



iQuestions Faculty, John D. Beckett

Question:

How do I find balance between short-term vs. long-term goals?

Answer:

One of the tensions that we have in business is between taking a short-term and a long-term perspective. I remember hearing Ralph Larsen, when he was chairman of Johnson & Johnson, saying that he would really try to school the investment community on the importance of taking a long-term view of J&J stock.

But, in spite of that, over 60% of that stock turned over every week. So, the markets are really geared toward a short-term perspective.

Now, what happens when you do that is that you end up making bad decisions. Companies will do best if they are able to take a long-term view, invest for the long-term, build toward the long-term, and develop their internal resources and capabilities for the long-term.

And so, I think where it's possible to take that view, we're going to see better results from our business community.