

Glenn Coleman's Commentary on "Scenario: Entrepreneur on Company Time"

Commentary On
Entrepreneur on Company Time

This is a difficult situation, made even more so because it didn't need to be. Most companies rightfully believe that those things developed by an employee that are closely associated with his or her activities at the company belong to the company and are there to be developed for the benefit of the company, the employees, and the stock holders. That being said, there was an obligation and a responsibility on the behalf of the company (exhibited by the management and the leadership) to prevent this from happening through communications.

The first communications was probably done when the employee signed on ... and that was to grant ownership to inventions to the company. But that good leadership [aka communications] should have continued. The engineers' leadership seems to be lacking in that they did not fully understand and were not sensitive to the inventor's sense and pride of ownership. Something more should have been done to communicate to him, to honor him, and to include him, if possible, in the development. Quite often, the inclusion part is just not possible, but the other two are.

I have seen too many cases where some established manager (not leader) saw the opportunity to grab an invention and develop it, often in a self-serving and greedy manner, leaving the inventor completely out of the loop. Too often, though management in a technical company is highly capable in technical fields and even business development, management is somewhat lacking in leadership skills. Likewise, many technical people get myopic regarding their invention, and consider it theirs. Often they do not have the business skills to carry the invention through. These shortcomings are like dynamite and a match. And only through good ethical and sensitive leadership can this risky situation be diverted into a profitable

business endeavor.

A mature ethical culture within this company could have averted this problem, this needless destruction of the engineer's good spirit and attitude, and this potential lawsuit. Open communications and candor are key elements to the good ethical culture of a company. They can take a long time to develop. It is like what I tell my kids: You can't prove you're honest, but it is very easy to prove that you are not. In this case, the company cannot prove that it is ethical and sensitive and communicative, but it did prove the opposite very easily. The word gets out immediately and inaccurately, damaging the energies, spirits, and trusting attitudes of other employees. The company leadership, through a lack of leadership and sensitivity, has done itself, its employees, and its stock holders a great disservice.