

Visa Europe: Developing a peak performance culture

Organisation background

Visa Europe is a payments company. Headquartered in London, it provides product solutions, marketing solutions and transaction processing services to around 4,000 European financial institutions and payment service providers.

Over the past few years, the organisation has fundamentally changed its structure, its constitution and the type of services it provides. In the past, it had operated as a branch of Visa International (traditionally an international membership association, operating on a not-for-profit basis and providing its services to financial institutions worldwide). In 2005, it was decided that Visa International should be incorporated as a private stock company (Visa Inc.) and seek a listing on the US stock exchange. In Europe, however, it was decided that the organisation's operations should retain the membership association model.

Visa Europe was therefore established as an entirely separate organisation, exclusively owned and controlled by some 4,000 financial institutions, with an exclusive, perpetual and irrevocable licence to use the Visa brand, products and intellectual property across Europe.

Clearly, such a fundamental change was to have a wide range of implications, including:

- the creation of a new, stand-alone inter-bank processing capability (the organisation having previously relied on a centralised processing operation based in and controlled from the US)
- the establishment of various support and back-office functions that had previously been managed centrally (including additional finance, product development, legal, risk and security functions)
- a significant increase in total staff numbers – which were set to grow from around 400 people to nearly 1,500 people – and a rebalancing of the type of roles people would fulfil

- the need to transform itself from a small, flexible organisation (operating as a branch of a large global organisation) to a much larger, free-standing organisation, which could continue to provide a high-quality service to members within the context of significant contextual changes.

Concurrently, Visa Europe's headquarters moved from a small office in a prestigious part of London to larger premises.

The chief drivers of culture change

Against the background outlined above, the chief drivers for the cultural change can be summarised as follows:

- There was a need to move from a relatively small and highly networked culture to a larger and more structured organisation, but without losing the benefits of creative, entrepreneurial and flexible behaviours.
- Competition in the payment services market was increasing. Key competitors had acquired prestigious contracts and there was recognition of a definite change in the competitive environment.
- Given the intensification of competition, it was acknowledged that Visa Europe should deliver a higher level of service, and a more personalised service to its European members.
- There was a need to engage all staff with a desire to deliver outstanding performance in order to respond to the expectations of members, achieve growth and address the competitive threats.

In responding to these drivers, there was a recognition that any change in culture should:

- emphasise 'peak performance' and challenge existing ways of working
- retain a 'family feel' while becoming a significantly larger and more structured organisation

- ensure that the 'new' culture retained the elements of empowerment, innovation and flexibility that were characteristic of Visa Europe's traditional success.

Thus, the overall challenge facing Visa Europe was the move from a relatively small, internally focused and highly networked organisation to a larger, more structured and performance-focused one, without losing the spirit of innovation, flexibility and responsiveness. Within this context it was necessary to find a means to raise the overall performance of the organisation.

The key culture change activities

To respond to the challenges of achieving the required change, there was the recognition, based on previous experience, that a traditional 'initiative-based' approach would not be appropriate. Instead, there was a need for a new type of approach that could be embedded within the organisation and sustained over time to support continuing growth within the volatile and challenging market environment.

In outlining his aspiration for the organisation, the then CEO suggested that Visa Europe should operate like 'one-touch football' – an approach that required decisions to be made quickly and based on beliefs that empowerment and trust are critical to support such a way of working.

In exploring how such an approach may be implemented, the organisation was introduced to Kevin Roberts (the then CEO of marketing service company Saatchi & Saatchi), who had been involved in applying lessons from studies of peak performance, garnered from the sporting world, to commercial entities.

Working with top teams

Kevin Roberts introduced 'peak performance' to the top team of Visa Europe. The process was focused on the individual and helping each individual to recognise how their own values and aspirations could be connected with those of the organisation in a mutually beneficial way. By realising their own potential, these individuals could therefore contribute to the achievement of the organisation's vision and purpose.

Establishing a clear organisation vision and purpose

It was evident from the initial intervention that work was required to establish a clear, shared and widely understood vision and purpose for Visa Europe. A series of organisation-wide conversations and events were conducted over a 12-month period to build a shared vision and purpose. It was felt that the extensive involvement in these conversations played an important role in enacting the key principles of empowerment and trust that were seen as being necessary to underpin the required peak performance culture.

Rolling out the Peak Performance process

After the initial work with the senior team, as facilitated by Kevin Roberts, Visa Europe decided to roll the process out more widely. In doing so, the organisation was determined to use its own in-house teams and capabilities, rather than an outside supplier. Importantly, Visa Europe did not want to introduce or to portray Peak Performance as a stand-alone programme, but rather a wider organisational process.

Key elements included:

- The focus was on the individual participant.
- An important aim of the process was to create an overall 'family spirit'.
- Discussions took place within the context of the Visa Europe vision and purpose.
- Throughout the process there was an emphasis on empowering participants to contribute and pursue their own ambitions. The aim of this was to realise the potential of individual participants.
- There was an overall aim of building alignment between individual aspirations and corporate goals.

The engagement of individuals with the process was enabled by inviting participants to attend a series of sessions which explored the following areas:

- Who are you as an individual?
- What are your aspirations?
- How can you bring value to the purpose of Visa Europe?
- How can you best realise your own aspirations?

The process entailed individuals attending an initial one-day workshop that introduced the theory of peak performance and the background to the Visa Europe mission, dream, vision and purpose. Each of these sessions was attended by groups of around 50 participants. For the following sessions, this large group was broken up into smaller (eight to ten) sub-groups. Each of these was facilitated by an 'inspirational player', who was (usually) a line manager who had been through the process and found it to be valuable. The sub-groups attended three sessions, each three hours long, where they worked through individual values and aspirations, alignment with organisational needs and actions to move forward.

In introducing the process, Visa Europe applied two core principles. The first of these was that participation was completely voluntary. The second was that the roll-out of the process was to be non-hierarchical. Indeed, participation in workshops tended to include participants from all levels within the organisation.

Working on these principles, Visa Europe found that the interest and enthusiasm spread 'virally', on the basis of word of mouth. A powerful component of this was seen to be the power of stories that were told by individual participants.

Change agents' reflections on the culture change

The particular nature of the Peak Performance process means that there is a definite blurring in the distinction between 'change agents' and other staff. Having been through the process, a number of participants go on to become 'inspirational players' and therefore go from being a participant to a change agent in their own right.

Interviews with those involved in both initiating the change and its implementation (in the role of inspirational players) revealed a number of key success factors associated with the culture change.

The importance of commitment from the top

The impact of the commitment of the CEO and top team to an emergent process was seen to be a critical success factor. Similarly, the lack of any 'hidden agendas' (perceived or real) contributed to the success of the process.

The value of this being seen as a business process

The process was not seen to be 'owned' by the HR department. It was largely led by people from within business and this helped to ensure that participants saw its relevance to the work that they were doing.

The focus on individuals

While there was some initial scepticism about the stated focus on individual values, contributions and aspirations, it was this aspect of the process that provided the basis for so many significant changes – particularly to individuals' perceptions of the direct relationship between their own role and the success of Visa Europe.

The importance of empowerment

The genuine efforts to empower participants to effect changes, present ideas and develop their careers led to some outstanding contributions from individuals. The potential and untapped capability of participants, when released, had remarkable impact.

The significance of stories and 'viral communication'

At first there was a degree of cynicism about the purpose and nature of the process. In addition there was some uncertainty that introducing the process on a voluntary basis would be effective. However, the type of individual stories that were shared during the sessions became a powerful way of communicating the authenticity and value of the process. These stories spread through the organisation 'like a virus' and consequently stimulated a demand for increased levels of participation.

Durability of the process

The individual-level process has been sustained for more than six years and continues to evolve. Those involved in implementing the process believe that this sustained impact is due to its organic nature – and the stark contrast with the type of 'traditional initiatives' encountered in so many organisations.

The importance of managing expectations

The process is designed to encourage participants to embrace their own aspirations as well as the organisation's. The challenge for managers is to help participants see their aspirations in a realistic context – but without detracting from the principles and spirit of the process.

Staff reflections on the culture change

In general, participants are very positive about the process and their own experience of being involved. However, it was not always seen as directly relevant to the wider business needs of the organisation. Participants talked about their perceptions of the fluid and voluntary nature of participation, the link between individual and business benefits, and their opportunity to network.

Lack of structure led to scepticism

The nature of the framework used to deliver the Peak Performance process was not structured or seen as particularly clear. Participants automatically expected Peak Performance to be a formal programme and its fluid nature (albeit informed by some core principles) led to a degree of initial cynicism. However, as stories from participants spread throughout the organisation, this cynicism was replaced by growing involvement and enthusiasm.

A further aspect of the cynicism related to a sense of disbelief that the organisation would invest in helping individuals to think about themselves. However, participants who had direct experience of the process recognised the authenticity of this principle. As one participant said: *'...it is wonderful that Visa (Europe) gives you time to think about you; and pays you while you are doing it!'*

Lack of clarity over business benefits

Given the individual focus of the process, some participants were uncertain about the potential business benefits. However, after the introduction, it became clear that the process was being implemented in parallel with a clear focus on good performance management. Furthermore, the overall improvements in business performance, combined with the individual stories about business improvements, overcame these doubts.

Voluntary participation

Although staff were told that the process was entirely voluntary, there was a feeling that people may be expected or coerced to participate. However, management comments and actions indicated that it was 'okay not to participate', and thus the genuine nature of voluntarism was established.

At the same time, many of those people who had participated in the process and had found it to be powerful began to express the opinion that it should become a mandatory requirement for all staff. In some ways this apparent ambiguity has added to the power of the process.

Formation of networks

A major benefit of the process was seen to have been the formation of networks, of contacts amongst fellow participants – many of whom may not normally have come into direct or personal contact with each other.

Sense of exclusion from non-participation

Some participants expressed a concern that those who did not participate in the programme may perceive themselves to be 'out of the loop' and excluded from certain networks.

What was the impact of the culture change activities?

The culture change process within Visa Europe followed an emergent approach. The core beliefs were that 'if we free up and engage individual potential we can create a great organisation'. Given this, there was a view that establishing specific impact targets was irrelevant and potentially limiting. However, there are a number of outcomes that are broadly perceived to relate to the Peak Performance process. These include:

- The key business metrics (for example growth, customer satisfaction, transaction volumes, and so on) remain on a steady upward trajectory.
- Employee engagement scores remain at a high level. Indeed, there is evidence of a clear relationship between participation in the Peak Performance process and levels of engagement scores.
- There are myriad stories about extraordinary changes in the approach and performance of differing teams/areas of business that have been attributed to the process.
- There are many stories of how individual potential has been released and enabled distinctly new career trajectories.

Continuing on the journey

The individually focused process continues and evolves as the business moves forward. However, the value of the process at this level has led to an interest in moving from a purely individual focus to a more team-oriented approach.

Involvement in the process at the team level remains voluntary in as much as teams do not have to participate. However, when a team does want to participate, all the team members need to become involved. In practice this results in team members who have not participated in the individual process deciding to undertake this element before the team sessions begin.

The main focus of the team process is on building a shared understanding of the team purpose and how this aligns with the overall Visa Europe vision, mission, dream and purpose. An important aspect of this is the introduction of customers into the conversations to provide input on their needs, aspirations and perceptions of the team.

The value of both the individual and team Peak Performance processes have prompted Visa Europe to consider how this may be developed further, both at the organisational level and the leadership level. This remains work in progress, but with a belief in the importance of adhering to the core principles.

Meanwhile, the original Peak Performance process continues and evolves. The design principles are essentially those of emergent change and thus there are limited constraints on how future developments might occur as long as they observe the core principles and beliefs. In this way, the change process may be seen as being organic.