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Achieving corporate balance is a critical responsibility of leadership

There is a great deal of focus today on achieving balance — both in our lives and in our businesses.

Most of the talk about balance derives from a desire to reconcile our personal commitments to our family, our work, our community, our faith and our special interests and hobbies.

The hectic lives we lead create unique demands on our time and often fuel stress. If you are building a company, these tensions can be further magnified.

You not only have your own personal challenges, but also the added challenge of creating the right environment for your people and your other constituents, including your investors.

One point of view regarding balance in the context of corporate accountability is that the organization bears the responsibility for creating a culture where balance is respected and encouraged.

Balance should be a core value of the company and share a place in the organization's culture alongside things like trust, integrity, respect and support.

Another view, also compelling, is that discovering that delicate place where our commitments are comfortably reconciled is a personal journey that is unique to every individual and is difficult to legislate inside an organization.

The organization's responsibility is to encourage and respect those individual journeys consistent with the company's commitments to its customers and shareholders. In this line of thought, balance is personal and individual and not properly a core value of the company.

This takes us to the issue of corporate balance.

We need to consider the organization as a unique

institution having its own special challenges and characteristics.

How best can the organization reconcile its various demands, build the best company and create the most value for all constituents?

In his recent book "Organizing for Good," author Michael Annison confronts the challenge of balancing the three dimensions of any organization — the systemic, the extrinsic and the intrinsic.

The systemic dimension consists of the vision of the organization, its systems and processes. It also includes planning initiatives.

The extrinsic dimension is where work is done; where culture resides along with the practical realities regarding the ability and willingness to work.

The Intrinsic Dimension involves people and relationships, and reflects the importance the organization places on attracting and developing people and sustaining internal and external relationships as critical to success.

Evaluating an organization from the perspective of these three domains reveals its strengths and weaknesses.

Strong systems can provide a foundation for people to work efficiently.

Precise and effective planning can lead to efficiencies and reduce waste.

A strong technology platform, disciplined financial management processes, decision-making and governance, can all contribute to a cohesive environment with people aligned

in pursuit of a clear vision.

These are examples of good systemic hygiene.

Organizations that lack effective systems often lack basic planning skills and tools to measure performance, and that can lead to inefficiency and waste.

An organization that has strong extrinsic character has a clear perspective of the importance of culture and how things get done.

This involves a defined and well-articulated doctrine of the culture and character of the organization, an understanding of how people work collaboratively and how things get accomplished.

Organizations with a weak extrinsic fabric often lack a well-defined culture and rely on people's individual and collective judgment to make decisions and get work done efficiently and effectively.

This is a dangerous approach.

A strong intrinsic dimension is characterized by a strong commitment to people, including recruiting, training and developing people and building relationships.

Dealing with people effectively is an enormous challenge. Learning how to do that and to attract, develop and retain the right people are two of the most important things corporate leaders can contribute to any organization.

Companies that are strong intrinsically demonstrate their commitment to people through actions and programs designed to build competence, loyalty and mutual opportunity.

To achieve corporate balance, it is imperative to discover the balance of these three dimensions. A great organization will value equally its systems, work and people. Over-emphasis on one dimension can lead to dysfunction.

Where doing the work is viewed as more important than developing the people, the people often feel underappreciated or unprepared and that can lead to frustration which can, in turn, lead to turnover.

If taking care of people is emphasized to the exclusion of the systems and getting work done, an environment may be created where the capabilities of the people exceed the company's ability to provide sufficient systemic support. Poor productivity can result.

It's the critical responsibility of leadership to explore these three dimensions and create the right balance.

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