a garden park, woods and meadows, facilities for demonstrating environmental technology, and so on. Most of these institutions were founded during the last 25 years. They are financed in part by the community, the state, and in part by NGOs, and are also partly run as private businesses. Mostly school classes visit the environmental studies centers to learn something about nature, environmental problems, and environmental technology. There are around 500 environmental studies centers in Germany with an average of 19 employees.
In the past few years pressure has grown on these environmental studies centers to work more efficiently, earn more money, and be less dependent on the state and other financial supporters. Here creativity, autonomy, new marketing concepts, and advertising for new target groups is necessary.

The question is: can the new guiding principle which aims at surviving in a free market find resonance in these environmental studies centers?

To find this out, we interviewed about 90 employees from various environmental studies centers using the six categories named earlier. In general, the interviews each lasted about one-and-a-half hours.

In our sample survey of 500 institutions, we uncovered four Leitbilder. In this article it will be looked more closely only at two of them.

The first Leitbild we called: „Work professionally: plan the future objectively and with an eye on the market.“ The story goes as this: Environmental centers in which such a guiding principle prevails are characterized by self-awareness, professionalism, competence, and a strong corporate identity. They are consumer-oriented and are capable of holding their own in the market. Internally, their manner of working together can be characterized by clearly defined responsibilities, and, above all, teamwork geared directly to the matter at hand.

In collaboration with cooperation partners, the economical issues of the cooperation dominate. It is not necessary to find the partner agreeable.

The second Leitbild is quite a different story. It goes like this: „Achieve stability – in spite of the bad atmosphere and problems“. Compared to the first guiding principle, a well-formulated corporate identity is clearly missing here. These employees have very personal motives for working in an environmental center. They desire to save and protect nature. They worry about the environment. And they worry about the future of their own environmental center. They are very
casual and informal with one another. Their work is sustained by their shared biographies of commitment to nature conservation. They desire to instill a sensitivity to nature in schoolchildren, youth, and adults. They want people to develop empathy for nature.

Deep in their hearts they don’t believe that these aims have a chance in the free market of supply and demand.

Thus, it immediately becomes clear that those who heed the first guiding principle will have few problems in adapting to the new guiding principle of autonomy and market competitiveness. For those environmental centers that heed the second guiding principle, the way will be much more difficult. The new guiding principle does not seem to be a usable concept for them.

This is only a quick glance at the results of a guiding-principle analysis.

5 Summary and conclusion

All in all, guiding principles serve externally to make the goals of a company or organization more clear and internally to forge common bonds. Both should promote the prosperity and positive development of the organization.

Guiding principles have five functions: first of all, they have an orientation function; second, a community-building function. Third, they have a motivational function; and fourth, a burden-relieving function. Fifth, and last of all, they serve to differentiate the company or organization from other, often competing, companies and organizations.

Despite the glamour of guiding principles, we need to realize: that when new guiding principles are developed for a company or an organization, they are often difficult to implement and are often
ineffective. The central thesis of this article was that guiding principles in organizations often fail to work because they clash with Leitbilder that already exist in the organization.

Visions, hopes, values and norms, secret rules and principles always exist in companies, and they have to be brought out into the open if a new guiding principle is to be established. The guiding-principle analysis can be used to expose these Leitbilder. This analysis reveals Leitbilder through long interviews and a computer-aided evaluation process. On one hand, our questions are naturally adapted to the task field of the company or organization; on the other hand, they follow certain categories: we inquire about desires for the future and about what people consider feasible for the future. We pay attention to emotionally-laden remarks and to metaphors, as well as to ideas that convey a „we-feeling“ . We further try to identify where shared perspectives among employees appear and how the differentiation from other groups and organizations takes place.

This is how we bring Leitbilder out into the open.

Then it was tried to demonstrate with a very briefly sketched example that when the submerged Leitbilder are exposed, it is very quickly clear whether and to what extent the new guiding principles will meet with a good response.

The conclusion is, that together with a guiding-principle analysis, a guiding-principle management is necessary, as we can see from the given example. We can use the guiding-principle analysis to see whether and where a new guiding principle can be introduced. Or whether mediation is needed between an organization which has a certain guiding principle and the financial supporter who has another. This would be moving from the guiding-principle analysis over to guiding-principle management.
6 References


http://www.mcdonalds.com/corporate/info/vision/vision.html