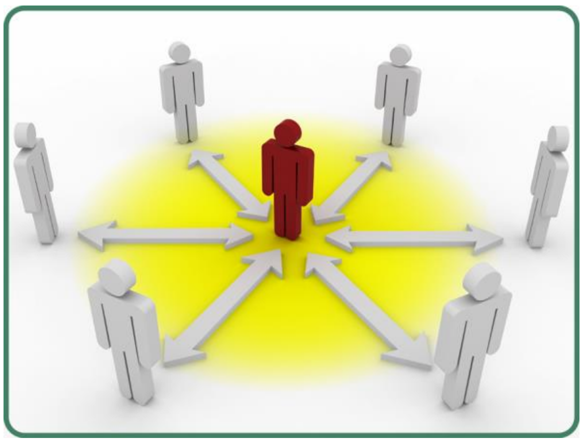
Accountability

Unleashing Potential through Clarity

Clarifying the roles of managers and direct reports accelerates the achievement of strategy.



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Accountability is in the news. Pundits claim its lack as the cause of the Great Recession. CEOs call for it as the means to climb out of our economic doldrums. While all this talk is encouraging, it has contributed more to the mystification of accountability than to its clarity. As a result, intrigued executives, only lightly delving into accountability, often recoil. Without a complete understanding of accountability, and more importantly a "system of accountability", an executive takes away the perception that accountability undermines their organization's capacity to grow, adapt or innovate. Nothing could be further from the truth. A system of accountability unleashes potential by providing clarity of expectations to all members of the organization and placing them within a flexible and sustainable framework. Accountability injects energy into your hierarchy.

The Benefits of Accountability

The sole purpose of a system of accountability is to accelerate the achievement of strategy. In the broadest of terms it does this by clarifying expectation where it is needed most: the relationship between people getting work done, namely, the employees with whom and for whom one works, and particularly the relationship between a manager and her direct report. An enormous amount of time and effort is being squandered repeatedly resolving (or not resolving) who is to do what, using what resources, when. These functions are the very engines of business, and the engines aren't running as well as they should. A system of accountability provides the mechanism to capture all this time and effort and propel it toward the achievement of strategy.

Along the way, accountability dramatically improves engagement, creating the foundation for the much sought after "great place to work" with its attendant productivity and talent retention. Once employees know and understand their role, their authorities, and to whom they are accountable, they become aligned, focussed, and engaged, their energy expended solely in the service of strategy. This both reinforces and amplifies the effectiveness of accountability.

The net result of a system of accountability is that CEOs can implement strategy, coordinate the work of different functions and have the workforce they need now and in the future. For shareholders, they see the strategic path to the organization's vision is being achieved at the lowest possible cost.

Accountability: What is it?

And so, what is accountability, really? At an abstract level, "an" accountability is a promise. "I am accountable" means that "I" have promised to do something. In its organizational sense, accountability extends to include consequence. "I" hold "you" to account, means that you have made a promise to me, and I will determine the degree to which you have fulfilled that promise whereupon I will apply consequences, positive or negative (reward or withholding reward). In most organizations, accountability looks like this: "You (the employee) have promised to give me (the organization) this unit of work within these defined terms, and I give you this much money in exchange for that unit of work if I consider that work sufficient to the terms."

Unfortunately, it is at this point that most understanding of accountability stops, and why accountability in its abstract or basic organizational sense is lifeless and adds little toward the achievement of strategy. It is merely a hierarchy enforced by contract. Contracts do a very poor job of defining ongoing relationships like those between an organization and an employee, or a manager and a direct report. Based on distrust, they inevitably leave the party on whom the onus is placed (the employee, the direct report) feeling disengaged and disposable. Unavoidably, this type of relationship falls into the blame game – using accountability to point fingers: "You" have not fulfilled "your" promise.

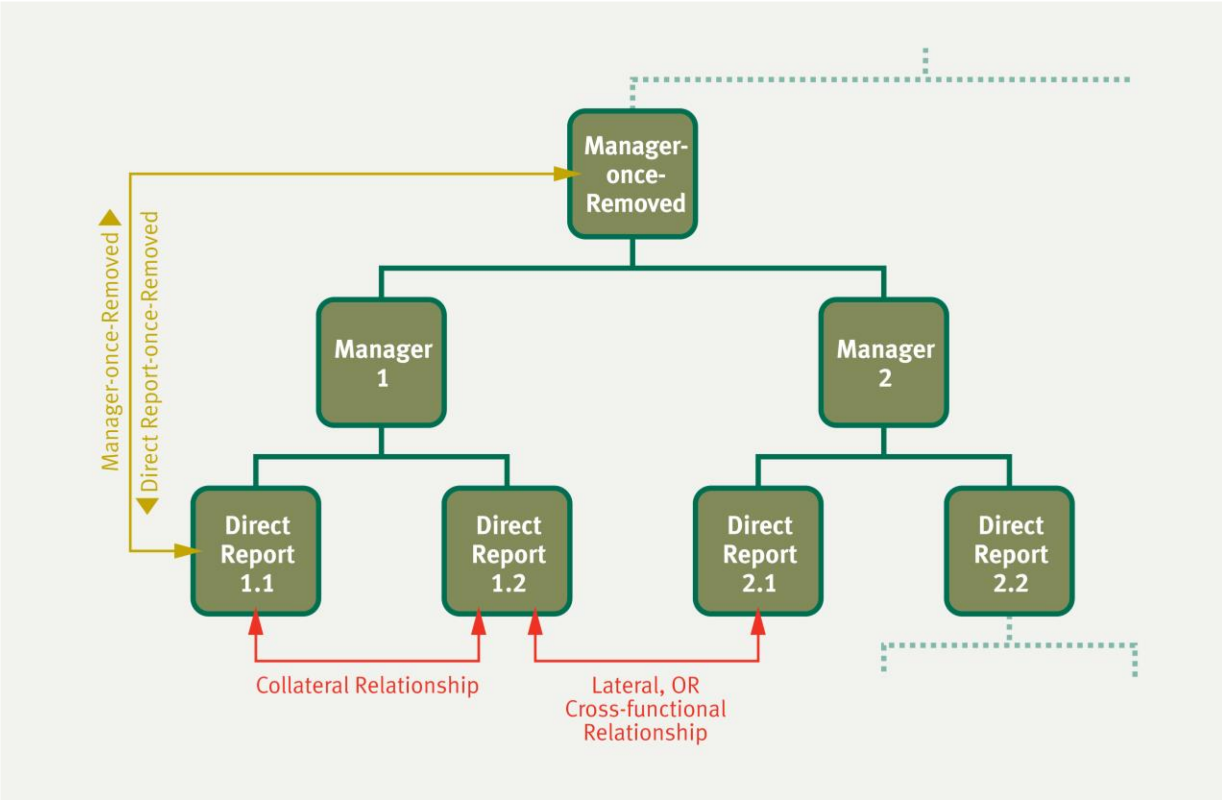
There is, however, a more robust application of accountability that broadens and energizes its terms even as it clarifies what it broadens. It does so by adopting the manager-direct report relationship as the foundation of getting work done and expressly defining the terms of that relationship. An organization that does so has recognized that the manager-direct report relationship is the first and universal hierarchy and that clarity provided to this relationship flows through and populates the entire organization. This becomes a "system of accountability", or an "accountability hierarchy". In this system, employees have the clarity they need (and want) to get work done efficiently and effectively.

In a "system of accountability", accountability functions as follows:

- Managers clearly define the roles of their direct reports: the purpose of the role within the context of strategy and the role's specific accountabilities and authorities.
- Managers *then* assign work to their direct reports, committing to do so within the parameters of the role, and being expressly clear about the nature and timing of the work.
- Direct reports *then* commit to their manager to complete the work assigned.
- Managers *then* hold their direct reports to their commitment through effective managerial leadership, including monitoring, coaching and evaluating effectiveness.

Accountability and Authority

Inherent to accountability is authority. They are opposite sides of the same coin. One cannot have an accountability without authority; it is fundamentally unfair, rendering the person accountable incapable of fulfilling the accountability. And one cannot have an authority without accountability; it is fundamentally



dangerous and self-defeating as demonstrated by the dictatorships that fill the dustbin of history, or corporate malfeasance of the likes of Enron, BP and News Corp. Seen from this perspective, historically it was the lack of balance between accountabilities and authorities that inevitably produced unionism and the laws that protect employees and shareholders.

A system of accountability, centered on the manager-direct report relationship, achieves this balance. For example, employees are made accountable solely to their managers. This immediately brings clarity to all employees – no one need ever wonder who is really one's boss. Inversely, it is only a manager of a direct report who has the authority to assign tasks. This accountability-authority reflection resolves the complexity of doing work or sharing resources laterally within a team or across functions or business units. Whatever authorities are given collaterally or cross-functionally, every employee is accountable only to their manager for the appropriate use of that authority. That these accountabilities and authorities, and all others, are made explicit and transparent only adds to clarity and effectiveness.

Accountability is Not Responsibility

We have found that an effective way to clarify how accountability drives strategic success is to clarify what it is not, particularly the one thing with which accountability is most often confused: responsibility.

"You are responsible for X" means something very different from "You are accountable for X". Responsibility is a one-way personal sense of obligation, and lacks accountability's inherent consequence. Responsibility wells up internally and is self-justified, whereas accountability is external and is a mutually agreed upon construct. In responsibility, "giving" is perceived by the "giver" as its own reward. The relationships between a donor and a beneficiary, a volunteer and a recipient, or a devotee and a charismatic leader are for the most part based on responsibility, not accountability.

Organizations that have not applied the rigour required to implement a system of accountability, or those that have not applied accountability even in its organizational sense will, by default, turn to a system of responsibility to get work done. The limitation of doing so is that the internalized nature of responsibility means that motivation and the nature, volume, quality and strategic value of employees' work rests with them – employees are doing what *they* believe to be important to whatever direction, degree or duration they feel is right.

This is the state of many, perhaps most, organizations today. Looking around, we can see that it is, in fact, possible to get work done in a system of responsibility. However, its effectiveness is wildly erratic and its output is fraught with inefficiencies, misalignment and, potentially, abuse.

Without accountability, employees attempting to secure resources in order to do their work must, to the limit of their personal ability, appeal to their colleagues' sense of responsibility through charm, barter, bribery, "bending the knee" or even threats. As a result, unpredictably, some work will get done and some will not, irrespective of its strategic value. "Bright knights" emerge – those employees with an overly keen sense of responsibility who charge around the organization helping where they are inclined, but whose work strays outside the parameters of their role and may not even be aligned to strategy. Inversely, "dark knights" appear – those employees whose sense of responsibility is primarily to themselves or their team who, embracing the lack of accountability, incidentally or deliberately impede or undermine the work of others with the intent of empowering themselves at the cost of organizational success.

Engagement is not sustainable in a culture of responsibility. Those employees with a greater sense of responsibility are valued more than those with a lesser, which may work for a time, but ultimately results in burnout, disaffection and talent loss. Additionally, since the degree of an employee's sense of responsibility is internal in nature, the organization cannot rely on the constancy of these "heroes", let alone the strategic alignment of their work.

It is important to note, though, that responsibility has its place in a system of accountability. It is the brightest evidence of engagement by both employees and the truly effective leader. In a system of accountability capturing the benefits of responsibility occurs *after* clarifying accountability. In accountability, responsibility is not the basis of the hierarchy, it is an added value and can only be proffered at the discretion and to the degree of the giver.

Lateral Integration, Vertical Execution and Role Clarity

Down from the executive level where strategy is devised based on organizational vision and mission, the work to achieve that strategy is distributed throughout the organization. In a system of accountability, *prior* to the execution of work vertically toward strategy, managers must first ensure that their team is laterally integrated toward the work assigned.

This is achieved through role clarity, an authority of all employees (and inversely, an accountability of all managers). While simultaneously developing explicit clarity on the roles of their direct reports – namely the purpose of the role relative to strategy, and the role's specific accountabilities and authorities – managers determine the best means to complete their team's portion of strategy. The result is the most effective, efficient and aligned execution of the work of their team. When implemented, role clarity focuses the efforts of each member of the team toward strategy by making clear what is their own work as well as the lateral and collateral authorities and accountabilities they may be issued specific to their role.

Implicit in the nature of an accountability hierarchy is that managers are members of two teams – firstly being direct reports of their own manager, secondly being the manager of their own direct reports. As such, managers act as linchpins, ultimately ensuring that all work is aligned up through the organization. The effect is that all managers, must learn "followership" prior to practising leadership. Exposure to the accountabilities and authorities of being a direct report reinforces the accountability hierarchy and informs the leadership efforts of all managers.

The Manager-once-Removed

For a fully energized accountability hierarchy there are accountabilities and authorities specific to an additional role: the manager-once-removed (MoR). Overall, the MoR is accountable for talent pool development and cross-functional activity.

The Accountabilities and Authorities of MoRs

- Hold their manager direct reports accountable for being good managerial leaders
- Develop the talent pool among their direct reports and direct reports-once-removed (DRoRs), including:
  - Mentoring DRoRs
  - In dialogue with their direct reports, initiate the appointment of a DRoR and veto the removal of a DRoR
- Determine the accountabilities and authorities in the cross-functional relationships of their DRoRs
- Hear appeals by DRoRs concerning their managers

Recalling responsibility described above, lateral integration makes clear to managers the need to focus or curtail their knights, bright and dark. Further, within the parameters of role clarity and alignment, employees may bring as much a sense of responsibility as they are inclined or that can be garnered by effective leadership and resultant engagement.

Universal Accountabilities and Authorities in an Accountability Hierarchy

Understanding clarity of expectation, the balance of accountabilities and authorities, the role of responsibility, lateral integration and role clarity provides the context needed to understand the mechanics of an accountability hierarchy. The list below consists of the universal accountabilities and authorities for all employees and for managers.

The list is far from arbitrary. A closer examination reveals an interlocking logic designed to propel the achievement of strategy. The resulting clarity of expectation, provided to every employee, drives work that is expressly strategically relevant through the manager-direct report relationship.

Employees

The accountabilities of all employees

All employees (at any level of the hierarchy) are held accountable by their manager to:

- Be engaged with full commitment on work assigned by their manager
- Work at the level of complexity required by their role
- Give their manager their best advice
  - Meaning, anything that will add value to getting the work done. For example, the assigned work is not possible, too easy, or not most appropriately assigned to him or her.
- Stay within the policies of the organization

The authorities of all employees

All employees (at any level of the hierarchy) have the authority (also known as the “right”) to:

- Be assigned work within the parameters of their role definition
- Be clear about their tasks and resources
- Be coached by someone more capable than themselves
  - Specifically, their manager or someone designated by their manager
- Appeal to their manager-once-removed when in chronic difficulty with their manager
- Be safe, physically, psychologically and socially

Managers

There are accountabilities and authorities particular to managers of people. These are in addition to the generic accountabilities and authorities of all employees listed above.

The accountabilities of all managers
All managers are accountable to their manager for:

- The outputs of their direct reports
- The working behaviours of their direct reports
- Leading their team to the accomplishment of team goals
- Building a team of increasingly capable direct reports
- Practising continuous improvement regarding products, polices, processes and procedures

The authorities of all managers
All managers have the authority to:

- Assign tasks to their direct reports, and be the only one to do so
- Perform direct report reviews
    - Evaluate performance and assign positive or negative consequence
- In dialogue with their manager, initiate the removal of a direct report from his or her team, and veto an appointment of a direct report to his or her team

A Manager's Role is to Manage

Within the interlocking list above, one point is most often overlooked or misunderstood though it lies at the heart of an accountability hierarchy: a manager is accountable for the output of his or her direct reports. As obvious as that seems, we have nonetheless found that for those trying to understand a system of accountability, this point is the most eye-opening revelation. Managerial accountability contains the hard logic that, in order for managers to succeed, they must enable their direct reports to succeed – organizational strategy is achievable only if managers ensure their direct reports output as specified. It is for this reason that a manager is given their particular authorities, but more importantly, the implication is that the role of a manager is to manage.

But, how *should* a manager manage? Some managers succeed for a while by more-or-less forcibly extracting output from direct reports, using consequence as a blunt instrument or, more frequently, manipulating a direct report's misplaced sense of responsibility. This is, of course, not a sustainable managerial framework. Even in the most "un"accountable organizations, a manager that leaves a trail of bodies on the way to his own success ultimately undermines any organization that values leadership or has long-term goals.

To be truly effective, managers must not only manage well, they must also lead well. The distinction is an important one: management is the cognitive science of completing tasks through a team, whereas leadership is the affective art of unifying and directing teams. By successfully doing both, managers emerge as managerial leaders, the capstone of a system of accountability.

Managerial Leadership and Accountability

Effective managerial leadership is a function of accountability. If a manager is accountable for direct report output, a manager (at every level of the hierarchy) is accountable to ensure those of his subordinates who are managers themselves, have knowledge of, skills with, and make daily use of the best practices of managerial leadership in order to lead their teams to the accomplishment of team goals. Of course, since the manager-direct report relationship is universal, this accountability flows through the organization from CEO to lead hand.

Among these best practices are certain complementary and balanced principles that reinforce accountability: a manager must use their judgment and discretion; and a manager must foster an environment of dialogue and trust. Managers are hired to make decisions – even the unpopular ones, even the very hard ones. Managing means stepping out from behind checklists and processes and putting yourself on the line. It means not passing off the tough decisions to HR, and yes, sometimes being the bad guy. This means, for example, that managerial leaders step up to deal with the working behaviours of their team (not the least of which is their own), identifying and resolving interpersonal friction through coaching. Complementing judgment and discretion, a manager must also create dialogue and trust. That means that a manager proactively engages his direct reports, being open and honest with them and welcoming the same back. How else could a manager effectively bring their judgment and discretion?

The effective managerial leader nurtures the relationship with each of his direct reports, comes to know and understand them as individuals and looks out for their best interests and personal welfare. In order to do so, and in order to understand their own motivations behind judgment and discretion, leaders must be eminently self-aware, fully understanding their own strengths and weaknesses and the impact their decisions have on those around them.

The "Great Place to Work" and Managerial Responsibility

A system of accountability drives the effective managerial leader (and by accountability, her team) down two parallel yet united paths: firstly, the achievement of strategy (a task focus), and secondly, the creation of a "great place to work" (a people focus). The achievement of strategy has self-evident value, but what of this "great place to work"? The "great place" is not merely a means to securing engagement and all its contributions to strategy and shareholder value. It is nothing short of a contribution to societal health. Most of us spend over thirty percent of our daily lives within employment organizations. Making improvements to that experience by engaging, growing and providing clarity at work can only translate to improvements in the balance of time we share with others.

If we take the will to create the great place to work and combine it with the principle of dialogue and trust, we discover that leadership is about caring for people. Despite managerial accountability for direct report output, "caring" is not an accountability. It is, by definition, an internally motivated sense of obligation – a responsibility.

A truly great managerial leader approaches his or her relationship with direct reports as something that transcends the specifics of accountability – the relationship is a covenant. Covenants convey a relationship that is deeper and more enduring than can be defined by accountability or any other framework. Covenants are based on trust; they are not negotiated. Rather, the covenanting parties (managers and direct reports) commit through trust to the nature of the relationship itself, which in this case is mutual engagement and growth. Once a leader understands this, and chooses to embrace that sense of responsibility, he becomes a leader of character. Think of a great leader in your experience; the one to whom you were most engaged; the one for whom you did your best work. Did she not bring this quality to her leadership role?

Moving to managerial accountability, let alone managerial responsibility, can make current managers uncomfortable. Effective managerial leaders must take on the sometimes difficult task of fostering their direct reports. Managerial leaders must understand who they are, be willing and capable of learning and being coached in the principles and practices of effective managerial leadership and ultimately of having the difficult conversations and making the hard decisions that come with being a manager of people striving toward the achievement of strategy.

Conclusion

Do not doubt that it takes a great deal of rigour to incorporate a system of accountability into an organization. Fundamentally, we live in an unsteady world filled with unpredictable individuals, and bringing and applying clarity to that takes effort. Nevertheless, it is all eminently doable and sustainable. A system of accountability focusses on the manager-direct report relationship as a means to populate your entire organization with the clarity and managerial leadership needed for your people to be continually aligned, focussed and engaged. The investment in the effort to bring clarity will quickly be recouped by the potential unleashed and the subsequent acceleration toward the achievement of your strategic vision.

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