

SMALL BUSINESS

Keeping a scorecard on leadership transparency

"Trust but verify."

— Ronald Reagan

The first article in this series in recent weeks focused on the critical importance of transparency for our economy and organizations with regard to engendering trust and faith — both essential to long term health and viability. The second focused on creating Leadership Transparency within organizations and personal leadership.

Now we focus on tracking the level of transparency in your leadership and organization, a framework for creating a transparency scorecard. If leadership transparency is truly important to you and your organization in terms of building more effective internal and external relationships based on mutual faith and trust, then you will have to do more than give it lip service.

You will need to create a way of tracking, checking and mapping the level of transparency generated by your organization and by its constituent leaders, executives and associates.

One of the core measurements to build into your scorecard on transparency must be the "Surprise Factor." How many times are you or other members of the leadership team caught by surprise by events in your organization?

For example, if you have specific strategic initiatives and goals that are set, how often at the end of the day are you or other members of the team caught by surprise? If it or other surprises are fairly frequent, then you have a serious issue with transparency. What would be the root cause of the surprises?



IN THE LEAD

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There are several root causes that contribute to being caught by surprise on an on-going basis.

The root causes are generally due to a culture of fear characterized by the following: fear of executive backlash (lack of courage), superficial agreements (making commitments without really discussing in depth the implications and resource constraints, over promising (not being able to say "no") and/or "silo mentality" or a lack of systems perspective (departments and functions working to their own set of goals and not integrated in plans and execution.)

Taking all of the above into consideration, your scorecard would need a major heading called, "Frequency of Surprise Factor" with a place to record root cause factors identified contributing to any frequency higher than "almost never."

A second core metric of the transparency scorecard is the "Collaboration/Coordination Factor." This metric measures the degree of effective collaboration and coordination in two major sub-areas: "Planning" and "Execution."

One measure can be taken of both how often and how effectively cross-functional groups

get together to plan, discuss resource allocation, vigorously debate implications and then map out mutual work plans with agreed upon deliverables and time lines. The second measure has to do with the "crispness" of execution. How effectively did those who had planned and agreed upon a set of actions actually implement those actions steps and execute against the plan?

Any frequent or on-going breakdowns in the planning or in the execution phases are strong indicators or a low level of leadership transparency.

A third core metric is that of "Openness/Candor Factor" in discussions, meetings and working relationships. Ways of measuring this are in sub-scales such as: "Number of meetings after the meeting to have the real conversations," "Number of times people go to superiors behind peers backs," "Number and spread of CYA (cover your assets) emails," "Issue/Conflict Surfaced in Session," "Vigorous intellectual debate in meetings," "Effective/Realistic Resolution of debates in session."

Other ways of measuring openness and candor levels are the quality of the relationships between people — "direct, re-

spectful feedback," "offering contrary viewpoints" "honest give and take — minimizing personal surprises."

The fourth critical metric in verifying transparency is the "Trust/Faith Factor" with 10 major groups: external relationships such as customers, suppliers, community members, regulators and stock holders and internal relationships such as front line employees, first line supervisors, field agents, different sites and across the management team.

What is the trust and faith factor for you and your organization with each of those groups? How do you know? What surveys and on-going sampling processes have you put in place to check? What criteria screen are you using? How often do you share the findings across the organization and either celebrate or work to address outcomes?

What scorecard process are you relying on to "verify" that you are creating true leadership transparency?

Next: Leadership Transparency part 4 — The Path Forward.

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