Characteristics of Visionary Companies: An Empirical Study in Turkey

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Abstract

It is known that visionary companies (VCs) clearly are more successful over longer periods than non-visionary companies are. The purposes of this study are to investigate whether or not Turkish firms have the characteristics of the VCs, to identify the key factors that discriminate between more and less VCs and to understand the Turkish managers' views about the myths of VC. For these purposes, a research was conducted on Turkey's largest 500 industrial companies. Survey questionnaire was used to collect data. Data were analyzed with SPSS and a discriminant analysis was performed to delineate which characteristics discriminate the companies. The main results of the research indicated that the home-grown management; the clear and shared business vision; the good enough never is; the big hairy audacious goals; the clock building, not time-telling; the try a lot of stuff and keep what works; the preserve the core but stimulate progress and the empowerment of employees to develop personal vision were significant discriminating variables between more and less VCs.

Key words: Vision statement, visionary companies, visionary organization, core ideology.
JEL Classification: M10.

Introduction

The literature suggests the key to achieving a higher degree of long-term organizational success can be attributed to the utilization of a systematic visionary strategy (McGivern and Tvorik, 1998; Holstius and Malaska, 2004; Eigeles, 2003; Hodgkinson, 2002, De Feo and Janssen, 2001; Allen, 1995; Collins and Porras, 1994, 1996). Wilson (1992) finds that the payoff for strategic vision is sustained competitive advantage, greater employee commitment, and increased shareholder value. McGriven and Trovik (1998) summarize that the contemporary research advocates that organizations which utilize effective vision driven strategies as a method to increase competitive advantage in the global marketplace are able to sustain above average profits. The distinguishing feature of long-lasting successful companies is that they use their vision, mission and values to guide decision-making (Allio, 2006; Barrett, 2006; Kilpatrick and Silverman, 2005; Evans, 2005; David and David, 2003; Sufi and Howard, 2003; Analoui and Karami, 2002; Mullane, 2002; Zakariasen and Zakariasen, 2002; Bart et al., 2001). VCs are driven not by profits, but by vision – they have clear core values and meaningful objectives which manage to inspire staff, stakeholders and society. VCs espouse value based cultures that kept them in the leading ranks and they prosper over long periods of time, through multiple product life cycles and multiple generations of active leaders (Collins and Porras, 1994). This paper empirically examines Turkish firms with respect to characteristics and myths of the VCs.

1. Theoretical Framework

To create an understanding of the core elements of VC, one must become knowledgeable with the concept of what vision is. Wilson (1992: 18) defines vision as a coherent and powerful statement of what the business can and should be (ten) years hence. Vision is a unifying motto and a shared goal to get all members of the organization working toward shared goals (Margolis and Hansen, 2003; Lucas, 1998; Levin, 2000). Creating a vision is then broken down further into describing the core ideology and constructing an envisioned future (Foster and Akdere, 2007). McLean (2006: 265) defines the vision as a statement of how the organization would like to look at some time in the future and includes the values and philosophy for which it would like to be known. Vision is

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the difference between business as usual and a world-class organization. All the world-class organizations we know are driven by three critical factors (Blanchard and Stoner, 2004): (1) Clear vision and direction championed by top management, (2) Trained and equipped people focused on implementation of the agreed-upon vision and direction, (3) Established recognition and positive consequence systems that sustain the behaviors and performance that the vision and direction require. Visioning is more than a vision statement. It is a process of assessing how fit the company may be to grow and compete in the future (Millett, 2006).

Three components of the *business vision* can be portrayed as follows: core values, core purpose and visionary goals. In Built to Last, Collins and Porras (1994) note that a *core ideology* is made up of a set of core values and a purpose that drive an individual or organization forward, a set of principles that guide them to success and through tough times. Each visionary company has a distinctive core ideology used as a guide nearly from inception. The firm's core ideology remains relatively constant and provides guidance in the process of strategic decision-making. Is there a "right" ideology? NO!! Collins and Porras (1994) found no "specific ideological content essential to being a visionary company. Visionary goals are the lofty objectives that the firm's management decides to pursue. Collins and Porras (1994) describe these lofty objectives as "Big, Hairy, and Audacious Goals" (or BHAGs). In contrast the core ideology that the firm discovers, visionary goals selected. These visionary goals are longer term and more challenging than strategic or tactical goals. The most effective ones are big, but simple and understandable. While visionary goals may require significant stretching to achieve, many VCs have succeeded in reaching them. Once such a goal is reached, it needs to be replaced; otherwise, it is unlikely that the organization will continue to be successful (King, 2005). Rampersad (2001) points out that visionary management uses the vision to manage the organization. Visionary management is an intrinsic part of advanced and participatory form of strategic management (Westley and Mintzberg, 2005). It involves the creation and successful fulfillment of a dynamic and shared vision of how the organization can – and should – meet new challenges (Malaska and Holstius, 1999; Holstius and Malaska, 2004).

Characteristics of Visionary Companies

Collins and Porras (1994) define VCs as premier institutions – the crown jewels – in their industries, widely admired by their peers and having a long track record of making a significant impact on the world around them. Essential in any visionary company is a statement of what the company stands for and why it exists – its core ideology consisting of its core values and core purpose (McManus, 2004). Along with this statement of core ideology must came a plan for action, a plan to stimulate and drive progress in an organization toward an envisioned future. VCs focus intently and unwaveringly on their core values and purpose and they are willing to change everything about themselves and their way of doing business to maintain that focus. VCs are characterized by total lack of an initial business plan or key idea and by remarkably self-effacing leaders. VCs recognize the need for continuous staff development and provide the financial resources necessary to keep pace with our rapidly changing technological society (Flower, 1995). Through their research, Collins and Porras (1994) dispel *several myths* about what it takes to be a visionary company. They also identify *key characteristics or habits* that these VCs have in common. Some of the key characteristics which distinguish the VCs from their rivals include (Collins and Porras, 1994):

1) *Clock Building, Not Time-Telling:* The builders of VC tend to be clock builders, not time tellers; their greatest creation is the company itself and what it stands for (Mulej et al., 2002).
2) *More than Profits:* VCs are driven by a powerful internal core ideology beyond just making money. They declare their ideology and then act it. They display both high ideals and pragmatic self-interest, while they do make a profit that is not their only purpose.
3) *Preserve the Core But Stimulate Progress:* VCs carefully protect and preserve their core ideology, but put in place a relentless drive for progress that implies development and change in all of the activities inspired by that core ideology. They are characterized by strong drives for exploration and discovery, for creativity and innovation, for improvement, and for change. They have a deep, compulsive drive for pro-

gress and display a powerful mix of self-confidence and self-criticism. They are hard on themselves, always seeking a way to surpass their own performance.

4) *Big Hairy Audacious Goals:* Many VCs (though not all) deliberately set themselves extraordinarily audacious (daunting) and risky objectives, some of which are "bet the company", to stimulate progress.
5) *Cult-Like Cultures:* VCs are not cults, but they do have cult-like characteristics. Companies that build cult-like cultures translate their ideologies into tangible mechanisms aligned to send a consistent set of reinforcing signals. There are high levels of expected commitment; those who cannot accept the prevailing culture will leave or be fired. Thus, VCs tend to be more demanding of their employees and managers than other companies.
6) *Try a Lot of Stuff and Keep What Works:* VCs exhibit high levels of action and experimentation – often unplanned or undirected – that produces new or unexpected paths of progress.
7) *Home-Grown Management:* As a key step in preserving their core, VCs develop, promote, and carefully select managerial talent from inside the company. They prepare well in advance for CEO succession, in order to ensure continuity.
8) *Good Enough Never Is:* VCs are characterized by an ethic of continuous self-improvement, with the aim of doing better and better in the future. This helps to stimulate progress.

R. Barrett (1998) shows a comprehensive framework for building a visionary company in his book. He defines a visionary company as a long-living, successful organization that cares about its employees, its customers, the local community, the environment, and a society at large. According to him, VCs take social responsibility very seriously, and they display six important characteristics:

- They have strong, positive, values-driven cultures.
- They make a lasting commitment to learning and self-renewal.
- They are continually adapting themselves based on feedback from internal and external environments.
- They make strategic alliances with internal and external partners, customers, and suppliers.
- They are willing to take risk and experiment.
- They have a balanced values-based approach to measuring performance that includes such factors as corporate survival (financial results), corporate fitness (efficiency, productivity, and quality), collaboration with suppliers and customers, continuous learning and self-development (corporate evolution), organizational cohesion and employee fulfillment (corporate culture), and corporate contribution to the local community and society.

Hence, Barrett (1998) develops a three-phase process for building a visionary company: (1) Preparation, (2) implementation, and (3) maintaining an evolutionary culture. Finally, during the process of building a visionary company, he writes that "the critical factors in successful transformations are (a) the management team's commitment to modeling the new values and behaviors; (b) integrating the new values into the structural incentives of the human resource processes of the organization; (c) building psychological ownership by involving employees in defining the mission, vision, and values and the Balanced Needs Scorecard objectives and targets; (d) helping employees to think like owners; and (e) assigning responsibilities and developing structural mechanisms to support innovation, learning, and cultural renewal." Harper (2001) says that VCs operate with a time horizon at least twice as long as that of proactive companies, because proactive companies look for emerging markets, whereas VCs look for markets or industries to create.

Myths of Visionary Companies

In their matched pair study, Collins and Porras (1994) shatter 12 management myths that people have about successful organizations. These myths are as follows; 1) it takes a great idea to start a great company, 2) VCs require great and charismatic visionary leaders, 3) the most successful companies exist first and foremost to maximize profits, 4) VCs share a common subset of "correct" core values,

5) the only constant is change, 6) blue-chip companies play it safe, 7) VCs are great places to work, for everyone, 8) highly successful companies make their best moves by brilliant and complex strategic planning, 9) companies should hire outside CEOs to stimulate fundamental change, 10) the most successful companies focus primarily on beating the competition, 11) you can't have your cake and eat it too, and 12) companies become visionary primarily through vision statements.

3. Purpose of the Research

This research focused on the differences in the characteristics of VC among Turkish large-scale manufacturing firms. Thus the primary purposes for the research were:

- to determine whether or not the surveyed firms have the characteristics of the VC,
- to discover the underlying characteristics common to highly VC,
- to identify of which contextual predictor variables (key factors) that best discriminate between more visionary and less VCs,
- to understand the managers' opinions about the myths of VCs and
- to present some suggestions to managers who want to create, develop, and maintain visionary organization approach in their firms.

This study has been influenced by previous studies (Collins and Porras, 1994; McGivern and Tvorik, 1998) and attempts to correctly classify the companies as more visionary or less visionary. This empirical study will make a significant contribution to the research stream through the identification of the discriminating characteristics of VC.

4. Empirical Design and Methodology

The population for this study was defined as the 500 largest manufacturing companies in Turkey, which is determined by the Istanbul Chamber of Industry. The systematic random sampling was used to select the firms. A sample size of 215 companies was randomly drawn from the list of companies. In this research, data were collected through a survey questionnaire. The questionnaire formed three parts. The first referred to the collection of the demographic information of the respondents. The second was aimed at investigating the visionary characteristics of companies surveyed. A comprehensive critical review of the literature enabled the key characteristics in relation to VC to be identified. Based on this literature review, 16 characteristics were determined to be included in the research. These characteristics were used to construct Visionary Company Scale (VCS). The VCS contained the 16 items regarding the characteristics attributed to VC. Eight items (characteristics) were based on the study of Collins and Porras (1991, 1994). Supportive context was captured by eight items based on the literature study (Kilpatrick and Silverman, 2005; McNanus, 2004; Holstius and Malaska, 2004, Blanchard and Stoner, 2004; Margolis and Hansen, 2003; Mulej et al., 2002; Harper, 2001; Barrett, 1998; McGivern and Tvorik, 1998). The third part of the questionnaire elicited the perceptions of managers about the myths of VC. All items were captured on a five-point Likert scale, ranging from "strongly disagree" (1) to "strongly agree" (5).

The survey data were analyzed by using an SPSS statistical analysis package. Initially means and standard deviations were examined to gain a feel for the data obtained. Subsequently a canonical discriminant analysis was used to determine the most useful characteristics distinguishing more and less VC. To validate the discriminant function, a classification matrix used. A level of significance of 5% was adopted for rejecting the null hypothesis.

5. Results of the Research

215 questionnaires were mailed to the selected firms and 87 useful questionnaires were returned, representing 40.47% response rate. Thus, the analyses undertaken were based on the 87 companies. Demographic information reported on the survey indicated that male respondents represented 72% of the sample; while female respondents represented the remaining 28%; with 47% being between 31 to 40 years of age and 87% of the sample consisted of university degree. The *internal reliability (Cronbach's Alpha) coefficient* for the scale measuring the characteristics of VC was

0.8184 and for the scale measuring the perception of managers about the myths of the VC was 0.9622, indicating that *two measures had a high degree of reliability and construct validity.*

Vision Statement

The survey found that 80% of the companies have the written vision statement; and that 20% not. This finding indicated that the majority of the Turkish companies have the vision statement. Indeed, without a well articulated vision, it is not possible to develop and implement a strategic action plan. Thus, considerable effort and creative thinking must go into developing the vision statement. However, vision statement might be a good first step, but it is only a first step and is just a small part in building a visionary company that will last. A "vision statement" doesn't guarantee that it will become a visionary company.

There is a great deal of difference between *"organizations with a vision"* and *"visionary organizations"*. "Organizations with a vision" normally provide to the employees management's view of what the organization should strive for. The actual vision statements of this type of organization are frequently long, verbose, and convoluted. On the other hand, a "visionary organization" has a pervasive sense of common purpose and direction that is felt by everyone and sometimes formally articulated in a vision statement. The vision statements of this type of organization are memorable, compelling and motivating. Vision statement should have all of the ingredients necessary to make the company a visionary organization.

Characteristics of Visionary Companies: Descriptive Statistics and T-test

Before showing the multivariate results, the data were explored through a descriptive analysis. In order to determine whether or not the surveyed firms have the characteristics of the VC and compare contributions of these characteristics, mean scores and standard deviations were computed for 16 items in the VCS. Also t-test carried out to test whether or not the mean of variables differ from 3 (Table 1).

Table 1

Characteristics of Companies: Descriptive Statistics and t-test

Characteristics of (Visionary) Companies	Mean*	SD	t**	p
Focus on learning organization and human capital	4.16	0.761	14.237	0.000
Good enough never is	3.78	0.957	7.614	0.000
Home-grown management	3.70	1.122	5.830	0.000
Try a lot of stuff and keep what works	3.69	0.919	7.000	0.000
Trustworthy working environment	3.66	1.087	5.621	0.000
More than profits	3.63	1.111	5.306	0.000
Clear and shared business vision	3.59	1.244	4.395	0.000
Preserve the core but stimulate progress	3.52	1.088	4.436	0.000
Clock building, not time-telling	3.52	1.302	3.706	0.000
Ongoing vision development	3.50	1.256	3.755	0.000
Cult-like cultures	3.41	1.196	3.226	0.002
Business strategy aligned with resources and culture	3.38	1.399	2.528	0.013
Empowerment of employees to develop personal vision	3.32	1.271	2.361	0.020
Big hairy audacious goals	3.20	1.256	1.451	0.150
Commitment to business vision	3.20	1.432	1.348	0.181
Strategic planning aligned with business vision	3.18	1.419	1.209	0.230

* n=87, mean score on a five-point Likert scale with 5 (strongly agree) and 1 (strongly disagree).
** t-test value:3, df=86, α=0.05.

As can be seen from Table 1, the range of means is from 3.18 to 4.16 and mean of the VCS is 3.5280. The mean scores are all more than the theoretical mean of 3.0 on the five-point scale used. Likewise, the results of t-test indicated that the means of the fifteen variables are significantly higher than test-value of 3. These results suggest that the surveyed firms have the majority of the characteristics attributed to VC at a high degree. When ranked by mean, the most important visionary company's characteristic found at the surveyed firms is the "focus on learning organization and human capital", followed by the "good enough never is" and the "home-grown management". The items of the "big hairy audacious goals", the "commitment to organizational vision" and the "strategic planning aligned with organizational vision" proved to be the least characteristics of VC found at the surveyed firms.

Discriminant Analysis: Characteristics Differentiating Between More and Less Visionary Companies

The characteristics of a firm can be used to predict that a firm is visionary or not. Therefore, it was decided to separate more and less VC for their observed differences among these characteristics used as well as to predict "group membership" of these two segments in this study. As there was no reason for assigning some predictors higher priority than others, the two-group Wilks' lambda stepwise discriminant analysis was carried out (Klecka, 2005). The two memberships were used as the dependent variable and the characteristics of the firms as independent variables. Once all firms were divided into two groups based on the mean scores, Fisher's linear discriminant function was used to assign or classify cases into groups. The high mean scores on the scale represent high levels of VC. Thus, surveyed firms were placed in "more" and "less" groups according to their mean scores on the VCS. The firms with mean scores less than or equal to 3 were classified as "less visionary companies" (n_1=17 cases-19.5%), while the firms with mean scores greater than 3 were classified as "more visionary companies" (n_2=70 cases-80.5%).

A total of sixteen variables were introduced to discriminate between the more and less visionary groups in terms of characteristics. The stepwise selection identified eight variables as significant predictors. Table 2 shows that eight variables (out of sixteen) are sufficient for discriminating between more and less VC in Turkey, namely "home-grown management", "clear and shared business vision", "good enough never is", "big hairy audacious goals", "clock building, not time-telling", "try a lot of stuff and keep what works", "preserve the core but stimulate progress", "empowerment of employees to develop personal vision". The stepwise discriminant analysis also revealed the mean values of the more and less VC (Table 2). An examination of group means was undertaken to determine significant differences across the discriminant variables. The results here suggested that there were significant differences in mean values between the two groups of companies. These differences were assessed via F-ratios and all variables were significant with $p<0.05$. This analysis had a 0.000 probability of erroneously rejecting the null hypothesis that there are no significant differences between the two groups. Thus, the two groups were statistically different from each other. The mean value for all predictor variables were significantly higher for more VC compared to less VC. There was a substantial difference between the mean ratings for more and less on home-grown management (4.09-1.93), clear and shared business vision (3.94-2.00), and empowerment of employees to develop personal vision (3.63-1.93) and preserve the core but stimulate progress (3.69-2.75). The group centroids were 1.552 for more VC and -6.886 for less VC, indicating that this function discriminated more and less VC.

The multivariate test statistics presented in Table 3 are marginally significant. The eigenvalue associated with the discriminant function is 10.937 and it accounts for 100% of the explained variance. These results indicated that a good discriminant function had been developed. The canonical correlation associated with this function is 0.959. It showed a strong "association" between the discriminant factors (i.e. dependent variables) and computed Z score. It pointed out that the proportion of the total variance attributable to differences among the two groups had a good level of correlation. The percentage of variance that can be explained by the discriminant function is denoted by the value of canonical squared correlation. The square of this canonical correlation $(0.959)^2 = 0.9197$ indicated that approximately 92% of observed variance in the Z score (dependent variable) was explained by this model and was attributable to the constituent discriminant variables. This means that the variables considered for this analysis really contribute to explaining the classification variable. Since there is only one function, the percentage of accumulated variance accounted for by the discriminant factors is 100%. Similarly, the value of Wilks' lambda associated with discriminant function is 0.084 indicating that there is a good degree of the total variance in the discriminant scores not explained by differences among means. This is also supported by chi-square of 200.850 (df=8) with a significant level of 0.000, rejecting the null hypothesis that there are no significant differences between the two groups. The discriminant analysis appeared to be a well function.

Table 2

Discriminant Analysis Results

Variables[a]	Group Means (SD) More Visionary	Group Means (SD) Less Visionary	Standardized discriminant function coefficients	Wilks' lambda[b]	F to enter or remove
Home-grown management	4.09 (0.72)	1.93 (0.85)	1.910	0.437	109.710
Clear and shared business vision	3.94 (1.02)	2.00 (0.81)	1.389	0.249	127.008
Good enough never is	3.90 (0.92)	3.25 (0.93)	1.025	0.199	111.064
Big hairy audacious goals	3.29 (1.18)	2.75 (1.48)	-1.755	0.154	112.530
Clock building, not time-telling	3.67 (1.31)	2.81 (0.98)	0.470	0.124	114.974
Try a lot of stuff and keep what works	3.80 (0.88)	3.18 (0.91)	-0.808	0.109	108.475
Preserve the core but stimulate progress	3.69 (0.90)	2.75 (1.48)	1.011	0.088	116.793
Empowerment of employees to develop personal vision	3.63 (1.13)	1.93 (0.85)	0.292	0.084	106.634
Group centroids	1.552	- 6.886			

Notes: [a] In order of inclusion in the discriminant function.
[b] Significant at the 0.000 level.

Table 3

Summary of Canonical Discriminant Function

Function 1	Eigenvalue[a]	Percentage of variance	Canonical correlation	Wilks's lambda	Chi-square	Significance
1	10.937	100	0.959	0.084	200.850	0.000

[a] First 1 canonical discriminant functions were used in the analysis.

In addition, the relative importance of the predictor variables that contributed the most significant portion of the model was assessed by their respective standardized discriminant coefficients (Table 2). Results of stepwise discriminant function analysis revealed that more VCs were significantly discriminated from less VC by eight of the sixteen variables. An examination of the standardized coefficients indicated that six variables made a significant contribution to the canonical discriminant function, thereby effectively predicting either more or less visionary company. The "home-grown management" made the biggest contribution (1.910) and was, therefore, found to be the best discriminating factor. Specifically, the direction of standardized discriminant function coefficients indicate that, on an average, more VC reported significantly higher levels of VC' characteristics associated with "home-grown management" (1.910), "clear and shared business vision" (1.389), "good enough never is" (1.025), "preserve the core but stimulate progress" (1.011), "clock building, not time telling" (0.470) and "empowerment of employees to develop personal vision" (0.292), but lower levels of "big hairy audacious goals" (-1.755) and "try a lot of stuff and keep what works" (-0.808), in comparison with less VC.

Thus, the findings of this research indicate that more VCs more carefully nurture, select, develop, and promote managerial talent based on fit with the core ideology from inside the company to a greater degree than less VCs. Also, more VCs are those who generally have clear and shared business vision. The "good enough never is" and the "preserve the core but stimulate progress" are an-other important characteristic which discriminates more VCs from less VCs. Hence, it can be said that more VCs do not seek a mere balance between the core and progress. Rather, they seek to be both highly ideological and highly progressive and respond to changes, but always maintain the core. On the other hand, the results of discriminant analysis indicate that more visionary Turkish companies don't set extraordinary audacious goals and they don't exhibit high levels of action and experimentation contrary to the findings of the study of Collins and Porras (1994). Without a strong core ideology, the easiest BHAG to envision is a new or expanded facility. So, the company should be well grounded in its core before it takes on a BHAG. Standardized discriminant coefficients also suggested that both types of companies did not seem to differ much in terms of the "clock building, not time-telling" and the "empowerment of employees to develop personal vision".

The validity (the overall fit) of this discriminant model and the ability of the discriminating and predictive function to classify more visionary and less visionary accurately was determined by classification matrix. The classification matrix shown in Table 4 provides an assessment of the discriminating power of function by revealing how well the classification of the units functions. The predictive power of the discriminant model considered strong as 100% of the cases were correctly classified, or collectively called the hit ratio.

Table 4

Classification Results (Stepwise Method)[a]

		Predicted Group Membership	
Actual Groups	Number of Cases	(1) Less Visionary	(2) More Visionary
Less Visionary	16	16 100%	0 0
More Visionary	71	0 0	71 100%

[a] 100% of original grouped cases correctly classified.

In order to test the accuracy of this classification result, the proportional chance criterion (C_{PRO}) was employed since group sizes were unequal in the overall sample. The hit ratios of the analysis and hold-out samples must be a least 25% greater than the proportional chance criterion (Klecka, 2005). The percentage of "grouped cases" correctly classified by chance 69.98%. As a result, the discriminant model has an overall classification accuracy of 100% is much higher than the value of the proportional chance criterion, i.e. 69.98. Hence, this proposed discriminant analysis model can be considered valid and is an effective model in classifying the two measuring groups, more and less VC. Therefore, we concluded that there was 30% (100.00-69.98) improvement in prediction accuracy through the use of the discriminant function. Secondly, the maximum chance criterion was also used to evaluate the validity of the present function. This criterion took a value of 66.6%, given that it represents the percentage of the cases accurately classified if all the observations were included in higher occurrence probability groups. Once again, the percentage of cases correctly classified in the present model was higher than the maximum chance criterion.

Managers' Views of the Myths of Visionary Companies

In order to find out what managers think about the myths of the VC, the mean scores and standard deviations for 12 items were computed and ranked. Also t-test was conducted. As can be seen from Table 5, all means of all items are significantly different from the test value 3, except for one item, namely "the most successful companies exist first and foremost to maximize profits".

- Managers agreed that *the only constant is change.* But, VCs almost religiously preserve its core ideology – changing it seldom, if ever. Yet, they display a powerful drive for progress that enables them to change and adapt without compromising their cherished core ideals.

- Managers supported the notion that *VCs share a common subset of "correct" core values.* In fact, there is no "right" set of core values for being a visionary company. Indeed, two companies can have radically different ideologies, yet both are visionary. VCs all have core values, but each is unique to a company and its culture.
- Managers agreed that *VCs play it safe.* Indeed, they take significant bet the company risks. They have judiciously used BHAGs to stimulate progress. They tend to install powerful mechanisms to create discomfort and to obliterate complacency. As a result, such companies may not be "comfortable" places in which to work!
- Managers stated that *VCs require great and charismatic visionary leaders.* But, a charismatic visionary leader is absolutely not required successfully shape a visionary company and, in fact, can be detrimental to a company's long-term prospects (Collins and Porras, 1994).

Table 5

Managers' Opinions about the Myths of Visionary Companies

Myths about Visionary Companies	Mean*	SD	t**	P
The only constant is change	4.38	0.488	26.362	0.000
VCs share a common subset of "correct" core values	4.30	0.460	26.313	0.000
Blue-chip/VCs play it safe	3.59	0.620	8.813	0.000
VCs require great and charismatic visionary leaders	3.53	1.098	4.492	0.000
VCs are great places to work for every one	3.52	1.179	4.089	0.000
The most successful companies exist first and foremost to maximize profits	2.95	0.951	-0.451	0.653
Highly successful companies make their best moves by brilliant and complex strategy planning	2.72	1.008	-2.553	0.012
Companies should hire outside CEOs to stimulate fundamental change	2.60	1.061	-3.535	0.001
Companies become visionary primarily through "vision statements"	2.59	0.993	-3.308	0.001
It takes a great idea to start a company	2.59	1.167	-3.776	0.000
You can't have you cake and eat it too	2.08	0.575	-14.121	0.000
The most successful companies focus primarily on beating the competition	1.93	0.255	-39.121	0.000

* n=87, mean score on a five-point Likert scale with 5 (strongly agree) and 1 (strongly disagree).
** t-test value:3, df=86, α=0.05.

- Managers saw that *VCs are great places to work, for everyone.* However, they are only great places to work if you fit the vision and culture. They are so clear about what they stand for and what they are trying to achieve that they simply don't have room for those unwilling or unable to fit their exacting standards.
- Managers showed the uncertain attitude about *the most successful companies exist first and foremost to maximize profits.* Yes, they seek profits, but they're first equally guided by a strong core ideology – core clear values and a coherent sense of purpose beyond just making money. VCs pursue a cluster of objectives, of which making money is only one – and not necessarily the primary one.
- Managers didn't agree that *highly successful companies make their best moves by brilliant and complex strategic planning.* Indeed, VCs make their best moves by experimentation, trial and error, opportunism, and – quite literally – accident.
- Managers didn't agree that *companies should hire outside CEOs to stimulate fundamental change.* The majority of the VCs have their change agents come from within

the system. Home-grown management rules at the VC to a far greater degree than at the comparison companies.

- Managers didn't agree that *companies become visionary primarily through "vision statements"*. Indeed, vision is not a statement; it is the way you do business. Creating a statement can be a helpful step in building a visionary company, but it is only one of thousands of steps in a never-ending process of expressing the fundamental characteristics identified across the VC.
- Managers didn't agree that *it takes a great idea to start a great company.* Indeed, starting a company with a "great idea" might be a bad idea. Few of the VC did. They often get off to a slow start, but win the long race.
- Managers stated that *you can have your cake and eat it too.* Decisions don't have to either or, but can be both. VCs do not brutalize themselves with the "Tyranny of the OR" – the purely rational view that says you can have either A or B, but not both. Instead, they embrace the "Genius of the AND".
- Managers didn't agree that *the most successful companies focus primarily on beating the competition.* Indeed, VCs focus primarily on beating themselves, not competitors. No matter how much they achieve – no matter how far in front of their competitors they pull – they never think they've done "good enough".

6. Conclusion

This study was conducted to determine which conceptual factors and managerial aspects characterize VC. This study was not only insightful, but it provided the steps necessary for any organization to take strides toward becoming a visionary company. Although information at times was repetitive, it proved useful in hammering home key concepts crucial to understanding what makes a company truly visionary. The results of this study were very enlightening with respect to the ability to predict group membership or degree of VC by the use of the selected characteristics.

The results of the descriptive statistics indicated that Turkish firms surveyed have the majority of the characteristics of VC. The stepwise discriminant analysis was found to be highly significant and yielded a correct classification rate of 100%. It can be concluded from the discriminant analysis that several variables representing the organizational and managerial characteristics are useful in distinguishing firms as more and less VCs. The home-grown management can be used as a strong indicator of more VCs. The results of the discriminant analysis indicated that more VCs develop and promote managerial talent from inside the company and they don't simply post a vision statement – they live their vision. Thus, more VCs have a coherent vision including a clear articulation of the organization's core ideology. Also, more VCs preserve the core ideology and stimulate change at the same time. So, more VCs can be such an organization, but it will demand sacrifice and commitment to a common vision, common values and a common purpose. In a visionary company, good enough never is, there is never an end to the movement for continual progress, and every member in the organization is encouraged and empowered to take personal initiative. Likewise, the findings showed that more visionary company isn't neither being founded on a single great idea nor rely on an individual charismatic leader. On the other hand, more VCs don't actually try a bunch of stuff and keep what works and they don't set Big Hairy Audacious Goals according to the findings of this research.

As a result, in order to create more visionary company managers have to bring all of the pieces together. These are presented as follows: Managers need to sweat the small stuff, and obliterate anything that does not align with the core ideology and the methods used to stimulate progress. Companies' core values must be tied to company's goals and objectives, as well as to the strategies used to accomplish these goals and objectives. Companies' vision statement should reflect the interest of all stakeholders and their department should align their operations to the organization's core ideology, so that people receive a consistent set of signals to reinforce behavior that supports the core ideology and achieves desired progress. Companies should define business vision carefully and critically focusing on the actual substance of sustainable development process criteria. Creating a vision is a journey, not a one-time activity visioning is an ongoing process; you need to keep it alive. It's important to keep talking about the vision and referring to it as much as possible. Two strategies will support your efforts to live your vision: always focus on your vision and show the courage of commitment. You should give employees responsibility and authority. You should shift in perspective from time telling to clock building and sustain the levels of change required to achieve the vision. You should reject the "tyranny of the OR" and embrace the "genius of the AND".

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