

Character in Organizations

by Simon Standish

A large array of terms define what is critical in organizations: missions, visions, values and beliefs, culture, strategic plans, quality management, reengineering, innovation. Experts lobby their particular hobby (especially if they have written a book about it), and a surprising amount of energy is devoted to making the case why one term of endearment should be seen as preeminent.

In the search for organizational bedrock, let's look at this in another way. If organizations were people, what would we wish most to understand about them? As Shakespeare put it (in *Hamlet*), "Look thou character."

We look to character as the core of a human being. When all the layers are peeled away, this is what is left. Character is center. It predicts how people will behave when the going gets tough. Will they repay the loan regardless of adversity or will they rationalize nonpayment? When the chips are down, will they take personal responsibility or blame others? Among other things, character is a moral center. Is it fair to seek it in organizations as well as in persons? I think so.

The Meaning of Organizational Character

"Character" is from a Greek term that means "to engrave." Character is that which is etched in stone, in the sense that, once formed, it is not readily changed. It is whatever the person or organization takes seriously, without reservation. Character is as deep as it gets. At the same time, character is a construct that we see expressed through behaviors—words, expressed attitudes, interactions, and deeds of all sorts.

Character is best understood as an independent variable, separate from the positions one takes or one's ability to achieve results. Hence voters may rate a candidate high on character but low on approval rating for the job they are doing...or vice versa. While we look for harmony between character and action, we do not hold people to an overly high standard of consistent connection. Rather, we believe that, eventually, character will win out.

While organizational character is enduring, it is much less relevant to constancy than to change. Organizations do not need character to continue to do the same things. Many other facets of organizational life are far better designed to ensure the preservation of present trends and conditions.

What forms organizational character? My view is that it is most closely aligned with two terms: *belief* and *intention*. Beliefs, of course, are readily stated. Just give us five sessions and we can add them to our vision and mission. When beliefs reflect character, however, they are not simply

held or repeated; they are actively expressed. Further, they are expressed not only explicitly in formal program and policy decisions but implicitly in the way people do their relating.

Intent is the second key element. Intentions in a framework of outcomes have lost currency. Those with performance targets, for example, are generally thought to outperform those with “best intentions.” Who cares what you aspired to do? What matters is the result. If we are not careful, intention becomes nothing more than explanation or excuse for failure. But given that things do not always turn out as we wish, intention does matter. Indeed, one of the best uses of outcome frameworks is that they codify intention.

Another way of looking at character is through its most admired associative traits in individuals, including courage, conscience, and integrity. In such dimensions, character is most frequently associated with our relations with other human beings. Most ethical codes (from the Ten Commandments to Asimov’s Three Rules of Robotics) are also so focused.

In Search of Character

It is tempting to say that all organizations have and express every organizational component deemed important and that the only question is the form that they take. I have long questioned that doctrine. In some organizations, for example, I simply do not find organizational culture, be it good, bad or indifferent, to exist. There is no one common framework of values or even habits. This is even more the case with character. All organizations have characteristics; few organizations have character.

How do we know when character is present? Here are four indicators.

1. The Extra Mile Test

Beyond what an organization does when push- comes-to-shove is what it chooses to do to express a belief that goes beyond expectation or presumption of reasonable behavior. William Carey, head of W. P. Carey, Inc., did not have to send checks to stakeholders owed money years after his family’s sugar business in Colorado went under, but he did so. Herb Kelleher, President of Southwest Airlines did not have to write to some obnoxious passengers to tell them they were wrong to abuse his staff and to take their business elsewhere, but he did so.

Character shines when it creates a path rather than follows one. Further, it is at work seeking direction and focus even when no external prompt is forthcoming.

2. Policy and Practice Congruence

Many organizations say that their people are “empowered” but few backstop the belief. Residential Opportunities Inc., in its “Statement of Character” notes that what is shared among employees is more profound than what is different. ROI then backs this up with a remarkable policy: “Every prospective candidate may speak for the organization as a whole.” Think of the number of organizations that articulate such trust in employees, but who would never let them speak for the organization.

Return policies are another example. When an organization truly stands behind its product, it takes it back not only when defective but when it does not create intended

enjoyment or other value. In most organizations, policies and beliefs are found to be at remarkable odds if anyone bothers to analyze the discrepancy.

3. **Beliefs and Intentions as Change Determinants**

When crisis or opportunity strikes, many groups look to situational ethics for the answer. They appraise strengths and weaknesses, environmental shifts, and current opportunities and gaps. Indeed, innovation concepts thrive on situational factors. In a few cases, organizations also use character as a beacon. “Our belief is that we must give employees mobility opportunities. Since we have few mobility paths here, let’s acquire organizational capacity to create more paths.” This is not a common rationale for growth, but it *is* a character-based one.

In more frequent cases, change requirements come first and the role of character is to shape the qualitative dimensions of change. Will employees being terminated be sent a slip and asked to exit by noon today or will someone look them in the eye and tell them why they cannot stay, then give them the time to close out psychologically as well as physically? Will people be allowed to stay the extra four months to earn their pension or be cut off just in time to save the expense?

4. **Relationship Between Surface and Mass**

One of the arenas in which appearances and character go hand-in-hand is sculpture. A recent exhibit by the Romanian artist, Brancusi, at New York’s Museum of Modern Art is defined as “sculptural idiom that drew its poetry from a self-contained simplicity of volumes and surface.” In organizations as in art, the shape of the organization tells you something about its core nature. Look carefully. The traditional organization chart, for example, is a triangle with the base at the bottom. A few leaders are on top, and an array of tellers, sales people, and child care workers at the bottom. A belief in the importance of staff would suggest a reversed shape, with the people delivering the service at the top, and the leaders below, supporting them.

Sculptor Brancusi gave as much thought to the shape and texture of his stone and wood bases as to what they supported. More than a frame for the picture, the foundation is integral in the art. So too is character in organization.

Character Beyond the Person?

We are still left with the issue of whether character in an organization exists independently of the character of its people. My sense is that it does not, and that this—in itself—is an important character belief. Organizational structure is often defined as that which survives shifts in people and, indeed, determines how people will end up behaving regardless of initial disposition. Organizational character is different. It is dependent on personal character. Yet, it also hopes to build a critical mass that will be sustained over time. When organizations have character, they can build on it. But if they do not begin with character, they will have a hard time ending with it. This paradox is as true for organizations as for individuals.