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Is there organizational cancer in your company?

Do you ever wonder why at times when you wake up, you have inexplicable body aches such as a sore neck, a strained back or tight shoulders?

Do you ever wonder why people need coffee to wake up, rather than have a passion for going to work every day?

Do you ever wonder why health-care costs are constantly on the rise for almost every organization? Why does it seem so many people are taking medications?

The answer is simple. You are under the influence of organizational cancer created by the lack of true leadership.

Countless studies have validated the effect of organizational issues on our health. In such an advanced society, are we so dependent on drugs to keep us moving forward? One study found that Americans worked 20 percent more per capita from 1970 to 2002, while many of our partner countries have decreased the hours worked. Similarly, workplace stress causes an estimated \$300 billion in health-care costs.

With all our advanced knowledge of technology and science, shouldn't these costs be decreasing?

Checking for cancer

So how do you know if your organization has some form of organizational cancer? Here is a short check list of symptoms at the organizational level:

- The rate of tardiness is consistent or rising.
- Employee morale is low or decreasing.
- Health-care spending is rising.
- Employee turnover rate is high or rising.
- Rate of innovation is low or decreasing.

And at the individual level, the symptoms are much closer:

- You feel increased stress.
- The number of doctors' visits increase along with medical expenses.
- You have inexplicable body aches.
- You feel emotionally drained at the end of the day or week.
- You see the same problems over and over.
- Waking up is tough.



TED SUN

These symptoms eat away at the core of your organization from the inside. The struggle to increase revenue and profit can only come in short spurts, while longevity is diminished. Ignoring organizational cancer will only cause excruciating pain and an undeniable ending.

Recent studies and articles have given us some light into the epidemic. An article in the Academy of Management said the current management principles and theories are likely to create the unethical behaviors as illustrated Enron or WorldCom.

For example, most traditional theories, such as agency theory, transaction cost economics and network analysis at the

foundation of most management beliefs; were founded on false assumptions including the following:

- Morals are matters for individuals.
- Human behaviors are driven by self-interest alone.
- A focus on the need to fix human imperfections.

Treat the whole company

Looking at one of the most commonly understood management theories – the agency theory – the basic assumption is that people are opportunistic. Therefore, a detailed policy or rules of

conduct are created to govern employee conduct. Along with those restrictions, agency theory diminishes innovation, creativity and passion.

The theory failed to account for the possibility of people being creative and caring for others. When management has a gloomy vision of the organization and its people, one only sees the negative aspects of people. Without the balance of positive attitudes and true leadership, you see only what you expect – humans behaving opportunistically.

In recent studies with many Columbus companies, employee morale has decreased over the past few years. Other major companies have found employee turnover and the loss of organizational knowledge a problem.

In the most interesting extreme, one local leader said the following at an awards ceremony. "And he is great at following directions and never asks questions. That's a trait I especially like."

Imagine the impact of such a statement that addressed an entire division. Could this be a probable cause for organizational cancer?

Many organizations attempt to address morale and turnover problems with surveys and adding various programs. Often, the surveys are only looking at one side – the impact of organizational cancer, without understanding the root cause. The tokenism of adding a recognition program has no sustainable impact. A human being is not like a machine. You cannot make it work better by greasing the gears.

As responsible leaders, focus on the basic composition of people. In other words, leaders need to first review and challenge their personal fundamental beliefs and values that drive behaviors.

To cure organizational cancer, slap-dash solutions do not work, nor does cutting out sections of where you think the cancer might be. The solution must be a systemic reinvention of belief systems starting with the leadership of the organization.

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