

NANO TOOLS FOR LEADERS®

“BEING THERE”: HOW TO ENCOURAGE A CULTURE OF SPEAKING UP

Nano Tools for Leaders® are fast, effective leadership tools that you can learn and start using in less than 15 minutes — with the potential to significantly impact your success as a leader and the engagement and productivity of the people you lead.

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THE GOAL:

Improve communication with employees to ensure that you're in the loop, hearing bad (and good) news before it's too late.

NANO TOOL:

Disastrous organizational public revelations make headlines, and often bring corporations to the brink of destruction. For those hit by an ethical corporate relations disaster, two things are true:

1. Top-level executives did not know about it in time;
2. Scores of people inside the organization did know about it — and knew for a long time.

The key issue is why critical information fails to flow upward to executives. Research clearly shows that an employee's feeling of pressure to commit unethical acts is strongly correlated with his or her conception of the ethics of top leadership. In turn, an employee's conception of those ethics is often formed more by personal impressions than by ethical "pronouncements" from the top. It is those personal impressions that can and should be directed by top executives themselves.

The most effective way to create a positive impression — and to avoid critical communication lapses — is to make a habit of finding unplanned, casual moments with employees (known as "being there"). How an executive treats employees in the elevator or at the parking lot can make all the difference between hearing (and having the time to act), and not hearing. Leaders should seize opportunities to "be there."

ACTION STEPS:

1. Practice the strategy of MBWA or "management by walking around."
2. Locate some of your important management meetings in the field.
3. Schedule "skip-level" meetings in which you talk informally with employees at two or more levels below your own.
4. Take time to chat with employees in elevators, parking lots, and the cafeteria.

HOW COMPANIES USE IT:

- John Conway, legendary CEO of Crown, Cork, and Seal, spent time every morning walking the shop floor. He intentionally positioned the company's corporate headquarters above one of the working shops.
- KPMG's Executive Vice Chairman Sven Holmes travels regularly to KPMG offices, holding meetings with small groups of ordinary employees.
- Mike Duke, former CEO of Walmart, could often be found casually chatting with security guards and other Walmart associates in the hallways or parking lot.
- Some companies now hold at least one of their board of directors meetings away from corporate headquarters, at one of their divisional offices. Before and after the meeting, board members and executives are encouraged to walk around to chat with local employees.
- In the wake of the United Nations' "oil-for-food" scandal (which was widely known to lower level employees and completely unknown to those at the top), the Secretary General and other Assistant Secretary Generals discovered that their communications with lower level employees were almost always formal. They resolved to change that. One resolution? When passing through the Vienna Café, the cafeteria in the middle of the UN building, they would shed their bodyguards and sit down to drink coffee with UN employees.

ADDITIONAL RESOURCES:

- *Ethics Resource Center's 2007 National Workplace Ethics Survey*. Underscores the importance of communication in establishing employee confidence in the ethics of leaders.
- "Reporting: Who's Telling You What You Need to Know, Who Isn't, and What You Can Do About It," (released September 2010 by the ERC; available at <http://www.ethics.org/page/nbes-supplemental-research-briefs#sup4>). Finds that when it comes to employees reporting misconduct on the job, an immediate supervisor, not a hotline, is likely to be the go-to point of contact.
- "Being There: Why Leaders should not 'Fiddle' While Rome Burns," Joanne B. Ciulla, *Presidential Studies Quarterly*, Vol. 40, Issue 1, pages 38–56, March 2010. Offers a different interpretation of "being there:" one that underscores the importance of a leader's physical presence in the face of crisis.
- Thomas Donaldson teaches Ethics, Corporate Governance, and Operational Risk Management in Wharton's [Advanced Management Program](#), [Executive Development Program](#), [LinKS@Wharton](#), [RMAWharton Advanced Risk Management Program](#), and [The Strategic Decision-Making Mindset](#).

ABOUT NANO TOOLS:

Nano Tools for Leaders® was conceived and developed by Deb Giffen, MCC, Director of Innovative Learning Solutions at Wharton Executive Education. It is jointly sponsored by Wharton Executive Education and Wharton's Center for Leadership and Change Management, Wharton Professor of Management Michael Useem, Director. Nano Tools' Academic Director is John Paul MacDuffie, Wharton Associate Professor of Management, and Director of the Program on Vehicle and Mobility Innovation (PVMII) at Wharton's Mack Institute for Innovation Management.