

Companies That Share Information Build the Culture They Want

Insights

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Leadership lessons from the military do not necessarily translate to the private sector. I am uncomfortable with business books which continually analogize the workplace to the battlefield. It's not the same thing. However, there is an enormous amount of wisdom to be gleaned from those who have served. As an example, Forbes ran a piece by Kevin Kruse discussing the need to be open and authentic with employees, "How One former Navy SEAL Modulates Authentic Leadership." Kruse discussed entrepreneur and former Navy SEAL Officer, Randy Hetrick. To quote Hetrick:

*"As a SEAL Team Officer, I made a point to always speak forthright and truthful with my guys. The activities we were involved in might literally kill you if things went wrong. Given that, I believed that all teammates were owed the full score, not some edited version of the details. SEALs want and expect that from their leaders, **and they're equipped to deal with it.** I found that the same level of disclosure in the civilian business world is sometimes less appropriate because business leaders are often dealing with junior, less well-trained, and certainly less confident people than the teammates I enjoyed as a SEAL."*

*Employers not should keep employees in the dark about the business' goals, challenges, and success. Hetrick argues for transparency, **so long as** the leader evaluates when, what, and how to share information with employees:*

Even in the SEAL community, a leader must learn to moderate and modulate the less rational, more emotion fears that all humans face. If there is a significant, fact-based misgiving, then the leader needs to stop the train and address it. But if it is just one's own internal anxieties, the leader's job is to manage them and to project the confidence that a well-trained team deserves to rally around.

Employees Want To feel Involved

Let me add some of my experiences and observations as a 30-year labor lawyer. In all but the most miserable jobs, employees derive some degree of worth from the company's success. It's not surprising that successful, profitable locations within a company seem to experience less discrimination claims and union problems. People who are satisfied with their work or at least feel as if they are achieving something, are less prone to focus on the negatives. This does not mean that you can work an employee to death and trust that his satisfaction in improving the company's bottom line will obviate the need to be a good manager. So share information with employees. Help employees understand what makes the company succeed and how the employees contribute to it. Break down some of those numbers and make them applicable to each employee's role

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Employees hate Surprises But Are Forgiving When Clued In Early

Let me give you another reason to share information. People hate surprises and employees are more likely to bring a legal action when unexpected bad things occur. I remember assisting a large employer who had to lay off approximately 1/3 of their several thousand employees, because a state had all but turned off the spigot of highway work for the next 12 months. The CEO matter of factly told employees why the company was going to fare badly for the next 12 months. The CEO told employees that it was going to be a difficult period and that some of them would lose their positions. However, he also explained that the company was making the necessary cuts at one time, and barring extremely unforeseen circumstances, he didn't expect to have to cut more jobs. They did not want employees to come in every day wondering if their job was "next." The CEO concluded by saying that he would be straight with employees and advise them if circumstances changed. He then confidently remarked that within 12 months, they would begin to rebuild, which they did. They did not receive a single EEOC charge or claim from laid off employees.

Thoughtful Transparency May Lessen Unfounded and Corrosive "Comparisons"

Allow me to supply another reason for communicating details about the business to employees. Often employees in a multi-location corporation may think that another location is being treated better or paid better. Its human nature to believe that you work harder than the other person or the other location. Admittedly, numbers can be twisted and you can always find some number which justifies your position. However, often by sharing other locations, service levels, on-time delivery, production, cost savings or other statistics, you can disabuse many employees of the notion that they're working harder than the other guys. Frankly, it's a little bit more difficult to whine about the other location when their numbers are clearly better. Of course, some individuals will still complain.

The NLRB Makes This Subject More Important

Finally, in the event that you deal with a union drive or are immersed in another legally charged situation, an established tradition of regularly sharing information and involving employees in improvements will allow you to more safely continue engaging your employees. Absent this history, it is likely that the union will claim that you began sharing information, and by inference, soliciting and fixing grievances, solely to make a union unnecessary. Don't get me wrong, this sort of improvement process should be occurring all the time. However, how does it look to the NLRB if you begin this solicitation and correction process because the union has filed a petition for an election.

I asked my law partner, [John McLachlan](#), himself a former SEAL Captain and veteran of the Vietnam War and the Navy Apollo recovery missions, and he made the following observation:

It is exceptionally important now with the NLRB about to change election rules to significantly shorten the employer's time to educate employees about the realities of union representation. An employer without an effective communication program, will have a very small chance of success after the Board's election rules are changed, which could happen as soon as late summer.

I'll close on this thought. If an employer wants to remain "union free," he needs to focus on creating a work environment where employees do not feel that they need a third party to stand between them and the employer. However, when it comes to honestly sharing information about unions and the reasons for the employer's stand, some employers are reluctant to even mention the "U" word. I disagree with that concern. As Ray, a labor relations guru for 40+ years reminds us, "many employees even know what a union is and how it works." Communications and sharing knowledge is a good thing.

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