



MULTIPLE TRUTHS: DIALOGUE FOR ALIGNING VISION AT HINDUSTAN PETROLEUM

BY ASHISEN

“I am treating you as my friend, asking you to share my present minuses in the hope that I can ask you to share my future pluses.”
—Katherine Mansfield

Hindustan Petroleum Corporation Limited is the second-largest marketing and oil refining company in India, with more than 11,000 employees, an annual turnover of more than \$17 billion, and a position on the Fortune 500 list. Our mission statement reflects our co-created purpose and has been the touchstone for our actions:

“HPCL, along with its joint ventures, will be a fully integrated company in the hydrocarbons sector of exploration and production, refining and marketing; focusing on enhancement of productivity, quality and profitability; caring for customers and employees; caring for environment protection and cultural heritage. It will also attain scale dimensions by diversifying into other energy related fields and by taking up transnational operations.”

In 2003, the company committed to becoming a learning organization. In workshops conducted to start the transformation process, we were continually surprised to observe how the personal visions our employees articulated would invariably transcend self. People talked about their desire to contribute to the organization and nation through their work. They believed that their efforts would benefit them and society. Thus, early in my work as a coach, I built a hypothesis that has been validated time after time by thousands of people in our workshops.

The hypothesis is: People are intuitively aware that individual happiness and prosperity are linked to community progress, and they experience true satisfaction when their

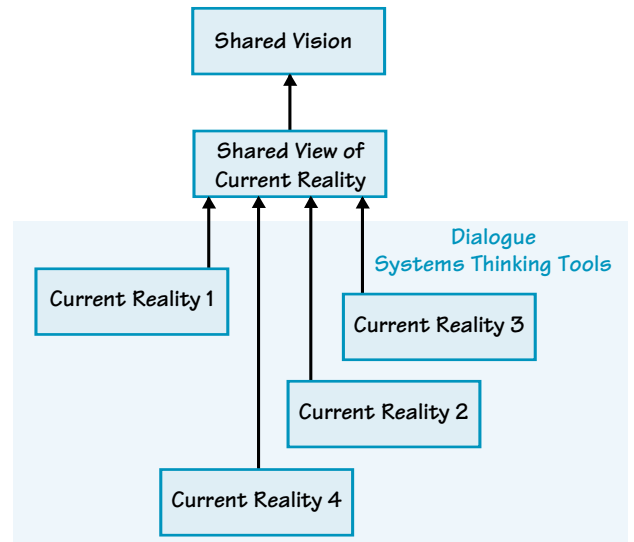
work is linked to community goals. When people in a team, organization, or community come together, thread their personal visions into a shared vision, and contribute toward such objectives, they find work meaningful and joyous.

The first step in the journey is to create a shared vision of a desired future and come to a common understanding of our current reality or present position. We can then ascertain the gap between the two. This gap generates creative tension and a desire to take action. The common starting point then helps us to build a strategy for bridging the gap through synergized and coordinated action.

A Holistic View

At Hindustan Petroleum, we reach this shared understanding by using dialogue tools to discuss important and often contentious issues faced by a team. Through discussions about current reality, we see together the factors that create and sustain our present results. Likewise, the process helps us formulate interventions to collectively change or realign the forces at play as we seek to create our desired future. Without having a collective understanding of the gap between current reality and shared vision, individual action plans would result in disparate

DIFFERENT STARTING POINTS TO THE VISION



To come to a shared vision of a desired future, the group had to reconcile their different views of current reality. To do so, they used dialogue and the tools of systems thinking.

and often counterproductive efforts (see “Different Starting Points to the Vision”).

Let me give a concrete example of a situation in which we used dialogue to surface different assumptions and, ultimately, bridge the gap between our current reality and desired future. A few years back, the oil industry in India was undergoing major changes. For the previous three decades, it had

TEAM TIP
Use the graphic “Different Starting Points to the Vision” to illustrate the need to reconcile different views of current reality in order to come to a shared vision of the future your group wants to create.

been regulated, and only public sector companies were operative in the country. Thus, none of them provided any significantly differentiated services. With the opening of Indian markets to private companies, including multinationals such as Shell, we had to find ways to distinguish ourselves from our competitors.

If we just sought to close the gap between our competitors' superior service and ours, then our reactive response would not have allowed us to gain leadership position in the industry. But if we proactively defined our own vision, took action, and made investments, we believed that the quality of our service would improve (see "Becoming Industry Leaders"). After some delay, customer satisfaction would rise and bring in higher sales and market share; these factors would result in increased profit and enable the organization to make larger investments and further improve service. The reinforcing cycle would help us continuously improve our market share and sales volume.

In response to this analysis, a team at a regional office of our retail unit created a vision of "delighting customers" as an overall objective. All of the participants in the workshop emphatically reiterated that this statement reflected their deepest desires. They said that they now had a sense

of direction and felt as if they were co-creators of the organization's destiny. But to become leaders, we would have to examine our underlying beliefs and assumptions to determine whether or not they were helping us reach our vision.

A Shared Exploration

With this vision in place, as a facilitator, I requested that the group look at where we were now in terms of customer focus and analyze the gap between the present position and the vision. We gave participants a few guidelines for using dialogue principles while they deliberated. People sat in a circle. The circle made them feel connected to each other and also eliminated the shackles of hierarchy. We explained in brief the four elements of dialogue as outlined by William Isaacs in his book *Dialogue and the Art of Thinking Together* (Currency, 1999).

Voicing involves speaking what we feel is true, spelling out the beliefs guiding our thoughts and actions, and making our assumptions available for public and self scrutiny.

Listening demands an open mind and generous heart, that is, a readiness to be influenced by the views of others. When we deeply listen, we let go of our fears and uncertainties and accept a diversity of views without defensiveness. By doing so, we learn

from others.

Respecting comes from the Latin word "respectare," which translates as "to look again." When we respect someone in dialogue, even if we disagree with what they are saying, we honor their right to say it.

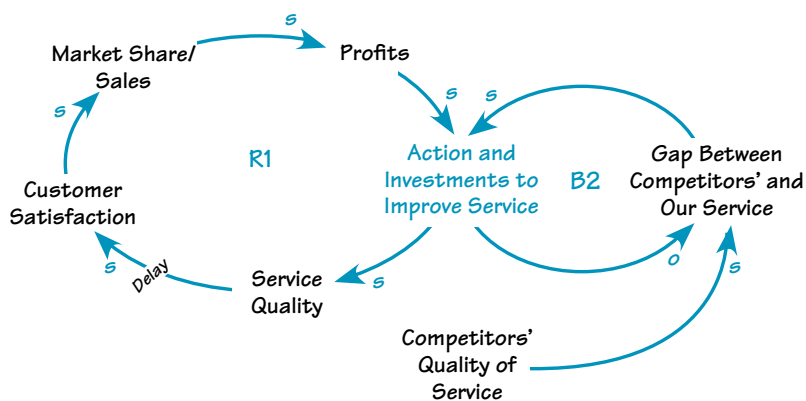
Suspending our opinions is the act of setting aside our certainties. By doing so, we can understand where others are coming from and, in turn, present our own thinking without judgment or defensiveness, but rather in a spirit of exploration and curiosity.

We then began our shared exploration. Regarding any initiatives for improving customer satisfaction, our finance people said that all expenditures must meet return on investment norms. Similarly, a human resources officer said that we needed to keep the workforce numbers in line with oil industry standards. And the sales officers doubted that retailers would share the costs for initiatives for service improvement.

While each of these positions appeared correct to the participants from their respective positions, if people stuck to their own perspectives, then their actions would be incongruent and the system would not achieve the shared vision. As the group discussed the issues, participants began to see how their assumptions, beliefs, and silo mentality were affecting the whole. For instance, the sales officers thought the finance personnel were obstructionist when they took a long time to review their proposals. But the finance people believed they were simply being prudent by taking their time to thoroughly vet new initiatives. Both groups saw how their assumptions—their conflicting current realities—were undermining the efforts of the company at large.

This group realization brought a sense of collective catharsis and also paved the way for conscious collaboration. As people recognized that narrow focus on functional excellence can actually subtract value from the whole, they talked about what needs to be done for optimizing the organizational results. They challenged basic assumptions such as "I am only responsible for my part" and adopted new ones like

BECOMING INDUSTRY LEADERS



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“We are all responsible for the team results.” Likewise, participants began to ask each other, “How can I help you to achieve the organizational goals?”

Major Shifts in Assumptions

Based on the new approach, the assumption that customer satisfaction is the sales officers’ job has now been replaced with the belief that it is our collective responsibility. Human resources officers in this regional office began to plan and coordinate the training of customer-service staff at the retail outlets, with the goal of improving customer satisfaction. Such actions are now being replicated across the organization, and workshops have been held in more than 40 retail regional offices.

Another shift took place as well. In a bid to increase market share, the sales officers had decided that opening new outlets would result in higher outlet density for HPCL and thus would increase sales volume. The sales officers therefore proposed launching numerous outlets without focusing on the return on investment. This practice meant that the finance department needed to scrutinize a large number of proposals, many of which they rejected, even if they had merit. The sales officers, in turn, submitted even more proposals in order to meet their targets of commissioning new outlets.

Once the group understood this self-defeating process, the sales officers promised to float investment proposals only when the possibility for returns would be significant. The finance people also came to some meaningful conclusions. They accepted that many retail outlets needed to be modernized, even if doing so didn’t lead to increased returns in the short term. In fact, the group realized that, without such action, we would lose business. This was a significant shift in thinking. Since that time, in the company as a whole, we have invested hundreds of millions of dollars in modernizing our retail outlets.

Finally, the human resources group agreed on the urgent need for increasing our workforce. They realized how lack of manpower disturbed the work-life balance for people and could turn valuable assets into liabilities in the form of disgruntled workers. Also, because of overwork, many new opportunities were either not conceptualized or not implemented. The change in attitude has been felt throughout the entire organization. This year, HPCL plans to recruit about 500 officers, which is the highest number in the last decade.

Delays in the System

A benefit of using causal loop diagrams during this process was that it helped participants understand the concept and criticality of delays in the system. They felt that the longest delay would be between customer-focused initiatives and a rise in overall customer satisfaction scores. However since such scores were critical for understanding whether our initiatives were in the right direction and were an important parameter for our learning, we needed a way to track that information.

To do so, in this regional office, we implemented the balance scorecard, where each of the strategic objectives from the vision, causalities from the perspectives of learning and growth, business process improvements, and customer satisfaction are mapped and linked to financial outcomes. We used the balanced scorecard to monitor the action plan as per the time metrics and to help the team understand how factors such as customer delight would lead to improved financial returns within clear time frames. This process also helped them understand the type and quantity of resources to be allocated for learning, growth, and business improvement activities.

During the past three years, the team has made effective action plans, formulated a retail strategy, and recorded many firsts. The resilience, tenacity, and collective thinking of the people involved have benefited the

organization. Group members also learned that the shared vision is a joint emotional choice driving intrinsic motivation. Regular dialogue on status and current reality is the collaborative tool assisting them in visualizing the truth more completely.

The Power of Conversation

System thinking is the art of seeing wholes. Since no individual can have the complete picture, all stakeholders need to participate in visualizing and understanding the whole. Fragmented views lead to partial solutions that never last long. Teams need to sit together with their stakeholders and, after analyzing the forces at play, devise solutions that take into consideration the diverse views and unite them to a common action plan. As management thinker Ram Charan says, talk is the basic unit of work.

Dialogue helps us to understand and resolve the collective paralysis we inadvertently create as a result of our multiple and partial truths. We can then look into our assumptions and beliefs and integrate our various perspectives to arrive at a more complete picture. Thus, collective inquiry enables us to break the shackles of our powerlessness, which stems from our own beliefs.

We also realize during such interactions how our futures are linked to each other not only through the vision but through the forces of current reality. We are truly co-participants in producing the present results. This deep understanding helps us to change collectively and share and learn together. ■

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