LOOSING CONTROL… IS BAD FOR BUSINESS

Today some technology, and other firms, practice a hands-off style regarding the management of people. These companies are run in a seemingly laissez-faire manner (e.g., casual dress, open space office design, toys and playthings around, no bureaucracy) and believe that is the reason for their current success. Owners and founders neither look nor act differently than any other person. They view themselves as employees just like everyone else. They balk at assuming any elements of authority. They hesitate to assert themselves. They refuse to lead. Why? Because they interpret these behaviors as control, and view control in negative terms, as bad for business.

Recently, Fortune magazine published an article on this year's graduates. While the thrust of the story was on the war for employee talent, there was an interesting anecdote about a graduate from a major educational institution. The 22 year-old said he was not going to work for anyone else because he didn't need to be told what to do, and thought there was no better way to learn than starting a business. Now there's the response of an independent and self-assured individual! While this reaction might be interpreted as a number of things, is it in part a fear of control? Is it fear of imposing himself on someone, or having others inflict themselves on him? It certainly could be.

Last year, we had the opportunity to work with a company that by many measures was an enormous success, but there was trouble brewing. The entrepreneur (let's call her Sandra) hired *EXXEL* to do an organizational assessment because they had been through significant growth in a short amount of time. The presenting issues were that it was getting more difficult to meet project deadlines, profitability was down, and the business was loosing good people.

Sandra was extremely creative. For her entire career she had freelanced as a design professional. She expressed negative impressions about the management practices of most of the firms with whom she had been affiliated. Three years ago Sandra decided to start a firm and had grown it to 22 people. She had a variety of clients, several were prestigious local names, and two were major national corporations. She had no experience supervising others and wanted to be liked. She was hard-working, set a great example of client service, and was easy on her staff members. But this style wasn't delivering the business results needed.

After a lengthy discussion with Sandra, and interviews with several key employees, we found that control (i.e., less than adequate control) was one of the key impediments to viability and growth. The good news: the company was blessed with talented and creative staff members. The bad news: it was a very homogenous group - young, independent, and inexperienced in the realities of project management, deadlines, and profitability. Typically, no one was in charge of the client engagements, and if someone

tried to assume that role, she or he was ignored. The impression was of lots of activity but limited follow through and accountability. That is, there were too many individuals doing what they thought was needed, without coordinated effort or focus. And while most employees were genuinely well intentioned, they were operating with few guidelines. No one seemed to understand the importance of teamwork, support, and meeting commitments.

Sandra wanted to be nice to everyone, and tried to handle every aspect of every project without taking control. She was exhausted with the barrage of questions from employees. But since she hated the politics, the hierarchies, the rules and policies, and what she perceived as the trappings of management seen in many of the firms in which she had freelanced, she wanted to avoid these issues in her company. Sandra didn't want to have power over others. But, what resulted from this deliberate avoidance was a tug of war between control and autonomy among the staff. Key contributors got frustrated and quit, leaving crucial projects precariously understaffed.

EXXEL's engagement helped Sandra understand the difference between leadership, and a command and control style of management. She came to understand that she could set the direction, establish key milestones, clarify expectations, communicate clearly, and hold people accountable for achieving goals without the aspects of power that she detested. Further, she learned that hiring individuals to serve as project leaders relieved some burden from her, and provided day-to-day guidance to less experienced staff members. And this could occur without feeling like she was manipulating anyone, or employees thinking they were being monitored. Freedom of action and creativity flourished, employees developed professionally (and stayed with the firm), and project deadlines were met more consistently, profitably, with less last minute scrambling.

What was the lesson learned? Leadership is not control. Letting individuals do their own thing, without guidance tends to be a recipe for confusion once your company is bigger than a few employees. Managing a company for achievement and success does not necessarily mean directing people through rules and titles. What it does mean is that providing employees with common goals, clear guidelines for action, objectives, avenues for conflict discussion and resolution, and project leadership are attributes of responsibility. *Control* like this, is good for business.

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