50 (more) Signs of an Unhealthy Organisation

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This list is a modified version of those I first published within *Training and Development* in April 1993. It picks up on, and expands the theme explored within its close cousin, 'the 50 signs'.

As with the first 50, these are not just made up, they are the result of observing, and all too often, despairing, of real organisations. I believe that no organisation is ever in perfect equilibrium in terms of effectiveness – it is either getting better or worse, and either by a little or a lot.

In addition, I believe that it's harder to arrest a decline than to maintain a positive journey, but all this needs more words than I have room for here – watch this space for more a more detailed analysis of these and related thoughts.

Of course it's much easier to highlight organisational problems than it is to work on and correct them - I know this only too well. That said, the healthy organisations of the future will surely be those that don't 'just' build on their strengths, but put real energy and resource into putting right the traits and issues that inhibit efficiency and effectiveness.

I get fed up with reading fairy tales about organisations I know to be far less wonderful that they would have us think. That said, I remain essentially an optimist – we can create healthy organisations, but it's so often such a struggle!

I suggest you use this, and the earlier list as a diagnostic – wouldn't it be interesting if the most senior managements of organisations saw this and the first fifty?

Do let me know what you think of the 100 signs – you'll find plenty more of interest at my website.

So, here they are, the second set of fifty signs:

1. The organisation, driven by the in/actions of senior managers within it, behaves in a way disproportionate to its size. This means small organisations take on the worst traits of much bigger ones, and that genuinely big organisations think and act in a way that makes the most of their size.

2. At the first sign of a drop in profit, or harder times, people, despite well-publicised declarations to the contrary, are seen as expendable short-term costs, and redundancies are announced reactively, with little or no consideration of medium or long-term effects.

3. Reports and investigations are commissioned, often at great cost, yet recommendations are 'yes butted', so little or nothing changes for the better.

4. More managerial tiers exist than are necessary.

5. Scapegoats are sought to blame for things that go wrong – inhibiting creativity and learning.

6. Past glories are revelled in, at collective or individual levels – 'when I was at x I achieved all this', and 'we can't be in trouble, because we have been this good…in the past'…oh dear.

7. Advertised posts attract few if any applicants. Key posts have to be re-advertised, and the calibre or recruit sought is rarely found.

8. The capable people that other organisations want have gone, and there now exists a significant and harmful 'sediment' of disgruntled people who resent not having found an alternative employer worthy of them.

9. There is inequality of opportunity, which means the full potential of both current and prospective employees is nothing like exploited fully.

10. When attacked – for instance in the press – little or no effort is made in defence. In addition, proactive positive publicity is rare.

11. When things go very wrong, senior management feel no-one is to blame, perhaps even stressing their inability to influence key events and issues.

12. There is a culture of 'acceptable under-performance' – where 'that's good enough' is the norm, with too little effort made to do things as well as they can be done.

13. Restructuring takes place too frequently, creating confusion and chaos, and meaning key functions or personnel are not settled for long enough to be effective.

14. There are too many or too few support staff backing up operational employees.

15. The absence of an individual, or a small number of people means that key decisions or activities just don't happen.

16. Those in a position to look after themselves at the expense of others, and at the expense of what is good for the organisation in the medium term…forget the long term, that's never considered.

17. Grudges are felt and linger – sometimes providing an opportunity to settle old scores – often to the detriment of efficiency and effectiveness.

18. Succession planning is non-existent, meaning few people if any, are being prepared for key positions in the future. At its worst, this may be for fear of creating rivals, or making fragile senior people look less than perfect.

19. Employees, competent or otherwise, feel loathe to leave an organisation that will pay them substantial redundancy if they just stay on for a little longer. This means those that contribute little, and those that really want to move on stay, as to leave on would cost them money.

20. Change, if it happens at all, is reactive, in response to events, and rarely, if ever, proactive.

21. Customer complaints are taken personally, or dismissed as the rantings of a few unrepresentative maniacs – if a procedure for handling these exists, it seems designed to parry this valuable customer feedback, so little is learned from complaints, or changed in response.

22. There is inequality of opportunity – not 'just' in the obvious areas, but also for instance regarding access to learning and development.

23. Too many people do not earn the value of their salary or wage, in terms of the contribution they make to profit or effectiveness.

24. Income generation is confused with profitability – the true sources of value creation for customers is not sufficiently well known, which can cause a focus on the wrong activities.

25. Employees are unaware of, and may not care about, their legal duties and responsibilities.

26. Key managers are like the Olympic Torch – they never go out – creating a feeling of detachment from staff who just don't ever see them.

27. People doing the sane job are rewarded differently, and in a way that is way to be unfair.

28. Systems and procedures are administered rigidly, without the flexibility that both employees and customers expect and need.

29. Stressed people keep this to themselves, fearful of the consequences of making it known that they need help.

30. Empowerment at best is a pronouncement not a practice – frontline people are afraid of making decisions without seeking approval, this slows things up, and irritates customers.

31. Employees are 'managed' or judged by people not competent to do so with credibility.

32. Problem people or issues are left untouched, this often means that conflict is avoided at all costs, instead of being managed positively.

33. Former employees wouldn't return for any money.

34. Employees talk about the organisation in terms of 'them' and 'they' instead of 'we' and 'us'.

35. Managers only manage people as well as they themselves are managed – too often not very well. This means a negative spiral of poor management develops…hard to break.

36. Hidden agendas proliferate, and internal politics drain time and energy.

37. The arrival of really effective, 'wave-making' people is treated with derision by a significant number of people who decide to 'ride him or her out' , and who keep their heads down, and wait for them to leave 'it won't take long', and for things to revert to normal.

38. Employees are asked to do things near to, or beyond the limits of their ability without the support and encouragement they need.

39. Senior management abuse their positions by (in the eyes of employees), going on 'jollies', or spending large sums on themselves. This is particularly galling when wage restraint and cost cutting is being trumpeted by those same senior people.

40. Training and development is not anchored to individual needs, nor is enough thought given to the design of events that will truly deliver value over its cost. Evaluation where it happens at all does not identify the specific factors that help and hinder the sustained application of learning in the workplace.

41. Valuable, objective sources of advice and help are spurned 'we can sort ourselves out thank you', this may be coupled with a denial of the all too obvious issues and needs that will fester and worsen the health of the organisation.

42. Key roles and activities are sub-contracted, meaning control of quality and/or customer service delivery becomes hard or impossible to quality assure.

43. Significant people are coasting to retirement, and have lost their will to tackle anything challenging, or that might 'rock the boat'. This frustrates and drives out talented people who really want to improve the way things are done, and whose every effort to do so is blocked.

44. There is a fixation with past, financial measures of apparent effectiveness, with little awareness of the true drivers of value creation that produced those figures. Thus the organisation hasn't yet worked out the predictive 'measures that mean something', and will probably never work on those, preferring historical financial data.

45. There is no appetite for learning, particularly amongst senior management, who seem to others to feel that they know it all already.

46. New ways of working are resisted, or taken up later than they could be – for instance, but not exclusively, in relation to information technology.

47. Success breeds failure – good times are enjoyed too much, and little preparation is made for the inevitable harder years to come. These then take the organisation, and its key managers in particular apparently by surprise, exposing weaknesses and inadequacies.

48. People take what they can then get out. For instance, soon after graduating from expensive training or education programmes or courses, off they go to an organisation that gets that learning for nothing.

49. Bullying and harassment, whether subtle or otherwise is not confronted.

50. Efforts of so-called benchmarking the best practices of others re made, that are in truth no more than half-hearted, unthought-through attempts to copy others. Any visits made to other organisations are really no more than 'industrial tourism'.