

Cutting Corners

By Steven C. Coats

Check this out. In one five-day period, the following four major stories were covered in my local newspaper.

- a local flagship company was being fined millions of dollars for price fixing
- the role model coach of a football powerhouse was being fined and suspended for NCAA violations
- a well-known former county commissioner pled guilty to fraud and other offenses
- teachers were virtually giving answers to students in order to boost standardized test scores

Notice anything common about these examples. That's correct, they all represent stepping over the line in some fashion.

Unfortunately, you do not have to look very hard to find other similar examples, as they are very prevalent. I do wonder how much the depressed economy during the past couple of years has exacerbated the issue, at least in business.

The topic of cutting corners is getting a lot of attention these days, and those articles got me thinking about it even more deeply. My main question is whether or not people are

becoming more lax in their standards about what constitutes cutting a corner. I have heard people passionately argue that one should never cut corners of any kind, even during tough times. Others attempt to build a convincing case that there are circumstances which make it acceptable. A great deal of this lively debate occurs with little time spent defining what cutting a corner actually means.

Apparently it can be any kind of deviation from an established process to a major lapse in values or ethics. Regardless, there are strong opinions on whether cutting corners is ever justifiable.

Where are you on this issue? Do you have a clear sense of what it truly means to cut corners?

Factors for Consideration

There are a number of factors most prominent in these discussions. One of them is the dialogue about the reason for even considering it. There are those who take the position that the means (of cutting corners) often do justify the ends of a greater good. For example, might it be acceptable to slightly fudge some non-essential data in the FDA approval process in order to get a phenomenal new cancer drug to the market quicker? Would it be OK to turn a bit of a

blind eye toward the regulations, if the "less valid" information has nothing to do with the drug's effectiveness or side effects, but is more bureaucratic in nature? Would that really be dishonest?

What do you think? Would your judgment change if it was you or a loved one who needed the drug, and needed it right now, in order to survive?

What does cutting a corner really mean? Does it always imply stepping onto a slippery slope?

One controversial matter worth mentioning about this factor is, *who decides what is the greater good?* Short cutting a regulation to rescue people from a life-threatening disaster is one thing. But are next quarter's profits a worthy enough end to jeopardize a value of quality or safety? Would you be willing to postpone required aircraft maintenance if you needed to reduce costs – in order to keep your job, when unemployment is running out of control?

There is no doubt that many reasons can cause people to cross the line. Survival in tough times, for individuals and corporations, may certainly be one of them.

Unfortunately, so is the drive to satisfy more selfish interests. The real question to address is, are there any valid reasons?

Consistency (or lack there of) of rules or regulations is another factor that has contributed to some spirited debate regarding cutting corners. Consider this purely fictional example. Imagine you operate in-store medical clinics in grocery stores. You have operations throughout the Kansas City area. Let's assume that Missouri law requires a licensed physician to be on the premises at all times, but Kansas law requires only a physician assistant. Let's go even further and say that there are two clinics which are virtually right across the street from each other, and the street happens to be State Line Road.

You are the manager that operates these two clinics, and one day your physician staff gets strained and there is no available doctor for this particular Missouri clinic. Do you take a chance and open the door anyway? After all, it is perfectly fine to do that in the store 300 feet to the west. What if there is a terrible outbreak of the flu, and the Kansas clinic is already overflowing? Would you deny people who need the care, especially when your staff of PA's and nurses can do the job?

Do you see how one could easily make a case for violating this perceived "silly" restriction which is obviously more politically than medically driven? Come on, the legal corner you would be cutting is a non-issue a football field away. Why should you be penalized because of inconsistent

government? Actually, it is not hard to imagine how the decision to open the clinic could be rationalized, is it?

What Are The Consequences

One final factor, which is virtually always in the forefront of the corner cutting discussion, is the need to intensely evaluate all of the consequences of your actions, even if it seems the corner is very minor. Never forget the impact of cutting what may have appeared to be an insignificant corner on the USS Forrestal, where one small deviation in the missile firing sequence resulted in 134 crewmen losing their lives, along with millions of dollars of damage to the ship.

Might cutting corners on quality to meet a shipment deadline result in dissatisfied or lost customers? How about intentionally reporting positive study findings on research which was never done? There are always consequences, regardless of how noble the cause may appear to be.

The world is full of slippery slopes and leaders must be thoughtfully vigilant about actions which will bump up against their lines in the sand. This is why it is so important for leaders to be clear on their values and principles, as these help define and reinforce those lines in the sand.

Leaders need something they can count on to guide them in making very difficult decisions. And often the most difficult decisions where corner cutting is considered are matters that directly confront or conflict with values.

Think about how you might respond in the following situations. Would you be willing to risk paying a fine for opening your clinic doors, in the earlier example, to reduce human suffering? Would you be willing to immediately deploy critical resources to a natural or man-made disaster, if you are a government agency or contractor that is prohibited from incurring any kind of cost without prior budget approval? Would you conveniently overlook an under-aged worker in an overseas plant, if this job was the sole means of support for her family? These could all be perceived as examples of cutting a corner.

What Does This Mean

Leaders face dilemmas such as these every single day. Let me just say it is much easier to write about them than to deal with them. It is also easier to talk about taking the high road than it is to always live it.

So what does this tell you about the right or wrong of cutting corners? First be aware that this decision is different than choosing between several potential right answers. Whether bumping up against company policies, social values or ethics, or even a broader legal system, corner cutting decisions are frequently between something right and something else acknowledged to be wrong. Although an objective risk-reward analysis might point you toward stepping over the line, know that there will usually be unintended or unexpected consequences. Something other than a better bottom line might be at stake.

Next, be especially mindful about the size or scope of the corner in question. One could easily get the impression that is never OK to cut a big corner, but a little one – well, how bad could that really be. And given the fact that no one will likely ever know anyway, what's the big deal? Can you visualize this conversation? Have you ever been part of one? It is not wise to let size, by itself, determine the decision.

Finally, cutting a corner is different than streamlining a process, although some may not see much difference. Most businesspeople with whom I have

worked are quick to point out how important it is to continually improve processes, by eliminating redundant steps which add no value. Achieving a big goal in a tight timeframe sometimes requires one to create new processes. Success and growth requires new and innovative ways of getting things done.

So, continue to challenge, examine, test and experiment with new ways of operating and adding value for your customers, associates and others. And if it feels like corner cutting, get a variety of perspectives and opinions on your options. This will

contribute to more thoughtful deliberation about reasons and consequences, and will give everyone involved a moment to reflect on the actions you are considering.

But think very carefully when considering sidestepping the laws of the land, ignoring your own company or external regulations, or compromising, even ever-so-slightly, the values you preach as un-compromisable. You may find just how quickly that slippery slope will take you to a place you really do not want to be.

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