

# Transparency in Management



✘ In today's complex business world the question for management is no longer about transparency, but what, when, where, and how much sharing should occur. Organizations rely on their leaders to make final decisions but success is achieved when everyone understands the role they play in achieving overall success.

## **The Accountability Advantage**

Transparency can help fuel innovation and collaboration within an organization. Often employees feel more engaged and empowered to act and make decisions when they understand the bigger picture. Employees also feel engaged when they know the expectations for their role within that bigger picture. When everyone is on the same page, individuals are better able to make active decisions that contribute to the team. One of the most significant benefits of transparency is accountability. Transparency enables everyone to understand who is accountable for a decision, who is responsible for executing a decision, and who will or will not be held accountable for the outcome of that decision.

## **How to Become More Transparent:**

Organizations benefit from informing employees. There is danger, however, in providing information without bestowing context or control. How do you create transparency in your organization? Consider these steps:

1) **Get leadership on board:** Leaders must be in agreement about where the organization is headed, what information is shared, who is accountable, and who answers the questions.

2) **Prepare leaders to share:** The timing, method and content should be mapped out. Information must be shared on an expected and consistent basis. Transparency is all about trust; reliability, honesty and clarity. Introduce regular leadership up-dates; include in-person and electronic communications and make information easy to find when people go looking. Consider these options:

- Monthly (or quarterly) senior leadership 30-minute update 'presentations' to the entire organization (in-person or by video is a good option).
- Quarterly or semi-annual organization 'brainstorming' sessions that invite employees to contribute ideas, ask questions, share information, successes and challenges (in-person or electronic via internal communications).
- Weekly or even daily 'messages' (email's, intranet postings, social network

messages) from senior leadership to communicate culture and news and engage the organization.

- Internal webpage or 'wiki' (or bulletin boards and newsletters) with information on the organization, projects and project leaders, budgets (big picture as appropriate), stages of projects, challenges, activities and opportunities for conversations and questions.

3) **Communicate what matters:** What information will you share? Information about:

- Corporate culture (with consistent messaging and consistent action)
- Success stories and challenges (not only big picture business success)
- Company financial health and industry positioning; this may include information about cash flow and where the money is being invested (into R&D, capital purchases, benefits, salaries, including executive compensation and salary ranges for other roles).
- Current and future plans (what has occurred, what is underway, what is under consideration)
- Roles, expectations and responsibilities (who is involved with what project, to whom questions should be directed, who has the final say)
- Project details, updates, challenges (for everyone in the organization to see)

### **Not Everything Needs To Be Shared**

Are there limits to transparency? Yes. Information that is confusing or contradictory, confidential negotiation details, personal details, trade secrets, other people's/businesses' information (including what may harm another business or is unresolved) can be held in confidence or only shared in generalities.

Transparency should be reflective of, and contribute to, building your company culture. Used correctly, transparency strengthens your relationship with your employees.