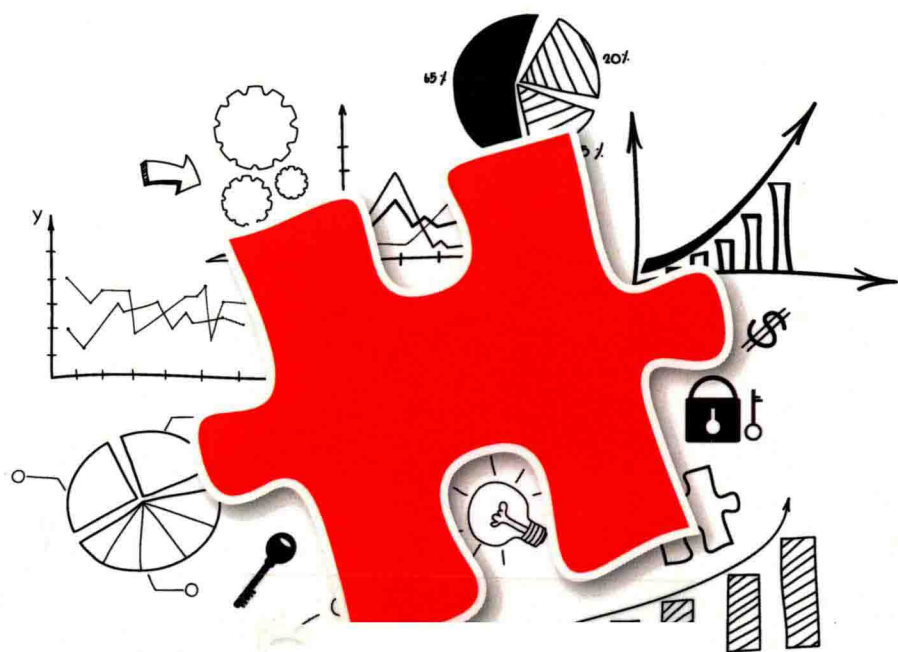


ACCOUNTABILITY

LEADERSHIP

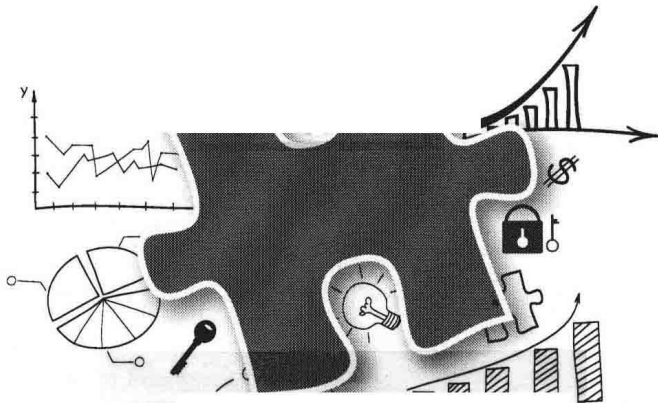
How Great Leaders Build a High Performance Culture of Accountability and Responsibility



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ACCOUNTABILITY LEADERSHIP

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DI WORRALL

ACCOUNTABILITY LEADERSHIP

Accountability Leadership: How Great Leaders Build a High Performance Culture of Accountability and Responsibility

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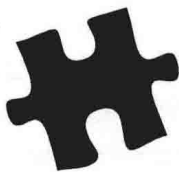
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INTRODUCTION

The Importance of Accountability



"Break the riddle of accountability, the thinking goes, and you will have solved one of the thorniest issues in modern business."

Mihnea Moldoveanu from

"The Promise: The Basic Building Block of Accountability,"

(Rotman Magazine, Fall 2009).

Ask anyone in charge of managing people to define their number one leadership challenge, and they're likely to tell you that it's achieving accountability for performance. CEOs, top executive teams, managers, and line supervisors all struggle to get the right things done, the right way, by the right staff, at the right time. When goals are met or exceeded, everyone's a hero. But even the very best organisations face unforeseen challenges and sometimes fail to meet their goals. At such times the organisation must quickly be put on the right track, and this cannot be done without a strong culture of accountability.

Whether I'm working as a senior executive, a consultant, or executive coach in organisations, I consistently witness how fractures within individual, team, and cultural accountability inevitably lead to unrealised opportunities and poor business effectiveness. Across the gamut of businesses—manufacturing, service, non-profit, government, global and small businesses—leaders find it challenging to motivate and inspire people to give their best work.

Cultures low in accountability demonstrate behaviours that undermine business results through silence, fear, blame, collusion, resistance, and deflection of responsibility. Companies enable dysfunctional cultures through structures such as organisational silos, cumbersome bureaucratic hierarchies, and entitlement-based policies.

Unchecked, such behaviours and systems contribute to the following problems:

- **Poor performance**—In the 1980s, American CIA agent Aldrich Ames sold US government secrets to the Soviet KGB, allowing a significant breach of national security. His actions can be traced in part to the CIA's fundamental inability to hold employees to account for their performance.
- **Lack of trust**—Following an enquiry into Ames's activities, it was perceived that CIA Director James Woolsey failed in his responsibility to implement appropriate consequences that would rectify the organisation's systemic problems with accountability. Trust in the directors' capacity to hold the organisation to account was significantly undermined, and he was forced to resign.

- **Missed deadlines and cost overruns**—Consistent with many flawed private public partnerships around the world, executives at the William Osler Health Centre in Ontario were over-confident and over-optimistic at the outset of negotiating a big hospital project with the Health Infrastructure Company of Canada. Executives failed to challenge initial assumptions, and failed to hold the service provider to account with respect to cost overruns as high as \$550 million, together with an additional \$147 million in capital costs and significant reductions in the planned hospital's dimensions. The program was delivered late while the detailed financial arrangements remained undisclosed and unaccountable to the public under the guise of "commercial in confidence."
- **Questionable ethics**—From 2002-2005, surveys by the Centre for Academic Integrity of 50,000 students across eighty-three college campuses in the US and Canada revealed that 70% of undergraduate students admitted to cheating and 41% of faculty members who were aware of student cheating did nothing, setting the stage in a student's formative years for future unethical and unaccountable behaviour in business.
- **Chronic inefficiency**—In its work with developing countries, The Medicines Transparency Alliance found that lack of transparency and accountability on the price, availability, quality, and promotion of medicines led to price hikes, inadequate forecasting and short supply, increased spoilage and theft due to inefficient storage, and wastage of products that were over-ordered and were beyond their use-by date.

- **Poor customer satisfaction**—After a series of documented incidents involving stuck accelerators, Toyota was slow to accept responsibility and to recall millions of cars. The company's tepid response and poor transparency damaged its reputation and stock value, and led to its losing its number one position in the global auto market.
- **Poor safety**—Several rooms at Norwich and Norfolk University Hospital that were used to contain patients with lethal viruses such as tuberculosis were found to be defective. Following an investigation by the National Audit Office it was determined that both hospital management and Octagon Healthcare (the consortium that constructed and operated the hospital) knew of the defects for at least two years, but each had taken the position that the other party should be held accountable for the problem.

When leaders fail to hold people accountable for performance, and when they seemingly allow or reward wrong behaviours, everyone suffers. Low morale is contagious and spreads like a virus throughout the organisation.

It affects team performance, essentially infecting and destroying motivation. With low accountability, adversarial positions are easily triggered, leading in some cases to industrial dispute.

Worse still, cultures low in accountability have contributed to some of the most devastating crises and business failures—for example, the 1986 space shuttle Challenger explosion, the 2001 Enron bankruptcy, the global financial crisis of 2008, the Fukushima nuclear disaster in 2011, and the 2012 sinking of the Costa Concordia cruise ship.

In every instance, the public inquiries that followed these disasters demonstrated a strong causal link to failures in accountability.

The Case for Accountability Leadership

Here's what's clear to me: Business leaders who employ the principles of leadership accountability stand to multiply their chances of success and market leadership. Managers and their companies who have implemented such an approach report high performing characteristics such as:

- Cross-functional teams are the norm and are aligned, flexible, and adaptive to change.
- Individuals and teams have a sense of ownership, and are focused, disciplined and collaborative, while holding each other accountable for outcomes.
- Employee-manager communications are engaging, high trust, and free flowing.
- Instead of entitlement, fear, and change resistance, organisational policies are driven by accountability, trust, and continuous improvement.
- Striving for excellence in customer service is embedded as a core business value.
- Company-wide culture embraces learning. It's fun, friendly, and meaningful, and delivers great results.

The case for improved accountability in leadership has become critical for any leader with pragmatic desires for better business success.

The Rhetoric Doesn't Match the Reality

For many leaders, motivating human beings toward organisational goals is mysteriously complex. Leaders know their jobs well, their areas of expertise, but they're not psychologists or behavioural scientists. Some leaders are just plain uncomfortable dealing in the realm of human nature.

I've known many leaders who are truly exceptional human beings. They're highly intelligent—both intellectually and emotionally—they're experts in their fields, and they have charismatic personalities that charm most individuals and groups.

Indeed, they carry a lot of influence and power. Almost all I speak with, however, express a desire to do a better job leading their people. Despite their best efforts, some leaders aren't touching the hearts and minds of people in order to inspire greater engagement. Still others are engaging and inspirational without getting execution and the results they need. There's a knowing-doing gap no matter what they try.

The truth is that most leaders can learn to improve accountability, both in themselves and with their teams, and they can create a culture of accountability throughout their organisations.

It would be hard to find a leader who does not claim to support the case for improved accountability, yet most leaders fall short, leaving unrealised potential for business success. Leaders at all levels

continue to use incentives that don't work well, and fail to use ones that are known to work extremely well. Here are some reasons why:

- Leaders assume they already know how to motivate and engage people, so they don't explore their own shortcomings in this area.
- Leaders persist in using traditional command and control methods, which have proven ineffective with knowledge workers.
- Leaders continue to tolerate behaviour unaligned with goals and by default reward misaligned behaviour.

Each of these behavioural patterns stems from the unconscious mind: Leaders aren't aware when they're doing them, and therefore they can't work on changing these habits. Unless such leaders are proactively working to update their accountability skills with an executive coach, they aren't likely to bring these self-defeating habits into conscious awareness.

What You'll Find Here

In this book I present the reasons for lack of accountability, outline three guiding principles, and make suggestions that will help leaders improve their use of accountability for successful outcomes.

It's my goal that by developing and presenting practical, down-to-earth ideas in this book on Leadership Accountability, we can make the leader's job of getting results that much easier, or at least comprehensively streamlined through an Accountability Plan.

An Accountability Plan essentially outlines a system of accountability designed to pull the disparate pieces of human motivation together. We need to form a better picture of accountability that actually works so that everyone can achieve stellar results.

It's not enough to bring in motivational speakers that leave people feeling enthusiastic and energised for an hour or a few days. Even the most inspirational mission statements and company incentives have their limits.

The Foundation for Accountability Leadership

In my experience, based on working with hundreds of leaders and thousands of people in organisations, as well as reviewing the leading authors on accountability, what's needed in an Accountability Plan boils down to three foundational principles:

- Clarity of purpose, mission and strategy along with clear goals.
- Compelling consequences, both for encouragement and discouragement.
- Culture of accountability, evident in attitudes and conversations and sustained through systems.

These three principles are discussed for how each contributes to accountability leadership. We will also review motivational theory and best practices for bringing out the best in the people you lead.

How's Your Accountability Leadership?

Take a look at how these principles are applied on three levels:

1. **For leaders:** How are their own behaviours contributing to accountability? What clear messages do they need to convey?
2. **For individuals and teams:** What works for motivating and influencing high performance? What are the compelling consequences that truly work?
3. **For the organisation:** What conversations, mindset and systems are required for the culture to support and sustain accountability?

YOUR ACCOUNTABILITY PLAN

I will be bringing out an accompanying Accountability Plan Workbook to provide checklists and questions in order to think through the major accountability concepts I discuss here.

By filling out the workbook you'll come away with a better idea of what an actionable Accountability Plan looks like for your organisation. I believe that doing the workbook exercises will help you apply the lessons I've described here, and make them specific for your company and your people.

It may be helpful to look at your own organisation's accountability by estimating on a scale of one to three (poor=1, average=2, great = 3) the level of participation in each principle at each level, as in the following matrix:

	Leaders	Individuals	Organisation
Clear messages			
Compelling Consequences			
Culture: Conversations/ mindset/ systems			

Some question whether people can realistically change their behaviours, especially when it comes to ingrained work habits and attitudes. I say, yes, they absolutely can!

No matter what level of responsibilities you have in a company, you'll find greater job satisfaction and meaning when you explore and apply the ideas of accountability.

In the Appendix: Here you'll find a list of helpful books and resources including interviews with authors and expert leaders on creating accountability that works.

I am grateful for all the work and research published by leading experts. I've tried to summarise their work keeping their