



## THE BRIGHT SIDE® OF CHANGE

Written by Donna Rae Smith

### The Virtue of Transparency

“Half a truth is often a great lie.” Benjamin Franklin

From WikiLeaks to [News Corporation](#), there are no shortage of scandals these days around a lack of transparency. In this day and age, it's hard to keep your secrets secret. Aside from a fear of getting caught though, why should you embrace transparency?

**Transparency builds trust**—within your organization and with customers, suppliers and the public. Transparency, after all, is about both integrity and ethics. To demonstrate that your organization, and you personally, are on the level, you can't hide. Increasingly, people resent obfuscations or being kept in the dark. And partial truths aren't the answer—they only serve to cause confusion and mask what's really going on.



**Transparency is good for company morale.** Not surprisingly, the converse is true: a lack of transparency is decidedly bad for morale. Employees want to feel a part of a team—the whole team. Transparency goes a long way to promoting buy-in and engagement. Here's an example of what not to do: As part of a company-wide external assessment, a consulting firm was brought in to interview staff one-on-one and conduct focus groups. Staff was strongly encouraged to be honest in their feedback: the good, the bad, and the ugly. The assessment was going to be a powerful tool to move the company forward, they were told. So, what happened? At a meeting to unveil the key findings, the CEO announced that the findings weren't going to be shared. *With anyone.* He said he would hold himself accountable. Any guesses how that impacted employee confidence in the organization?

**By modeling transparency, you permit others to be transparent.** No one wants to come clean before a boss that holds his cards too close to his vest. As it is, employees are inclined to spin the truth when they're presenting unfavorable news to their superiors. It's a perfectly reasonable inclination, but the risk of course is that the boss doesn't get the information she needs to make good decisions. Being transparent about your own challenges allows others to

do the same. It strengthens the trust bond between people. We're all less than perfect; it doesn't do us or our businesses any good to pretend otherwise.

**If you aren't convinced, then consider this:** social media, more aware employees, legislated reporting requirements, and less allegiant employees are constantly on the lookout for infractions that create opportunities to reveal your personal and organizational inequities. The pervasiveness of social media makes it possible for anyone and everyone to talk about you and your company in the public sphere, whether it's suspicion or fact. Your company's shortcomings may likely be made public whether you sanction it or not. It's far better to shape the conversation and contribute to it, than be stuck sitting on the sidelines with no voice whatsoever.

Popular though the theme of transparency may be, there's plenty of [room for debate](#) whether today's proliferation of available information actually makes us more ethical. As [this](#) article points out, **real transparency isn't about the quantity of information, it's about the quality of information**, its pertinence for the consumer, and the ease with which it can be comprehended.

**Ultimately transparency requires truthfulness even when you know it's going to be painful in the short term.** Transparency isn't about disclosing only what you have to, but disclosing what you reasonably can assume others would benefit from knowing.

## The Experiment

There are many ways to practice transparency within an organization:

1. [Open Book Management](#) suggests line-of-sight financial and accounting data such as profit margins, profit by product line, expenses, etc., such that individuals can see the impact they personally have on the business as a whole.
2. Sharing of 360-degree assessment feedback and solution-seeking with participants by offering the data and results of your analysis.
3. Quarterly sharing of customer, product, financial, and other business information in a truthful form and manner.
4. Trusting people with information that is important to their role and performance within the organization.

Consider whether there's something you've been holding onto—a challenge that you or your company is facing—that you'd be better off discussing frankly and openly. Here's a [thought-provoking](#) example of

how one CEO rescued his company by bringing its challenges into the open.

These are just a few of the possibilities for transparency within the organization. There are many more that can be introduced that are more personal in nature.

1. What observations do you have about your organization and leaders relative to transparency?
2. What impact do these areas of transparency have on employee commitment, trust and reciprocal transparency?

**THE CONVERSATION:** Share the results of your experiment in the comments below or contact the author directly at [donnarae@bright-side.com](mailto:donnarae@bright-side.com).

#### **ABOUT DONNA RAE SMITH**

Donna Rae Smith is a guest blogger for Smart Business. She has forged a career, enterprise and an applied discipline on the practice of teaching leaders to be masters of change. She is the Founder and CEO of Bright Side, Inc., a transformational change catalyst company with an emphasis on the behavior-side of change. For more than two decades, Donna Rae Smith and the Bright Side team have been recognized as innovators in executing behavioral strategies coalesced with business strategies to accelerate and sustain business results. Bright Side®, The Behavioral Strategy Company, has partnered with over 250 of the world's most influential companies. For more information, please visit [www.bright-side.com](http://www.bright-side.com) or contact Donna Rae at [donnarae@bright-side.com](mailto:donnarae@bright-side.com).

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