

Governance: for the Rational and Busy

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Corporate Governance and Business Transactions

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Let's consider one of the most misunderstood, overhyped and misapplied terms in business: "governance." This little piece is a "Governance 101" introduction, not the "700" level course, mainly because it's shorter. If one "gets" the 100-level elements, growth comes naturally toward the 700's. Yet many who live in the 700's never got their 100-level stuff straight; frustration, talent drain, and bubbling chaos follow. The good people often vote with their feet or, worse yet, they create defensible silos in some survivable corner of the empire until retirement.

Myriad trade associations and consultants traffic in "governance." It sometimes gets tossed into the mix with other consultant-speak that includes heavy doses of "strategic planning," "tactical operations," "best practices," "mission, vision and values," and, of course, our old redoubtable visitor, "Sarbanes-Oxley."

Setting aside that mumbo jumbo, "governance" at its essence is a process that an organization develops **and** exercises to improve the chances that it will deploy its limited, precious resources through decisions and actions that maximize the impact and success of the organization. [\[1\]](#) It doesn't need to be complicated, not even irritating or exasperating, and there are numerous pathways to "get there." But failed experiences, memorialized by dead binders on shelves en route to the shredder, admittedly do haunt many an executive whose visionary enthusiasm sags under the weight of such inconclusive ventures into "governance."

That is not to say that rational, efficient governance comes easily or quickly. While perhaps not as drastic as the First of the Twelve Steps of AA, [\[2\]](#) the very first steps toward genuine governance do require certain indispensable elements. And

those may demand reflection and resolve every bit as profound as the AA Twelve. Forget the cookie-cutter solutions, with all due respect to those copyrighted documents wiggling throughout the Adobe and Word universe.

If your organization's governance and performance are already rolling along, great; congratulations! Move on to the next item in your day. For the rest of us, are we ready? Are we sitting down? Can we hold still long enough to finish? OK, here we go; relax, just 600 words to go: "Governance Baby Steps."

First, let's get off our executive throne (the real one in our heads, not the executive washroom). We'll shut the doors and revisit whether we love the organization more than our titles, headlines and perks. We now find and listen to our inner voice, the good one (yes, there are more than one; we're looking for the one that spoke the day they handed us the MBA; the one that guided us through those search committee interviews). We turn off the intercom where our assistant is asking about the trip to Wherever; fly through DFW, ATL or ORD? Uber, black car, or shuttle; Hilton or Marriott? Three days or four? What about the weekend after...? Let's ease off the endorphin rush that awakens and drives us each morning to rule the world.

If you were unable or unwilling to finish that last paragraph then, we fully understand; and good news! We're done here. Head on to the next episode of "*Executive Charlene Saves the World*" with that great plan in her head that nobody else understands. But if any of this so far resonates, we have reached a promising point where the vigorous seeds of genuine "governance" may have fallen into soil just rich enough to germinate. Let's water it, shall we?

Overheard in one C-suite with all the appearance of a 700-level operation: "Governance? That's just about the bylaws, right?"

Most clients first call their lawyers or consultants when they think they need to revise bylaws or policies to address some regulatory change, or perceived issues with management, board or owners. Generally, with the right set of people, communication and open systems, most bylaws and policies can be made to work with targeted adjustment and updating. Without those right people and gestalt, however, no bylaws or amendments can solve any substantive problem.

Rather than declare war on the governing documents, try this first:

Invite the most trusted core of your team, usually four to six people for an organization of medium size or larger. Find a way to get everyone comfortable to talk straight; if necessary, bring in a trusted, proven facilitator. Whether it takes a bottle of wine or a carafe joe and a big box of *See's Nuts & Chews*, start with a blank piece of paper, listen to the team and get real with one another. Once trust reaches genuinely productive levels (determining that point will test one's personal executive maturity—it may take more than one round), hand each a set of cards with only these words printed on each one:

What may I do or change, to clear obstacles and enhance your work here?

Now, invite each participant to hand one of those cards to as many persons in the room as s/he wishes. Weird, huh? Sound just a bit hokey? Yes, one could think of other, more sophisticated, ways to accomplish the same thing, but hey, you are a 700-level C-suite executive. By now, you have computed to the bottom line of what's going on here. We won't insult you and "spell it out" any further. You can take it from here.

If these achingly transparent and subliminal messages got through (if you read this far), we are on our way to sharpening the governance process of the organization in ways that will heal and energize its core brain trust. If, however, this such thinking seems outlandish or silly, hate to seem judgmental but we are just not ready to move on to the 200-level material. Our business will never reach what it could have accomplished; worse yet, chances are high that it is or soon will be hurting. Is that the gentle sound of resumé updating software humming throughout the organization?

Yours for Better Governance

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[1] See, e.g., Cooper, Marc B., *Partnerships*, Sahalie Press, Woodinville, Washington, pp. 118-144

[2] "I admit I am powerless over alcohol—my life has become unmanageable."