



Truth and Secrets

The regional marketing director thought she was protecting her employees. Her team put together a variety of ideas, which she planned to present to other directors and, ultimately, the chief of marketing. Each time her team asked if they could accompany her to the presentations, and each time she told them she had it covered. Her worry: the team would get frustrated seeing their ideas torn apart by the unhealthily competitive director-level group.

But her people didn't see it that way. Because their boss didn't explain the truth behind her decision-making, they assumed that she was power hungry and afraid of being usurped by her direct reports.

Employees have always wanted their bosses to be straight with them; especially on sensitive topics such as promotions, salaries, restructurings, or mergers, most want to know. But for decades, if bosses didn't want to talk about certain issues,

they often could be evasive. "I don't know anything" and "That's above my pay grade" could be a boss's go-to answers, even if those statements weren't true.

But shrewd leaders are discovering that trust can be disrupted just like any other operation in their firm—and evasive platitudes are not only unsatisfying, they're bad for business. A recent study found that 82 percent of respondents said trusting their boss is essential to their effectiveness on the job—and yet more than half of them also said they don't trust their boss. It goes even deeper than that. According to Korn Ferry research, one of the biggest differences between high-performing businesses—the ones that consistently beat their peers when it comes to shareholder returns—and average organizations is that the employees at the high performers feel their bosses are open and honest with them.

That relationship likely will get stronger. More and more, it's frontline employees, not the boss,

who are coming up with great ideas and innovations. But employees will only share their ideas if they feel safe, and that requires trust.

But while the importance of trust is rising, employees have become more skeptical of their employers. That problem has only grown in the decade-long wake of the 2008 financial crisis, which exposed a lot of false storytelling and sins of omission from executives toward employees.

Changing all this is far from easy. Once an employee believes their boss is dishonest, it's difficult to get them to change that opinion. What's more, leaders can't be completely transparent about several issues, of course—especially legal ones surrounding personnel and major corporate deals. But the list of topics that leaders can't say anything about is actually not as long as you might think. On most issues, even potentially sensitive ones such as policies on promotions or restructurings, leaders can make an effort to be transparent.

Bosses also can avoid some common traps. For

one, they should never assume that their teams will automatically give them the benefit of the doubt. Always explaining the reasons, the “why” behind the pronouncements, can keep employees from assuming decisions were made capriciously.

Another trap: leaders assuming they always have to tow the company line. It's OK to disagree with a strategic decision and even express that to workers. Just be diplomatic about it. Employees will appreciate the authenticity.

Finally, bosses shouldn't try to have all the answers. Rather than brushing aside issues for which there is no clear resolution, they can put them on the table and let the team help grapple with them. Either the whole group will find a solution, or they all know why there isn't one. And either way, leaders will have built more trust.

A lot of leaders grew up in siloed, close-mouthed corporate cultures where honesty was not considered the best policy.

But the generations entering the workforce will not stand for that lack of transparency. Indeed, the more opaque you are as a leader, the less effective you'll likely be. ▀

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