

## ***Three Perspectives on Transparency – A Key to Making Your Business Engine Fly***

One of the key differences between organizations that move fast and have successful product development efforts, and those that don't, is that information flows well in the successful ones. It flows up. It flows down. It flows sideways. Unfortunately, for many, a simple thing like information flow is anything but natural. It's surprising how few companies have developed norms of transparency and consequently find that it's hard to get things done.

Information flow through today's organization is what lubricates the engine, keeping all of the parts capable of moving at top speed. Take the oil out of your car, friction develops, damage is done and eventually you do irreparable harm.

Three different perspectives on transparency follow. Each is an important lubricant that can help your organization operate efficiently and effectively, even at top speed.

### **Downward transparency: We tell them what they need to know...**

Most people in your organization consider information flow from the top to be a gap that leaves them "out of the loop". Why? Often, those at the top focus on telling the troops what "they need to know". Those within the organization have a much higher expectation - what we "want to know".

If you're at the top, here are a few thoughts for you:

- When downward information flow is primarily news, people are prone to be on edge waiting for the next pronouncements.
- If there is news, often it takes a while for the tops to get their story consistent. When that happens, the rumor mill reaches your audience first. When this recurs, the rumor mill flourishes with the potential consequence of productivity loss and poor personal and business choices due to misinformation.
- Your audience is a better judge of relevance and completeness than you are.
- Providing a continuous stream of timely, consumable, business context is often an essential ingredient to having an engaged group of employees who can connect the dots between what they do and how it impacts the business.
- Leverage all the available mediums including face to face (meetings, MBWA, a night out), email, or even podcasts and blogs in some environments.
- The most important thing is that information flow should be a consistent, timely habit. When that happens, the organization tends to follow that lead and develop norms that promote movement of timely information in all directions.

If you're not at the top and management seems to be opening up, don't subvert their good intentions. Respect the confidence they have in you. Don't gossip or take other actions that affirm top management's natural fear of being too open.

Make information free flowing and prevent the friction and damage that comes when it slows to a trickle.

## **Upward Transparency: We know better than to raise issues when messengers get shot!**

We've all seen it, someone sticks their neck out to mention a problem because they know it's the right thing for the business and ... they get slammed.

Delivering bad news seems to be a risky behavior in some environments. If you can't raise problems, can you highlight risks? Can you talk about a gap you see outside of your area? Can you highlight a job well done by someone else to their boss? What are the rules for this stuff? What does that boss want to know? How would she react if she knew? If you are within the organization and messengers seem to get shot or there is a lot of ambiguity about these informal rules, it's easier and safer to keep your mouth shut.

If you're near the top of the organization, you want to hear those voices. Think about how you behave when someone mentions bad news or raises a risk. What message does your behavior send? Would different behavior send a different message?

- Do you listen or do you dismiss something if it didn't come from a usual channel or a most trusted source?
- Does the knee jerk in reaction, or do you not even register a response?
- How about rewarding the deliverers of bad news? After all, they are taking risk and helping lubricate the engine with information.
- Do you know how your people feel about communicating upwards? If not, ask someone with whom you have a great relationship or is in a nonpartisan position to find out. That could be someone in HR or it could be an outside party.
- Those informal rules are there whether you like it or not. Do you know what the rules are? Are they what you want them to be?

If you're not at the top and want to promote a more open environment, how about having a conversation with your boss that explores the limits of what they would like to hear about. They will appreciate your proactivity and you will have a much better understanding of their expectations. It can only help.

By having more of these conversations, the parts that make up your business engine will move in a faster, more synchronized way.

## **Sideways Transparency: We're on the same team, aren't we?**

If every individual just did their job, wouldn't that lead to great performance? Maybe not.

Chances are that the key activities in your organization that your customers notice cross through different functional organizations. Whether it's the process of taking sales orders to fulfilling them or of hearing customer requirements to delivering new products the key activities that drive customer value are cross-functional.

The key to performing cross-functional activities well is teamwork. Sure, a strong process helps but to get the most impact, you need people to work together. People satisfy customers and people can improve processes.

Cross-functional transparency is one of the key attributes of high performing organizations. It is often lacking in organizations because of different groups having different priorities, politics, or just thoughtlessness.

If you are at the top, think about what you're doing to promote or break down silos and the behaviors they breed. Promoting teamwork at the top is a great start.

If you lead a cross-functional team, understand what motivates each of the players and get to a team agreement on the norms for communicating. Peer pressure can be a great way to enforce local "rules" to create at least an island of great information flow which can then spread.

If you are that functional player, ask yourself who else might benefit from what you know and what keeps you from sharing it? If it's in your self-interest to withhold information, why is that? That should be a red flag that the engine needs some fixing. Try being more open and you'll be surprised how soon people reciprocate by starting to tell you things that are interesting and helpful.

We are all part of a system that can run smoother and faster. Lubricate that engine with free-flowing information and everyone in it can start to realize the benefits of being part of a more successful organization.