Volume	4	Managing a Company
Chapter	02	Responding Versus Reacting
Section	03	Initial Reaction
Key Word Tags		Chicken Little Syndrome, Sound Bite Solutions
Stage		Has some operational problems

IS CULTURE THE PROBLEM?

Quick Summary: Practice makes permanent; consistent reactive behaviors can become the norm.

Abstract:
The collective actions of individuals over time become part of a company's culture. As individuals join the company, the existing culture directs the actions of these individuals, and the culture-action cycle continues to grow and become more ingrained. Reacting instead of responding to individual events as they occur in real-time may seem to be the appropriate approach, but can lead to reacting instead of responding becoming the expected norm. It is tough to reverse the situation.

Has the company's culture unwittingly caused the addictive need to react instead of responding to issues? Or has the reactionary nature of the company become part of its culture? Independent of the cause-and-effect nature of the situation, the tendency for a company to react can easily permeate throughout an organization. It can start slowly with the initial desperate need for orders to validate the startup company's business assumptions. It can occur due to a company's need to continue showing increased revenue or profitability to satisfy investors. Or, as another potential cause, it can be to respond to serious competitive threats or inordinate field defects of their products.   A few individuals may inadvertently start the process after they realize that emotionally elevating their issue got immediate attention ahead of other issues. They follow the old axiom of "the squeaky wheel gets the grease." In no time, squeaky wheels appear regularly. The apparent or real need for a quick fix may gain momentum and become the default method to address any issue.

The triggering mechanism could be a short soundbite initiated by any source. Once it has occurred, the reaction team, whether it is the entrepreneur, the CEO, or some group of managers, feels the need to spring into action. Although not as dramatic, their actions mimic firefighters at rest at a fire station jumping into action with the first gong of the alarm bell.

Companies under internal or external pressure can quickly become crisis-driven, relegating normal tactical processes to the top of the priority list and ignoring strategic issues. They may take the first principle defined in this collection, "Stay in Business," too literally, defining the principle as staying in business today and for today only instead of focusing on staying in business for the long term. The resulting quick action, usually outside of normal business processes, may be interpreted by others in the organization as a method to get things done by portraying their issue as a new crisis. It does not take long for others to take note of the success of this approach and use it for the own purposes.

Customers may also find this approach to be quite effective in advancing their desires as well. If picking up the phone and calling the CEO works, why bother talking to a sales or customer service rep? It does not take long to "train" customers, partners, or employees to use the escalation method to achieve their goals ahead of others. Who can blame them if it consistently works? All babies quickly realize that screaming gets mom's attention.

Another sure-fire method to advance a reactionary culture in an organization is to recognize "white knight" heroes who seem to arrive just in time to save the day, as depicted in fairy tales. Whether on purpose or not, certain individuals have the knack for solving problems quickly and uniquely. They are certainly valuable, and independent of their official role or responsibility, can quickly become the go-to person to resolve an issue. Unfortunately, some of these individuals may become addicted to their reputation and not only continue to solve problems but may also unconsciously create problems that need to be solved immediately! Surprisingly, many CEOs become white knights! The transition can occur slowly, and their involvement may seem justified with each instance. In no time, virtually all issues seem to rise and require their involvement. At first glance, their need to be involved may be interpreted as they are a control freak in which they simply must be involved in every issue or detail. Although this may be the case, another factor may be occurring. As an organization grows, contrary to what others believe, a CEO has less and less control over daily operations as those operational issues are delegated to others. As others pursue the normal course of business, many CEOs feel that they are less and less in control and may even feel helpless. When they become aware of an issue, they may feel that it is necessary for them to jump in and save the day much to the dismay of the other individuals in the organization who are responsible for the situation. Due to their position as the CEO or other senior manager, others naturally do not question their involvement, but often resent it.

At the opposite end of the spectrum, CEOs and other senior staff members may unwittingly take on the role of the black knight who, as described in fairy tales, brings havoc to others. These black knights may hold individuals personally responsible for bad judgment or second-guess their actions. Although accountability is essential, it must be fair and reasonable. Suppose individuals within an organization are afraid of the potential consequences of decisions that they are empowered to make. In that case, they may easily fall into the trap of making the decision to NOT make a decision but to delegate it upward in the organization.

Another impact of the black knight culture is the purposeful ignoring of issues associated with the "shoot the messenger" fear. A typical comment that can be heard in the break room after an unexpected, adverse event has occurred is, "Well, everyone but management knew it was going to happen." This is another way of stating that there are very few surprises in business: someone knew. In this environment, individuals decide to sit quietly and let someone else expose the issue or wait until the inevitable happens. Unfortunately, we hear almost daily of these instances, and we act with shock and anger and ask the question, "Why didn't we or they know?"

The culture of addiction to reacting instead of responding is easy to take hold in any size organization. Unfortunately, like any other addiction, it is not easy to overcome. The first step is to objectively determine if it exists. It is easy to spot by simply monitoring the actions taken across the company such as how many "emergency" meetings and "oh my God" events take place daily or weekly? Or, how many

times were senior managers abruptly brought into a situation? And, finally, how many requests to bypass the system occur? Being aware of these instances and following the recommendations in other articles in this section can result in quickly stopping the behaviors as they occur. Consistently asking these questions and responding accordingly over time, perhaps a long time, transform the culture making it responsive and not reactive.