

The Productivity of Trustworthy Leadership

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Have you ever noticed some teams are super productive, while others seem to take forever to accomplish anything?

Many organizations are unfulfilling places to work. Management doesn't trust employees, employees don't trust management and managers may not even trust each other. This results in high political activity levels that drain the organization's productivity.

How does a management team create an environment of openness, honesty and trust? A good beginning is to be trustworthy.

Many managers believe that employees should trust them because they always tell the truth. Trust is more than that. Trust requires honesty, candor and reliability.

Honesty – Honesty is more than telling the truth. What we say should always be factually correct. However, trust is just as much about what we don't say as what we do say. If we give our team members voluminous facts, but leave out important news affecting their jobs and lives, people will not trust us. Hence, the role of candor.

Candor - In efficient organizations, there is a psychological bond between management and ordinary employees. Company leadership is candid with team members, and shares things affecting them. Management looks after the entire team's best interests. In exchange, employees look after management's best interests.

Reliability – We can be open and honest, but people still will not trust us if we don't follow through on our commitments. One broken promise can quickly undo all of our efforts to be honest and candid.

The authors of ***Crucial Confrontations***¹, cite a 40% productivity improvement in companies where management attended training in open and honest communications.

Paul Hawken, in his classic entrepreneurship book, ***Growing a Business***, believed it was best if organizations were slightly understaffed.

¹ ***Crucial Confrontations: Tools for Resolving Broken Promises, Violated Expectations and Bad Behavior***, by Kerry Patterson, Joseph Grenny, Ron McMillan and Al Switzler, McGraw-Hill, 2005.

“With “too much” work to do, people are willing to share that work and the responsibility and information that goes with it. They are grateful for help, and they don’t perceive those who help them as threatening, because these people have all they can handle, too.”

Jim Collins, in his best-selling book **Good to Great**, observed that companies that successfully transitioned from being merely good to becoming truly great had fewer procedural controls but far stronger cultural controls. These management teams were able to challenge each other, even the CEO, and hold each other accountable. The result was organizations that were more focused and more nimble.

In his biography, Legendary General Electric CEO Jack Welch said that as he became more experienced he began to appreciate corporate culture’s role more and more. Eventually, he believed that managing corporate culture was not the most important thing, it was the **only** thing.

My own experience as a turnaround consultant tells me corporate culture is often an organization’s root problem. Struggling management teams often fail to be honest and candid with each other. Often, everyone knows what the team must do, but everyone is unable to discuss the tough issues because talking about the company’s challenges would set-off political maneuvering that would quickly consume all the organization’s time.

How can your organization substantially improve performance? Perhaps you should begin by asking what your management team can do to provide more trustworthy leadership.

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