



# Unit 1

## Introduction to Accountability and Accountable organization

### Learning Outcomes

By the end of this unit the learner will be able to:

- Understand what accountability is and what events in history have shaped our view of it
- Identify the requirements for personal and corporate accountability
- Apply the cycle of accountability and the fundamental elements required to build an accountable organization

## Unit 1

# Introduction to Accountability and Accountable organization

## Defining Accountability

### What is Accountability?

#### Defining Accountability

The Encarta Dictionary defines accountability as, “responsible to somebody or for something,” or as, “capable of being explained.”

In a business sense, accountability is about being true to your word. It is also about being true to yourself and your personal expectations.

Accountability is an individual value. Real accountability cannot be forced; it must be voluntary. However, although accountability is really up to your individual employees, it is up to you to put the tools in their hands so that they can fulfill their potential.

#### Why the Focus on Accountability?

Over the past decade, more and more people have been called to answer for their actions. (We’ll look at the reasons for this in a moment.) Institutions which shape society seem less and less accountable, and the phenomenon can be seen all over the world.

A 2012 poll by Gallup (an organization that specializes in research about human beliefs and behavior) found that confidence in the United States government was extremely low. Only 37% of respondents said that they had quite a lot or a great deal of trust in the American presidency. (This is compared to 72% in 1991, and 52% in 1975, the year after Watergate.)

(Source: <http://www.gallup.com/poll/1597/confidence-institutions.aspx>)

### The Results Are In

Another Gallup study conducted in 2012 asked participants to rate how much confidence they had in various American institutions. Their options were: a great deal, quite a lot, some, or very little. The results were:

Institution	A great deal of trust	Quite a lot of trust
The military	43	32
Small businesses	30	33
Police	26	30
Church/organized religion	25	19
Medical system	20	21
The presidency	17	20
United States Supreme Court	15	22
Public schools	11	18
Television news	11	10
Organized Labor (e.g. unions)	11	10
Criminal justice system	11	18
Newspapers	10	15
Banks	9	12
Big business	9	12
Health maintenance organizations (HMOs)	8	11
Congress	6	7

(Source: <http://www.gallup.com/poll/1597/confidence-institutions.aspx>)

## **The Era of Distrust**

So how did we get here? Did we just stop having faith in our society around the year 2000? Or did our institutions suffer a massive fail in accountability all at once? The answer actually goes back several decades. Although many of the trends mentioned here are based on the United States, we see similarities across the globe.

### **1960's**

In the post-war era, people started to advocate social change. Rights movements and advances in medicine improved the quality of life for many people, particularly groups that were disadvantaged at the time.

At this time, the media (including the newly popular television) began promoting the idea that every American was entitled to happiness, primarily through material things. Fulfillment was no longer something that you worked directly for (for example, by plowing the field all day) but something that you purchased, or that was handed to you as a result of some turn of fortune.

“If you try to think where we went wrong, it was in delinking rights and responsibilities,” says Roger Conner, the former director of the American Alliance for Rights and Responsibilities (now called the Center for Community Interest). “People are fixated on their rights but they have a shriveled sense of responsibility, so if they don't have what they want, they assume it must be someone else's fault.”

### **1970's**

As flower children were supplanted by people on roller skates, the rights movement took on a grotesque transformation that no one could have predicted. Changes in the legal system (such as a broader definition of negligence, a legalization of ambulance-chasing, and a looser definition of an expert witness) resulted in many ridiculous court cases and an exponential increase in money spent on litigation. Suddenly, people could blame almost everyone for their ill fortune, whether it was the refrigerator company that didn't warn against strapping their product onto one's back and running a race with it, or the variety of illnesses, syndromes, complexes, and compulsions that popped up. Almost any circumstance could lead to victimization, including dropping things on yourself, or your mother having PMS while she raised you.

At the same time, talk shows like Phil Donohue got started, evolving into even more popular voyeuristic stylings of Geraldo Rivera, Sally Jessy Raphael, and Oprah Winfrey of the 1980's. These shows focused on extracting confessions from people, and the wilder the confession, the greater the applause, the more focused the attention, and the higher the ratings. People were rewarded for bringing their problems to the forefront, and at times others were even more highly rewarded for exploiting these victims.

### 1980's and 1990's

The American society's notion of accountability and personal responsibility continued its downward spiral over the next two decades. More people became dependent on the social system, and more people blamed their problems on anyone but themselves. In a trend reminiscent of Victorian times, people were diagnosed with illnesses that seemed almost made-up.

In his book *Diseasing of America*, Stanton Peele says, "By revising notions of personal responsibility, our disease conceptions undercut moral and legal standards exactly at a time when we suffer most from a general loss of social morality. Disease notions...legitimize, reinforce, and excuse the behaviors in question - convincing people, contrary to all evidence, that their behavior is not their own."

Ridiculous lawsuits and outrageous criminal defenses continued to rampage through the legal system. One of the most famous examples is Dan White, who assassinated San Francisco Mayor George Moscone and Supervisor Harvey Milk in 1978. White's defense is often referred to as "The Twinkie Defense" – he claimed that he had been temporarily insane due to depression, partially brought on by eating too much junk food. Although we cannot know what impact this had on his trial, White was sentenced to seven years in prison for his crimes and served only five.

### The First Years of 2000

In 1991, James Taylor published a piece in *New York Magazine* called, "Don't Blame Me!" Even then, he stated, "[Society's] well of guilt is running dry." By 2000, people had become fed up with overpaid CEO's and status figures that seemed exempt from the rules.

A look back at some notable scandals:

- **2001-2002:** Corporate giants Enron and Worldcom collapse when it is revealed that much of their financial success was based on cooking the books.
- **2003-2005:** Harry Stonecipher, CEO of Boeing, is ousted for affairs with employees.
- **2004:** Martha Stewart goes to jail for fraudulent stock trading.
- **2006:** David Edmondson, former RadioShack CEO, resigns after it is revealed that he falsified university degrees on his resume.
- **2007:** BP CEO John Browne is forced to resign after he lies to a court about how he met his boyfriend.
- **2007:** Major League Baseball star Barry Bonds breaks the league's home run record. Later that year he was indicted for perjury and obstructions of justice related to cases involving the use of performance-enhancing drugs.
- **2009-2010:** Golf superstar Tiger Woods' flawless public image is smashed when a late-night car crash reveals the less palatable personal side of the golf star.

**Lessons Learned**

We’ve just taken a quick look at some of the events in history (particularly American history) that have gotten us where we are today – to a point where we are demanding accountability. In order for people to be really accountable, they must be responsible on both a personal and a corporate level.

**List some practices or characteristics that would encourage and discourage accountability for both individuals and corporations.**

	Encourage Accountability	Discourage Accountability
<b>For Individuals</b>		
<b>For Corporations</b>		

**Creating an Accountable Organization**

**The Accountability Cycle**

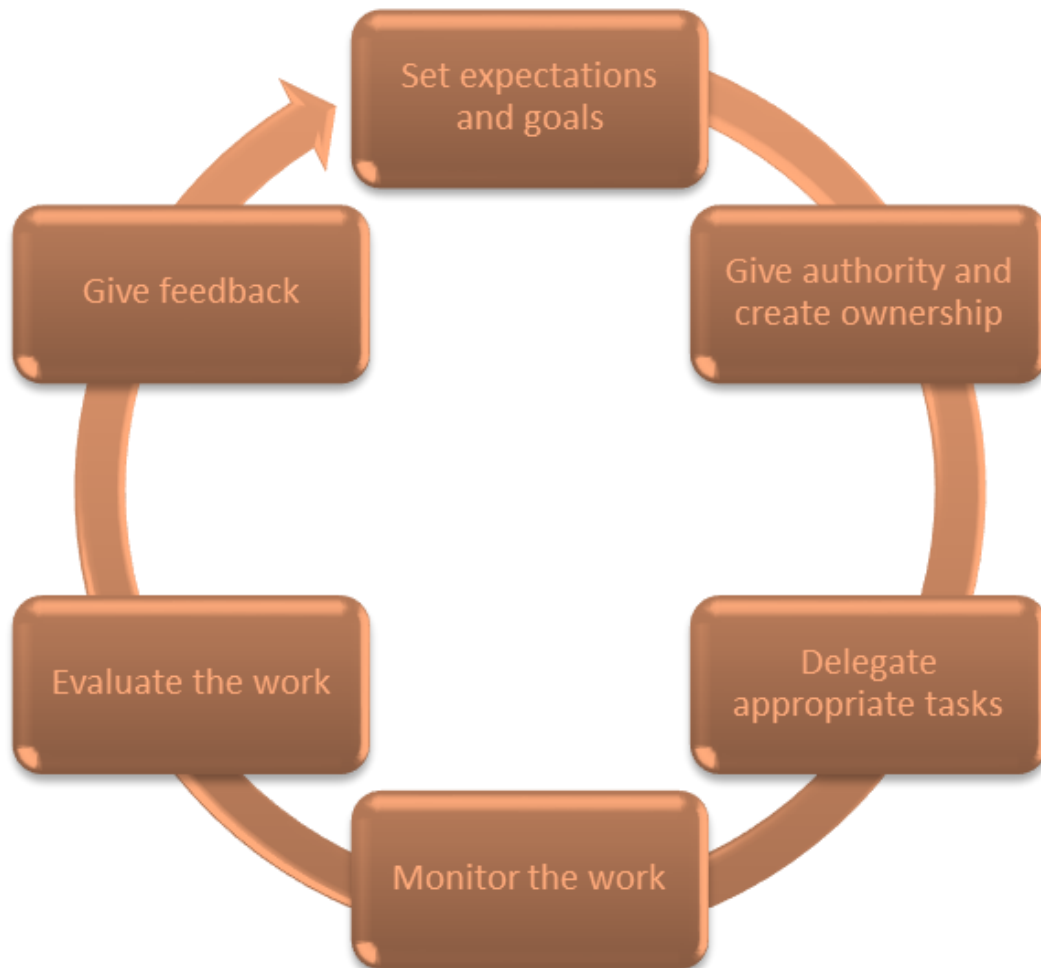
**Key Characteristics**

In order for an organization to be accountable, there must be a few key things in place:

- The organization as a whole must understand and commit to accountability.
- Accountability must start at the top and flow through the organization.
- Areas which have a lack of accountability must be addressed.
- Responsibility, authority, and employee engagement are closely tied to accountability.

### The Accountability Cycle

Establishing, monitoring, and ensuring accountability is a continuous cycle:



### Ways to Increase Accountability

Accountability is a delicate balance of control, delegation, trust, and authority. In order to make people accountable, you must increase their authority, reduce the controls on them, delegate to them, trust them to do the job, and support them and give them the tools necessary to complete their task. After the job is done, they will be held accountable for the results.

In many situations, accountability and authority will be built slowly and simultaneously. The amount of responsibility and accountability will vary depending on the position, but you should expect a high level of accountability from everyone. For example, a housekeeping staff member may have a low level of responsibility and authority, but you would still want them to be 100% accountable for their work, just as the CEO is.

A lack of accountability in an organization is usually caused by a problem in the organization's structure, hence our frequent references to processes, rather than people. People do need particular skills and knowledge to be accountable, but these skills will be useless if your organization's processes do not ask them to be accountable.

### **The Building Blocks**

Five key elements must support this process.

#### **Transparency**

All processes in an organization must be as transparent as possible. Big questions, like how executive bonuses and raises are determined, have recently received a lot of attention. The basic process must be shared, and specific numbers should be made public. Encourage your employees to ask questions and give them honest answers. Wouldn't you expect the same from them?

#### **Honesty**

Demand honesty from all employees at all levels. Everyone should be accountable to someone. Ensure that employees have access to the information that they need to make decisions based on real-time information.

#### **Credibility**

Ensure employees are in a position where they can have credibility. Don't, for example, move a person from VP of production to VP of sales when they have no sales experience. Your staff (managers, leaders, and executives in particular) needs credibility to be accountable. They can build their credibility by sharing past, relevant experiences with staff, or do so yourself on the company website, through a memo, or in a newsletter.

#### **Integrity**

Integrity means following your values and being accountable day in and day out. It means acting consistently, so that people can rely on you, in good situations and in tough spots. Give your employees the support they need to be reliable in their values.

#### **Trust**

Employees must trust each other to make honest decisions, to do good work, to generally act for the good of the company, and to be accountable for their decisions. Members of a company must also trust each other to ask questions and to test their accountability and reliability.

**Case Study**

It was Thursday of a busy week and Henry Harris was just about ready to quit his job as marketing manager of Comic Clowns. It seemed like he couldn't count on anyone.

On Monday, he had asked Amanda, his head customer service representative, to call an upset customer and solve their problem. She told him that she had, but the customer had called today and said they hadn't heard from anyone in weeks! When Henry confronted Amanda she became defensive and said the customer was supposed to call her. He didn't know what the truth was, except that his upset customer had spent his money elsewhere.

Henry also had heard from a sales rep this morning that the new website guru hadn't graduated from the college he said he had. What was he supposed to do about that?

To top things off, the VP of Sales had just informed him that none of the reps had submitted last month's reports. They were supposed to be in two weeks ago!

Henry sat at his desk with his head in his hands. What was wrong with people these days?

**Questions**

**Where did Henry go wrong?**

---

---

---

---

---

---

---

**What should Henry do now?**

---

---

---

---

---

---

---

## **Accountability Starts with Me!**

### **Honesty**

Be honest with yourself about your reasons and motivations for your actions. Be clear about the consequences and accept them graciously.

Try this: Carefully listen to everything you say for one day. How many times do you lie or fudge the truth? This exercise in honesty can be difficult, but the results are surprising. We tell white lies a lot to make ourselves and others feel better. Try developing other skills, like tact and diplomacy, so that you can be honest but still be polite and kind.

### **Assertiveness**

Developing your assertive side can really help you in your quest to become more accountable. Assertiveness is a word we tend to use without really understanding what it means. We sometimes picture assertive people as being inconsiderate and very demanding. Rather, assertive people express their feelings, needs, and opinions in a forthright manner. However, they stop short of the abrasive manner that is the hallmark of the aggressive person.

Often the best way to understand something is by comparison. People with poor self-esteem often have an inferiority complex. They choose passive responses to life. They feel helpless or insecure. They may feel put-upon and resentful, but have a difficult time saying “no.” They become defensive quickly.

On the other hand, people with low self-esteem may also be arrogant, pompous, and presumptuous and seem to have a superiority complex. They meet life in an aggressive way.

These people are on opposite ends of the same affliction: low self-esteem. They are people who don't like themselves very much. The assertive person is someone who communicates with others on the best of all possible levels, where there are no losers, fools, or enemies — just two people who are mutually trying to solve their problems.

Assertiveness is behavior that allows a person to express honest feelings in a straightforward way and to exercise personal rights without changing the rights of others. Assertive people feel positive about themselves and others. They are willing to give others a chance to be reasonable before using less positive tactics. They want to openly discuss problems based on facts and needs. Assertion is based on respect for you and respect for the other person.

**Responsibility**

Once you have gotten a handle on being accountable to yourself, begin accepting responsibility when and where it is deserved. At the same time, do not be afraid to assign responsibility if it truly belongs to someone else.

Let’s look at an example. John is the manager of the production department. Last Friday was the end of the month, and he didn’t get his monthly report completed on time. At first, he thought, “It’s all Mary’s fault. She didn’t get those sales figures to me until Thursday afternoon. If it weren’t for that, I would have had my report done on time.”

After a minute, though, John thinks about it a little bit more. The truth was he hadn’t done any work on the report until Friday morning. He hadn’t even asked Mary for the figures until Wednesday afternoon. He probably could have gotten them out of the system himself if he had really tried. Sure, Mary probably could have gotten the figures to him faster, but he realized that there was a lot more he could have done to help himself.

**A Final Note**

It can be hard to take the high road and be accountable for your actions, particularly if others around you don’t choose the same path. It is not your place to preach or judge others, but you should act assertively and ask that they take responsibility for their actions. By being accountable to yourself and setting a good example for others, you may just see a change in the world around you. In any case, you’ll feel good about yourself!

**Pre-Assignment Review**

**Describe your mistake below.**

---

---

---

---

---

---

---

---

---

---

**Explain what you feel you should have done to be accountable.**

---

---

---

---

---

---

---

---

---

---

**Further Reading:**