



Corporate Junkies

“Dysfunctional companies act like drug addicts.”

Corporations are like drug addicts. How outrageous you say? Hardly. People often use drugs as an “escape route” from problems in the “real world.” When people have trouble dealing with reality or when life becomes increasingly difficult, they turn to artificial means as a method of coping. Companies *often* do the same.

Corporations *are* like drug addicts; they think nothing is wrong with their habit; nor do they seek help until there is no where left to turn. They want that “*quick fix*” every so often, yet cannot see the disintegration of the big picture nor grapple with the ensuing destruction. When they finally do grasp it, those *occasional* quick fixes only grant a *short term* high. The more quick fixes taken; the more compound the problems. When these quick fixes wear off, business objectives are missed, service declines, market share may plummet, and employee morale begins showing signs of real decay.

This destructive cycle continues until the corporate junkie finally decides in *their own mind* professional help is *sorely needed*; that they are no longer capable of helping themselves.

Certainly it’s unsavory, yet those similarities between individual and corporate addictions are striking and overwhelmingly obvious when you stop to think about it.

The random drive for success is inadequately explained as a function of a weak culture, poor corporate structure, leadership incompetence and the absence of an effective strategic plan or in some case, basic strategic thinking about the business.

By comparing the street junkies’ behavior to that of a dysfunctional organization (*corporate junkies*), we then find numerous touch points. Those characteristics are unmistakable, virtually identical or in some cases eerily similar...



Dobri J. Stojic
Senior Partner

Characteristics of a Addicted Individual

- The person taking the foreign substance often finds themselves using larger amounts or taking it over a longer period than originally intended.
- The person recognizes the substance use is excessive, and has attempted to reduce or control it, but has been unable to do so.
- A great deal of time is spent on activities so necessary to obtain the substance, taking it, or recovering from its effects.
- The person may suffer intoxication or withdrawal symptoms when he or she is expected to fulfill major role obligations (work, school, homemaking)
- Important social, occupational, or recreational activities are given up or reduced because of substance use.
- Significant tolerance, a markedly diminished effect with continued use of the same amount of the substance, occurs.
- With continued use, characteristic withdrawal symptoms develop when the person stops or reduces intake of the substance.
- The substance is taken often to relieve or avoid withdrawal symptoms.

Characteristics of a Troubled Corporation

- Companies that have found religion in cost reduction or re-engineering themselves don’t stop at productive levels, they keep on going until it is harmful.
- Companies know that they do not have a strategic plan or a strong customer culture yet still persist on an activity-based approach that results in missed goals.
- Some companies spend an excessive amount of time on annual budget planning or cost reduction and don’t get the full benefit out of the process
- When targets are missed or the competition has preempted them, they then make irrational decisions, repeat preferred programs that are dated or do nothing.
- Companies stop marketing, cut more expenses, eliminate investment and stop training staff when results are poor.
- As companies achieve short-term success with cost-reductions, they demand more productivity with less staff or technical resources.
- When companies are not focused on the market, customers, or employees, their share of market will drop, customers leave and employee turnover soars.
- Further internal orientation occurs because it is the easiest to control.



STRATEGIC SOLUTIONS



Corporate junkies

Why I find this analogy interesting is because most addicts don't think they have a problem which is often the case with corporations. This type of delusional thinking exists throughout the corporate world. And when they don't think much is wrong they won't do anything to help themselves improve. Average or mediocre performance is acceptable. More and more today, the marketplace won't allow mediocre performance. You cannot be an average performer, think you are actually better than you are and expect to get the results you need.

The smart companies know when to call for help. They feel the pain. And they do something about it. Perhaps more importantly the really good ones are proactive and anticipate the pain and do something preventative.

One of the main reasons for the "illness" is the lack of planning and determining one's competitive position. So many companies never seek to find their competitive advantage of what sets them apart. And with some many competitors in any given category how can customers distinguish mediocrity from high performance. The companies like West Marine, Joann Stores, Lucy Activewear that we have worked with to develop strategic plans seem to know that a good plan sets the course of action, lets employees know the priorities and tries to do a few things well rather than trying to do too much. Those that don't and are dysfunctional wonder until competition has

hurt them. Then it may be too late to recover sales, share of market and customers.

The sad thing about most of the dysfunctional organizations is that their problems were preventable with the appropriate foresight and action. Some companies know they are in trouble but don't have the appetite to embark on any formal kind of change management to improve their health.

Like kicking the habit, corporate junkies find it just as difficult to undergo business change. Finding a new business model, changing behavior, trying new things are all foreign concepts to many companies who are suffering. It appears easier not to 'rock the boat'. I believe a lot of that has to do with leadership and executive's ability to envision a better life and better way of doing things. Too many mediocre executives unwilling to take a chance on a new concept. We have heard countless times "oh we have that, or we do it that way" when they really don't at all. The saddest of all is when the CEO doesn't see it either.

But like street addiction, corporate junkies can transform themselves and throw off the layers of sameness. For enlightened companies and their employees there is no greater feeling than to know you have accomplished some thing great against all odds because you tried. To be successful after you're ill, you need to rehabilitate and forget old habits and try new ones.

About

The Strategic Planning Group

The Strategic Planning Group (T.S.P.G.) is a **full service consulting firm** that can provide organizations with a wide range of advice, business tools and solutions. At T.S.P.G. our focus is on helping our clients solve their complex issues to realize their ultimate potential, whether we are assisting in a particular functional area or helping to set the overall strategy for the organization. Our full service approach combined with our commitment to helping clients realize their ultimate potential, results in an efficient and effective approach, creating great value for our clients.

We want to be more than just consultants. For us to be successful in helping you we need to understand how you operate and what challenges you are currently facing. We want to help you achieve your goals and your ultimate business potential. To accomplish this we must be trusted and objective advisors to our clients by contributing our knowledge, experience and thinking in ways that make a positive impact.

We are growing rapidly and on the leading edge of thought leadership with a goal to add value to our clients.

How to Reach Us

The Strategic Planning Group

Tel: (905) 235-0760

www.tspg-consulting.com