

Truth Hurts - but Won't Kill



No organisation is perfect and even the "best" managers can make bad decisions that may make it difficult for employees to do their work — resulting in poor customer service or a low-quality product. So how do employees explain the problem to the bosses without offending (or angering) them?

"Telling truth to power is challenging when your livelihood may be on the line, and hearing that truth can also be unpleasant," writes Eric J. McNulty, director of research at the National Preparedness Leadership Initiative, in an online article published by *strategy+business*. "But the more comfortable the many good people in your company become at telling truth to power and the better the powerful become at hearing it, the less likely you are to confront an uncomfortable truth about your organisation in the headlines," McNulty notes. It's important to resolve the small issues so that they don't feed a culture that breeds larger, more consequential incidents, the author asserts. How do some companies make speaking truth to power a standard operating procedure? The author provides these useful insights from companies that have gotten it right.

Take a stakeholder view of your business. If you take a shareholder-centric view, almost anything you do to maximise share price is acceptable. Making money is great, and profit is essential to a company's survival. However, this objective should be pursued in a way that does not cause harm to customers, workers, or communities. There will always be trade-offs (and disagreements about them), but if they are openly discussed and all stakeholder considerations acknowledged, a company is less likely to set off on a path to damaging consequences.

Don't punish the bearers of bad news until you know the full story. The author recently interviewed the head of an investment bank. The executive explained that short of breaking the law or intentionally going against a customer's interests, no one in the company was ever fired for making a mistake. You would, however, be let go in a heartbeat for covering one up, the banker said. This manager welcomed an uncomfortable truth making its way to his office because then he could help fix it.

Informed opinion is often your first clue — don't squash it for insufficient evidence. "Our brains are constantly acquiring, examining, and storing information. This is, in part, how we develop a sense of when something just feels right — or wrong. We know it but don't quite know why or how," the author explains. When this intuition relates to something with which you have experience, it can be a powerful guide. It can be easy to push away a hunch about an uncomfortable truth with demands for more and more data. But it's essential to know whether that data will help you find the truth or will merely be a sop to mask the discomfort.

Balance your examination of the system and individuals. It can be easy to reduce malfeasance to the acts of a few bad apples. This kind of thinking absolves the organisation, and even the larger system, of blame. The author shares this lesson from a healthcare system: Their quality ratings had gone from middle of the pack to tops in the nation. Whenever they have an adverse business outcome, they look first at the system and then at the individual. If the system is at fault, management is held accountable for faulty processes and protocols; if the system worked but an individual ignored or deviated from it, that person bears the responsibility.

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