

Building the Accountability Culture

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Mike Thackray warns us of the potential dangers of over-specifying accountability. In defining what you are accountable *for*, we inadvertently highlight where your accountabilities are not. With our reputation (and maybe our job) on the line, we will prioritise what is ours and defend our position – often at the expense of collaboration. So how can we hit the sweetspot of accountability *with* collaboration?

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If we're to build a culture of accountability then we first need to establish the right building blocks on which such a culture can thrive. We can take a rational approach to mapping out roles and specifying decision making – however, you can't know and control everything so the design must be able to flex and support more dynamic complexity. Gary Ashton explains the role organisation design plays in delivering a more accountable business.

Building the Accountability Culture

When things go well, we love a hero, but equally when things go wrong, we like a villain – someone to blame. This is not just an emotional response, it's largely how we get things done. We pay people to do a job and expect a positive result.

Our lead article sets out our current crisis of accountability. Across business, politics and public life, we have had inquiries into significant failures which seem to unearth webs of excuses, blame and sloping shoulders that slough off responsibility. We examine what we can do about this and conclude the most challenging of all is culture. The need to create a way of working in organisations that accepts accountability.

Lucy Cox examines how we can better understand and change working cultures to embrace accountability. She delves into the world of anthropology which has been studying cultures for centuries to develop a richer, more insightful understanding of the complex series of factors which determine organisational culture.

Mike Thackray picks up on some of the biggest barriers to creating an accountability culture - defensiveness and fear. So often the pursuit of accountability is seen by people as a personal attack and so they respond to defend themselves and blame others - who in turn defend and blame, and so cycle goes on with no resolution. We fear accountability for some good reasons. Our job and livelihood are on the line. Performance management is a vital component exercising accountability, yet it has unintended consequences, as it can easily drive more fear and defensiveness, defeating its primary aim to reinforce accountability.

In our final article, Gary Ashton explains the role organisation design plays in delivering more accountable businesses. We can take a rational approach to mapping out roles & accountabilities and establishing clarity of decision making – however, you can't know and control everything and there are limits to specifying every action. We need some assurance that our people will act in a particular way, with due consideration whatever the issue. So as leaders we try to set the tone through culture; that's why we have values and encourage particular behaviours in order that our staff don't 'go rogue'.

At OE Cam, we believe that culture is a crucial lever to influence people's behaviour when the rule doesn't tell them what to do... We've taken inspiration from Gillian Tett's book "Anthro-Vision"(1) to explore more effective ways of understanding and changing cultures. Talk to us about how we can help you build a culture of accountability.

Mark Goodridge

Chairman, OE Cam LLP

Reference:

^{1. &}quot;Anthro-Vision: How Anthropology Can Explain Business and Life" by Gillian Tett (2021)

https://www.amazon.co.uk/Anthro-Vision-Anthropology-Explain-Business-Life/dp/1847942873

by MARK GOODRIDGE

The Crisis of Accountability: How our Acceptance of Excuses has Weakened Accountability

Dave Calhoun and his Chair are stepping down from Boeing following a series of safety breaches, Rupert Murdoch claims he wasn't told about phone hacking and Paula Vennells states she explicitly asked her Executive who assured her there wasn't a problem with the Post Office Horizon project. So are these people accountable?

The current inquiry into the Post Office scandal brings the accountability of senior executives into stark relief. The contaminated blood inquiry tracks over many years with numerous opportunities to blow the whistle - but no one felt sufficiently accountable to do so.

The frightening thought about many of these failures is that the relevant information was known somewhere within the organisation - so the inquiries have focussed on who knew what and when. LOIDN'TKNOW L'am too bussi MEY DIDN'THUM

Can't be expected to know everyth

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Is accountability just driven by knowledge? Is it an all-embracing concept of "the buck stops here"... Or is it subject to limitations?

But is accountability just about who knew what & when? And if they did know, what they did about it? Is accountability just driven by knowledge? Is it an all-embracing concept of 'the buck stops here'... Or is it subject to limitations?

From the Post Office Limited inquiry chaired by Sir Wyn Williams, there are lots of caveats being given to executive accountability...

- ... I didn't know!
- ... They didn't tell me!
- ... I am too busy!
- ... I can't be expected to know everything!

But is accountability limited by what you are told by your executives? Is it limited to those things that you have direct influence over? Is it just about the known or does it include the unknown? Is there a 'reasonableness' test? And if so, what is it and who should apply it?

One ex CEO of the Post Office stated in his evidence that he was accountable for the actions of PO Ltd but then went on to say that he was focussing on the day-to-day running of the business and its £1m daily loss which seemed to dilute his acceptance of accountability of Postmaster/mistress prosecutions... it was not on his radar screen (1).

We pay our senior executives large sums of money to be accountable. Accountable to shareholders and the communities they serve. How they discharge that accountability is the focus of this article.

Responsibility vs. Accountability

I make a distinction between 'responsibility' and 'accountability'. Responsibility is for those aspects of the business an individual has under their control or influence, assets, budgets, people and relationships. Accountability is much broader, it is about delivering outcomes, indirect control, influence and stakeholders.

No Chief Executive can know everything going on in their organisation. Should Dale Calhoun have known that window bolts were incorrectly fitted to Boeing 737Max windows? Accountable executives have to judge what is material, what deserves their attention, not just the data that they are fed. They need experience and intuition to challenge and probe. The biggest complaint I heard of a CEO I coached was that her executives never knew where she would 'land' or focus her attention. Another CEO would interrupt the flow of a highly polished presentation to probe 'why'. These people were doing their job. They were taking all the data feeds, challenging them, synthesising them and finding what didn't add up. They were not solely relying on management conventions of KPI's and algorithmic reporting.

Public inquiries are great exhibitions of excuses and defensive testimonies

Listening to many hours of the Horizon Inquiry testimony from Chairs, Chief Executives and Directors alike, all were united in accepting the consequences to have been dire for the falsely accused but also united in 'this can't be put at my door - 'they' didn't tell me'. It's fascinating how disembodied some of the accounts became – CEO's talking about 'The Post Office' and the 'Institution and governance of the Post Office'. Who do they imagine these entities to be other than themselves? At that level, you are accountable for the 'Institution' - the Post Office is you! You are accountable for all that is done in the name of your company. Therein lies the complexity and the challenge of the role.

'How can I be accountable for things I can't directly influence?' comes the cry!. And 'if I didn't even know about it, how can I be expected to have done anything about it?'

Accountability is for the known and the unknown. It is not limited by knowledge and data systems – that's the whole point! Acts of God, War, Insurrection, Criminal Acts, Force Majeure, Known Unknowns, Unknown Unknowns – that is the accountability challenge. There are no qualifications. The paradox is that the greater your accountability, the greater the likelihood of your ignorance of what you are accountable for and the more you have to rely on others to assure your accountability. This is the complexity of accountability and for me, therein lies its essence. If it is embroidered with excuses and limitations, the term loses its value.

Accountability is about outcomes and consequences. Responsibility tends to be seen in relation to tasks. Accountability goes beyond the job description. If we just make Executives accountable for their tasks, then who is accountable for connecting all the tasks - the collaboration required to deliver a complex product or service?

The question now is how to make accountability work, how to establish an accountability culture and reduce the defensiveness we have seen so starkly in public inquiries. (See my colleague, <u>Mike Thackray's, article on</u> <u>defensiveness</u>).

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In pursuit of an accountability culture

There are three ways to exercise accountability. Establishing effective systems of control; adopting good management practices and thirdly, and most elusive of all, establishing an accountability culture.

Establishing effective systems of control

1.

We have a body of legal, institutional and governance structures and processes set out in varying degrees of specificity for private, public and not for profit companies. In the financial services industry, the Senior Managers Certification Regime (SMCR) being one of the most stringent. The Financial Reporting Council sets out an increasing level of non-financial reporting alongside the financial requirements. These are the 'systems of control'. Other examples are the:

- Stewardship code
- Study on sustainability assurance
- Code of Corporate governance adopted by the London Stock Exchange (LSE).



Adopting good management practices

We have a rather amorphous set of what I'll call 'good management practices'. Strategy, planning, targeting, measuring, auditing, performance managing, remuneration systems - each of which have reporting channels which may, or may not, reach the Board.

Critical is the design of the organisation itself as my colleague, <u>Gary Ashton, explains in his</u> <u>article</u>. Designing jobs with clear lines of accountability, as well as task units, is vital.

Systems of control and good management are important, but not sufficient – clearly not so in News International and PO Ltd, Boeing, VW emissions, 2008 financial crisis... If simply telling people to adopt the systems of control and good management were sufficient, then we wouldn't have the problem.

The missing piece, for us, is the lack of a coherent understanding of how these systems of control and good management practices influence and drive human behaviour. This brings me to the third element which is often in the 'too difficult' box – culture.

Building a culture of accountability

3.

This is the 'soft side' of governance and control and here we enter a world which is irrational, fluffy and hard to pin down.

Business success is most often attributed to brilliance of individual leadership. However, business failure is, more often than not, attributed to culture. What this actually means is at best ambiguous, and at worst, sees organisational behaviour defined in a binary way in terms of 'Goodies' (those that get it) and 'Villains' (bad actors, who don't get it).

One ex Chairman of the Post Office is quoted as having said "*The Post Office scandal is unbelievable*" (2). I disagree, it is frighteningly believable. Where accountability is low, no one is looking at the total picture. Where was the challenge? Where was the scrutiny?

Within the organisation itself there are competing forces and counter currents that dilute openness, and obscure what's really going on. All of these behaviours can, in most cases, be explained away without any reference to any anyone being 'stupid'.

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We ask people to be open, but if they are, what are the consequences? In what ways do other aspects of the organisation, such as the hierarchy and the communication channels, actually make it easy to 'be open'?

Back to the Post Office - I see fear, fear for my job, fear of disloyalty and I see what happens to the whistle-blower. Some good management systems themselves promote defensiveness. Individual accountability means loss of bonus, poor reviews, poor progression – I'm going to fight my corner.

There are ways of defining and measuring culture, but many are inadequate. At OE Cam, we draw on ways of understanding what drives the behaviour. My colleague, <u>Lucy Cox</u> <u>explores this in her article</u>.

Does accountability matter?

Does accountability even matter? Bad stuff will always happen. Is good governance just theatre? A performative art in the amphitheatre of heroes and villains. Is it a gladiatorial spectacle and actually a key part of how corporates recover from crises?

No, it does matter. It matters deeply to the performance of any organisation. Without it, we drown in a sea of plausible excuses, sub postmasters and mistresses are wrongly condemned and bad blood courses the veins of the innocent.

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MARK GOODRIDGE, CHAIRMAN

Mark is Chairman at OE Cam and has built a reputation for his effective facilitation and development of Boards of Directors in both the public and private sectors. This has taken him to several countries and across a wide spectrum of organisations. His incisive and clear thinking, combined with his application of robust methods and tools, provides his clients with meaningful outcomes that add real value to them as individuals, as a Board and as a business. Mark's focus is on better business outcomes, on supporting while challenging Board effectiveness, on enabling greater personal and collective effectiveness.

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Lessons from Anthropology: A New Lens to Understand Organisational Culture

Understanding people's behaviour at work is complex. Traditional methods take us so far, but on their own, often fail to get to the real heart of *why* people do what they do. In the pursuit of a richer understanding of what drives behaviour, we've been inspired to introduce ideas from the world of anthropology into our approach to cultural change - this article shares our thinking so far, along with some practical steps to put it all into practice.

... even with our best intentions, what we say, what we do, and what we think we do, can all end up being entirely different; making us unpredictable and confusing.

The problem with being human

Most of our days are filled with moments of trying to understand, predict, or influence other people's behaviour. Despite millions of years of evolution, these things are still notoriously difficult to do.

It's the nature of being human that even with our best intentions, what we *say*, what we *do*, and what we *think* we do, can all end up being entirely different; making us unpredictable and confusing. In the same way as we often lack insight into why others do what they do, it's equally hard to see our *own* actions objectively and fully understand all the factors that are influencing *us*.

Over-thinking this in your day-to-day life might lead you down a philosophical rabbit hole (if you're familiar with <u>Chidi Anagonye's character in the TV show 'The Good</u> <u>Place</u>', you'll know what I mean!). (1) However, for those of us trying to understand *other* people's behaviour and motivations at work to solve problems and get things done, where does that leave us?

As Business Psychologists and Organisation Consultants, OE Cam specialises in unravelling the complexities of human behaviour. Often, the focus isn't just on the individual level ('Why would that person think / say / do that?'), but at the collective level of organisational behaviour ('Why won't people just communicate / take responsibility / get on board with this?'). The recent Post Office inquiry got us thinking about how leaders can really understand human behaviour in their organisation and the alarming consequences of getting it wrong.

Behaviour as the building block of culture

Let's start with a simplified definition of organisational culture. In our experience, we believe that in its fundamental form, workplace culture can be boiled down to one thing: *Collective behaviour*. That is, all that organisational culture is made up of can be defined as the behaviours that are observed, encouraged, expected, valued and rewarded (directly or indirectly; intentionally or not) – or the ones that aren't.

We typically put the drivers of this behaviour into one of two categories; the 'hard', i.e. the formal systems, processes, policies and structures that make up an organisation; and the 'soft', such as leadership styles, communication styles, organisational narratives and values.

It's looking at the two *together* – the behaviour *in context* – that enables us to piece together the 'why' of people's behaviour, and of the organisation's culture as a whole.

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Anthropology looks more broadly at cultures and societies, and relies on researchers fully immersing themselves in communities to generate a deep understanding of the shared behaviours, norms, rituals, values and ways of life specific to that community.

Looking at culture through a new lens

Our experience of leading change initiatives has led to a growing respect for, and use of, the field of anthropology in really seeking to understand the factors driving collective behaviour. If your view of the anthropological approach still conjures up images of studying remote tribes for months on end, then you are not alone, and you may wish to read '*Anthro-Vision*', a book by Anthropologist turned FT journalist Gillian Tett (2) who makes the case for introducing an Anthropological lens to business.

Briefly, Anthropology can be defined as the study of what makes us human. Where Psychology generally relies on experiments to understand how individuals think, feel and behave in different contexts, Anthropology looks more broadly at cultures and societies, and relies on fully immersing oneself in a community to generate a deeper understanding of the shared behaviours, norms, rituals, values and ways of life specific to that group of people.

It's this *immersive* observation that Tett argues is fundamental to understanding what actually drives people's behaviour. The core message of the book is that social and cultural context is *everything* – but we tend to be guilty of forgetting this, falling into the 'tunnel vision' trap and failing to see the insights that could help us make better decisions. In the work we do, we see this crop up in the form of what we call 'the habituation problem' – being so used to the environment you're embedded in that you stop seeing the real factors influencing behaviour (read more on this from my colleague Mike Thackray here)(3).

This insight from Tett feels particularly poignant in the context of the recent Post Office inquiry, explored by my colleague Mark Goodridge <u>here</u>. Just how different could things have been if the powerful environmental influences on behaviour had been fully understood, acknowledged and responded to?

The traditional methods used to understand behaviour and culture - such as surveys, focus groups, and talking to Executives about what they're seeing and hearing absolutely have their place. Used in isolation however, they often fail to get to the heart of what's really going on. Here's why we believe that can happen:

House of mirrors

1.

By relying on individual explanations of behaviour, we are unlikely to get a full picture of what's going on in an organisation. Everyone constructs their own narrative on a situation, shaped not only by the information available to them, but also by their past experiences, interactions, values, drivers or biases, leading to multiple webs of meaning. Whether or not they feel they are sharing an honest and accurate view (which can be another issue!), they can only share things as they see them – which will be different from one person to the next. This culminates in a confusing 'house of mirrors', exacerbated by the problem of 'habituation', where we become less attuned to environmental influences on our behaviour.

What this means in practice is that, if asked *why* you haven't felt able to raise a concern or challenge a decision made by a senior leader, you are unlikely to respond with "the culture is one where people who challenge are seen as a problem, and an embedded culture of deference to expertise has made this behaviour a career-ending move". A more likely response to explain why you didn't speak up might be "My idea is probably a stupid one anyway".



2.

The truth paradox

Much of the time, organisations will run surveys or use other similar methods to try and find 'the answer'. 'What's the one thing we can do that will make people more engaged, bring them into the office more, or stop them leaving?' 'Why isn't performance where it needs to be?'. Aside from the fact that this relies on explanations that we know from the house of mirrors point above to be unreliable, this method is also too eager to find easy solutions. Ultimately, there is no 'one truth', but there are always multiple explanations that co-exist and interact with each-other (even seemingly opposite ones).

An organisation struggling with engagement may decide to implement a series of new flexible working initiatives, because it's come to their attention that people are leaving because they don't have enough flexibility. While this might be true, it's unlikely to be the whole truth. What if it's also true that lots of people love the flexibility they have – and what do these two truths together tell us? This highlights the importance of digging deeper. For instance, is there consistent implementation of existing flexible working policies, or does it depend on who your manager is? What type of flexibility do the people who are leaving want? How can the approach be more tailored to individual needs? By pushing beyond what might at first appear to be 'the answer', you will probably find something more complex - but it will lead you to a better solution.

3.

The bad apple

The final, and depressingly common, explanation that senior leaders often resort to, is that their people *just don't get it*, or even worse are struggling with deep-rooted personality flaws that mean *they* are committed to doing the *wrong thing*.

Of course, explanations of behaviour that focus on individual personality *do* play some part in understanding people's actions, but are never sufficient on their own. It is why someone who has a history of producing innovative and creative work for example, can find themselves in an environment where this is undervalued, or even suppressed. Admonishing the individual for failing to live up to expectations would be to overlook all the pressures and influences on behaviour that can make it surprisingly difficult to be your authentic self.

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It's this immersive observation that ... is fundamental to understanding what actually drives people's behaviour. The core message ... is that social and cultural context is everything – but we tend to be guilty of forgetting this



Putting anthropology into practice

In summary, traditional culture assessments don't get to the heart of what's really going on, because what's *really* going on is too complex to be captured solely with these tools. Interviews, focus groups and surveys are often geared towards testing out a preconceived hypothesis on what 'the answer' is, which, unfortunately, is unlikely to uncover what's under the surface.

We believe the right approach to culture and behaviour change needs to be centred around a more interconnected view of the organisation. By using systems-thinking, and focussing on understanding behaviour *in context*, we can take into account the complex dynamics that influence behaviour and culture.

What does that actually look like?

We are challenging ourselves to be more 'anthropological' in how we understand behaviour, and we've come up with a checklist as a way of embedding an Anthropology mindset across all the complex cultural change projects we do.

By sharing these ideas, we invite you to use them to guide your own explorations to understand organisational behaviour. If you would like to learn more about these techniques, contact me to hear about our new '**A new lens on culture**' workshop.

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Anthropology Checklist

Embedding an anthropological mindset:

What are we observing here? (as well as being told) By immersing ourselves within the context of the

By immersing ourselves within the context of the organisation, we will see things that might otherwise be overlooked, left out, or exist beyond people's awareness.

Who could share a different perspective?

If we are interviewing leaders, who else could we speak to in order to build a more rounded picture? (Be that junior team members, customers or stakeholders)

What isn't being said?

While it's important to focus on the topics that do come up, it's equally important to focus on the ones that don't. If no-one mentions something that seems obvious when looking from the outside-in, what could that mean?

4.

1.

2.

3.

What preconceptions are we going in with, and how can we take them out of the equation?

By putting any expectations or biases to one side as best we can, and relying on open, unstructured questioning, we can allow more space for unexpected insights to emerge.



LUCY COX

Lucy is a Business Psychologist in OE Cam's Talent Management practice with expertise in management and leadership development. With experience spanning organisation design, employee engagement, team effectiveness and learning & development, she enjoys using psychological insight to create mindset shifts and drive behaviour change both at an individual and organisational level.

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by MIKE THACKRAY

The Accountability Sweet Spot

BLA

Accountable

Establishing clear lines of accountability is seen as essential for enhancing organisational performance and achieving goals. Ensuring that everyone knows what they are accountable for, communicating it to the business, and adding a few incentives into the mix, and we have the recipe for success, don't we?

Possibly. We also have the recipe for something entirely different - a mélange of secrecy, defensiveness and blame. To highlight the challenge, we need to understand the human instincts that kick in once we have been given something to own.

Attack and defence

One of my recent coachees described a recurring challenge they were keen to overcome – that of getting into entrenched arguments with colleagues about proposed courses of action. This individual was highly charismatic and prone to stating their beliefs early and with great confidence. Whilst there were benefits to everyone in the room having absolute clarity on where my coachee stood on a given topic, it also meant that any legitimate challenge from colleagues had the effect of forcing them to defend their firmly held position. As an antidote, we talked about the idea of 'holding on to our opinions lightly', especially as a leader, where scrutiny and challenge is an essential aspect of effective decision-making, and should be welcomed.

This example highlights something very important and relevant in today's world – that once a position has been taken, most of us feel compelled to *defend* it. We have seen this truth play out disastrously on social media in the last decade or so, where not only have opinions been taken, but broadcast to the whole world. Not surprising then that today's minds seem much harder to change, even when bombarded with those things we used to call 'facts'.

Owning our outcomes

Where this is true of opinions, it is equally true for outcomes we are accountable for. Like opinions, accountabilities are another thing we own, and so the resulting defensiveness is the same. We own our outcomes, strive to achieve them and give them due focus and our utmost attention because they are *ours*. That's the whole point of increased accountability, to incentivise people to go the extra mile.

But the wisdom of establishing absolute clarity on everyone's accountabilities rests on the extent to which you believe worthwhile organisational outcomes can be neatly divided up and used to drive the right behaviours to support the whole. In my experience, this is not an easy task.

Balancing competing accountabilities

A story that illustrates this problem perfectly is drawn from my days working in entertainment retail for a company that disappointingly few people remember. As an Area Manager, I had overall accountability for sales in my twenty or so stores. I also worked alongside a Loss Prevention Manager, whose main responsibility was (unsurprisingly) to prevent loss and store theft. Given our two main accountabilities, you don't have to be a crack psychologist to predict our behaviour. I pushed for fewer security measures in the name of displaying our stock openly, and freeing up time to spend serving customers. I did so safe in the knowledge that if we sold a bunch of stuff but lost a lot more in the process, I could invoke the law of 'not my circus, not my monkeys' and point the finger at my colleague - 'Well, he's accountable for that'. Similarly, the logical behaviour for anyone who's key accountability is to reduce store theft, is to want to minimise stock on display or literally shut the shop doors (the fact that our latter-day sales figures resembled a retailer who had done such a thing is by the by).

In reality, we tempered these behaviours reasonably well, but did so because of intrinsic values, goodwill and an implicit understanding of the *actual* goal. The organisational machinery and accountabilities set for each of us certainly did not support or encourage this stance. In this instance, neatly dividing up the real goal into smaller accountabilities had its limitations, and we would have been better off blurring those lines or ensuring that an overarching goal superseded our own smaller ones.

It highlights the key challenge with an over-developed culture of accountability - that in specifying what you are accountable *for*, we inadvertently indicate where your accountabilities are *not*. Our slice of the divvied up accountabilities does not stand apart from those owned by others, but rather the slices are inextricably linked and require collaboration to get the job done. In effect, we own too little. The problem of ownership, and the drive to defend what is ours comes back to bite our organisational behind.

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The illusion of control

As explored in the article by my colleague Mark Goodridge, another challenge in any organisation with very clear accountabilities is that the distinction between 'accountability' and 'responsibility' is a muddy, but very important one. This is best illustrated by the fact that I could find myself in the unenviable position of having taken care of all my responsibilities superbly, never missing a beat, and still find that one of the outcomes I was accountable for has failed miserably. This illusion of having full control over things for which I'm accountable is easy to see through, but still plays out in teams on a daily basis, leading to conflict and interminable performance reviews spent trying to determine the validity of excuses offered for outcomes not delivered. The reality is that whilst an essential part of any leadership role, it becomes very difficult to pin down where the issue lies when targets have not been met, to the point where one wonders whether it is worth the time and effort to try.

The uncomfortable reality is that the failure to achieve an outcome can rarely be placed on a single individual. We only have to look at the history of truly impactful organisational disasters to know that systemic issues have a major say in influencing more local (and ultimately catastrophic) individual decisions. From Hillsborough to Chernobyl, finding a single scapegoat to be held fully accountable will often end up at the person at the top of the organisation who is ultimately accountable for the company culture that enabled the poor decisions to be made. Ironically, this is often the person who is furthest removed from decisions made 'on the floor', and frustratingly, their stepping down results in losing a key player at the very moment they might learn valuable lessons integral to improving the future running of the organisation.

The role of fear

All this takes us to the emotional elephant in the room driving a lot of the destructive behaviours touched upon here, namely *fear*. It occurred to me that bubbling just underneath the surface of a good proportion of people I've worked with as an external consultant (whether in workshops, assessments or working with project managers), was some element of fear. Fear of not getting promoted, fear of being judged, fear of being sidelined for the younger colleague untainted by years of experience, or fear of not delivering or living up to parental or spousal expectations. My retail partner who wanted to shut the shop doors was fearful over what would happen if he didn't meet his loss targets. Senior bosses who cover up issues do so out of the very real fear that they will be held accountable – AKA – sacked.

At its most basic level, we may simply fear being out of a job. It's clearly not an unreasonable fear, but how can we hope to get the most out of our employees if their energies are first and foremost directed in protecting something as theirs?

Certain Japanese firms became famous for Shūshin koyō; the promise that unless you go berserk with the company credit card or made a play for the boss's spouse, you would have a 'job for life'. It's a scary and impossible step to take for most organisations, but the logic is interesting. Target manipulation to make results seem better? Not needed. Reluctance to give upward feedback for fear of being sidelined? Not needed. Withholding information to protect own skill set? Not needed.

Of course, not all fear is bad. Fear that alerts us to genuine danger is adaptive and useful. Fear that that prevents us from raising issues, taking risks that might pay off, or prevent us sharing information, admitting knowledge or skills gaps, and working for interests other than our own is not. The danger is that an over-focus on accountability can exacerbate this fear, and not for the best.



Solutions

This does not necessarily mean removing *all* accountabilities, but it certainly does require a change in how accountabilities are structured, discharged, and assessed. It also means an honest assessment of the likely behaviours that will ensue if we clearly specify what someone is accountable for, and reward them for it healthily.

There are a few ways in which we can improve this situation:

1

Make the ultimate outcome the most rewarding

Using my retail example, if store profit had held the biggest reward for both me and my colleague, the point illustrated above would have been moot. Similarly, if the reward for company profit was greater than individual store profit, then store leaders would also be more likely to share ideas and best practice, rather than compete. Without taking too much of a Skinnerian behaviouralist stance – if you want to understand why people do things, look first to the way they are rewarded.

Build in ambiguity

Joint accountabilities, matrix working, and fuzzy lines get a bad press. But these also come with benefits, namely that it forces people to cooperate to achieve important outcomes. The benefits are often hard won however, and teams that are used to clearly defined accountabilities or even silo-working will benefit greatly from help and development in order to leverage the benefits of this ambiguity. र

Avoid the scapegoat trap

When faced with the next organisational disaster by all means investigate what went wrong, but do so with the knowledge that organisational errors are rarely down to the personality flaws of a single individual. Look to the way the system and symbols influence and drive behaviour.

4.

Hold on to your opinions lightly

Particularly true for leaders, be careful of fast and firm alignment to a position or course of action. The earlier and more forcefully we state our own positions and goals, the more we will strive to defend them – even in the face of new priorities or evidence.

Accountability falls into the same category as so many topics when it comes to behaviour at the individual, team and organisational level – namely that it sits on a bell-curve of utility. Be careful that in the drive to provide clarity and specify what people are accountable for, you don't amplify negative behaviours that really limit organisational performance.

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by **GARY ASHTON**

Designing the Accountable Organisation

For a number of years I worked with a Group that owned two businesses with very contrasting cultures that demonstrated why we need accountability with collaboration and how putting too much focus on one at the expense of the other, could hinder organisational success. One business thrived in a stable economy due to its strong accountability culture. This worked well in a steady, ordered times, but it struggled to collaborate effectively when faced with challenges that required greater cross-functional work, as teams preferred to stay in their own siloed comfort zone.

On the other hand, the highly collaborative business found itself slow to market due to a lack of clear decision-making processes –involving many managers in many meetings. Everyone felt highly involved, but no one was really sure as to how decisions should be made.

The key takeaway from this example is the importance of finding the right balance between accountability and collaboration (see diagram 1). This balance is crucial for organisations to remain competitive and agile in today's fast-paced world.

CLARITY OF ACCOUNTABILITY



Diagram1: Finding a balance between accountability and collaboration

Another common challenge is faced by organisations that embrace a matrixed or networked way of working, that can lead to confusion over accountability, and specifically *who* should make the decision, and *how* the decision was made. Leaders accustomed to full control can struggle to influence others in a matrixed environment, which can lead to a rejection of this way of working, resulting in disruption across the business and in some cases, leaders needing to exit the company. Meanwhile, organisation charts don't help – they can be messy or unclear, with a greater attachment made to the person rather than the role. Also role descriptions that are often out of date, and not read anyway... This can result in peers finger pointing at each others' functions, rather than their own (see Mike Thackray's article on how accountability done poorly can induce defensiveness), or assuming accountability rests with an inanimate steering group rather than seeing a specific individual as the accountable person, who uses the steering group as a means to bring people together and get decisions made.

So how can you create an organisation that supports a culture of accountability, that provides clarity as to who is accountable for what - both horizontally between the leaders, and vertically down the line. And what does this mean to have accountability?

In Mark Goodridge's article, he usefully differentiates between 'accountability' and 'responsibility':

"Responsibility is for those aspects of the business an individual has under their control or influence, assets, budgets, people, relationships. Accountability is much broader, it is for outcomes, indirect control, influence, stakeholders.."

"

To create an organisation where accountability is clear and effective, it is crucial to align the organisation with the strategy, clarify role accountabilities, and foster agility to adapt to changing market conditions

To create an organisation where accountability is clear and effective, it is crucial to align the organisation with the strategy, clarify role accountabilities, and foster agility to adapt to changing market conditions. This approach, known as the **Aligned, Accountable, and Agile** framework, helps organisations design structures that support accountability while allowing for flexibility and innovation.

- Aligned to the strategy supported by effective business planning process and systems of control
- Accountable clarity of which role is accountable for what
- **Agile** able to flex and adapt to changing market conditions



This then maps down from the organisation to the individual accountable holder, where we ensure that each accountable holder has sufficient (but not necessarily total) decision-making authority to deliver on their accountabilities:

- the key outcomes that the role is accountable for
- the decision authorities it has to enact that accountability
- · the tasks it is responsible for delivering
- the behaviours needed to engage with others to make wise decisions and take them with you along the way.

But mapping individual accountabilities and decision authorities is only part of the equation. To ensure buy-in and success, organisations must co-create the organisation design with leaders, establish clear lines of communication and collaboration between accountable holders, and engage stakeholders in the decision-making process.

This means:

- Co-creating the organisation design with the leaders to ensure there is buy-in to the logic of how it has been put together
- Demonstrating a clear line of sight between the organisation design and role design
- Ensuring that the accountable holders who interface with each other do so effectively by personally "contracting" with each other in how they will work together to deliver on their respective accountabilities. They also need to develop the skill of engaging with their stakeholders so that they understand and commit to delivering the required outcome rather than just focusing on their task.

Building a culture of accountability combines clear structures and processes with effective communication and collaboration. Finding the right balance between accountability and collaboration, is the start of building an accountability culture – establishing the necessary building blocks upon which the culture can thrive.

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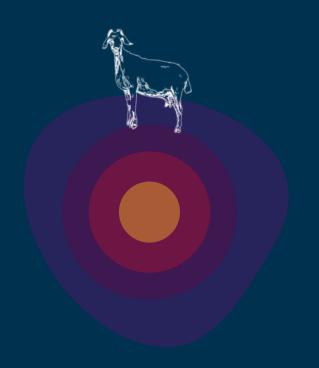
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