Our premise: Webster’s defines “accountable” as “subject to having to report, explain or justify; being answerable, responsible.” Accountability is unfortunately viewed as a negative in some organizations—something to be feared. It is the fallout of poor performance that will end up hurting you. Many traditional approaches to improve accountability have unintended consequences on employee engagement, innovation, and retention.

During this call, we explored a new definition of accountability: “A personal choice to rise above one’s circumstances and demonstrate the ownership necessary to achieving the desired results.” This is the essence of what high performing organizations are all about—every individual owning the business and feeling accountable as if it were their own. They have the attitude of continually asking, “What else can I do to achieve the results I desire and the organization needs in order to succeed?”

**KEY QUESTIONS ADDRESSED**

1. What is working in your company with respect to driving greater levels of accountability for performance? What have you learned?

2. What are the key barriers you are encountering? What can human resources do to create organizations where a new level of personal ownership and accountability flourish?

**INSIGHTS FROM THE DISCUSSION**

- Fostering a culture of accountability is a key focus area for virtually every firm that participated on the call. Unfortunately there is no “magic bullet” to create a culture of accountability for performance. Instilling a deep sense of responsibility for results among every employee is hard work that begins with ensuring your organization is “doing the basics” really well.

- “Doing the basics” well is the foundation of any effort to change the culture of accountability. This means corporations must ensure clear direction exists at all levels, the performance cycle is managed properly, and rewards and compensation are linked to results.

- There are several root causes or viruses (e.g., complex organizational structures, command and control leadership) that result in employees not taking responsibility and being held personally accountable for their performance. These viruses must be identified and addressed by each firm in order for significant progress to be achieved.

- Ideally organizations build the desire for accountability “from within” each employee versus relying on external factors such as pay or job security to motivate individuals.

**KEY CHALLENGES IN DRIVING ACCOUNTABILITY**

Organizations have historically struggled with instilling (and sustaining) high levels of accountability without the threat of...
consequences (e.g., “If you don’t do this . . .”) or the promise of rewards (e.g., “If you do this . . .”). We all know from the research on motivation that the most powerful drive comes from within—creating a strong commitment in each employee to take personal ownership for what they need to do and holding themselves accountable to do this. Today there are several pesky challenges that organizations face in their quest to instill this type of accountability for performance.

- **Complex Organization Structures:** In the world of matrix organizations, many employees have multiple managers. It is not always clear to the individual what they are accountable for and to whom. In addition, the total workload may be overwhelming and getting ongoing feedback on results difficult (e.g., “Which boss has the lead to do this?”). This is particularly true in corporate headquarter locations where the work tends to be more long-term and qualitative in nature. Many organizations today are also highly interdependent. One needs to look beyond just their silo to understand the impact they are having on other parts of the organization (which again can diffuse accountabilities).

- **Complex Decision Making:** Driven in part by organization design and size, it is not readily apparent who makes what decisions in many companies. In some firms this results in decision paralysis (e.g., “Everyone can say no. Who can say yes?”) and a lack of clarity on who is ultimately accountable for the impact of decisions that are made.

- **Unclear Metrics of Success:** Today employee performance is assessed on multiple dimensions, including what the individual accomplishes as well as how they did it. This can lead to confusion in determining their ultimate accountabilities.

- **Controlling Leadership:** In some companies, senior management is simply unwilling to “give up the reins” and let employees at lower levels in the organization take responsibility. This results in people waiting to be told what to do and lower levels of self-initiative and innovation. After all, behavior is easier to control when the person you are trying to control is dependent on you.

- **Culture of Fear:** The perceived risks of failing are higher today than in the past given the challenging job market and overall economic uncertainty. As a result people take less risk in fear of derailing their own career or losing their job if they don’t “get it right.”

All companies have certain orthodoxies, sacred cows, norms, and patterns of thinking and behaving that impair their financial health. One way to think about these beliefs and practices is as viruses. If you think of them as natural parts of the firm, it’s easy to shrug and accept them as facts of life. But if you recognize the way they can paralyze your operations, it becomes clear that they’re as dangerous to your corporate culture as computer viruses are to your corporate IT systems. They share another feature of computer viruses: they’re at their most deadly when they’re not recognized. Once you find an antivirus program able to diagnose and detect a computer virus, you can isolate the virus, prevent it from spreading, and repair and restore your files. Likewise, once an organization spots a cultural virus that is keeping things from happening as fast as they should, it can take steps to eliminate the blockage.

Here are some selected examples of organization viruses that The RBL Group has identified that prevent culture change around accountability for performance:

- **Caste: value by grade.** We judge people by their title and rank rather than performance or competence.

- **Command and control.** We like to make sure that senior managers run the company and delegate up responsibility; this keeps us from feeling a personal obligation to change.

- **Activity mania.** We like to be busy; our badge of honor is full calendars, even if it excludes thinking and results. We hide behind our “busy-ness.”

- **Show me the results: Results rule.** We like results—anyway, anytime, anyhow—we don’t instill a process.

- **Authority ambiguity: not clear on accountability.** In our matrix, we are not sure who is responsible or accountable, so no one is.

- **Compliant deflector: Over obedient.** We wait to do what we are told and delegate responsibility upward.

- **Glacial response: Whose decision is it?** We cannot get decisions made quickly.

- **Event vs. pattern.** Change is an event (do the checklist, attend the meeting) not a sustained pattern.

**DRIVING GREATER LEVELS OF ACCOUNTABILITY**

Based on the practices shared during this RBL Institute mini forum discussion we believe there are five key dimensions of driving accountability to improve business results. They include:

1. **Direction and Expectation Setting:** Provide clear “line of sight” from top to bottom on what the organization needs to accomplish, how success is measured, and what individuals need to deliver to support achieving the mission. This provides clarity on exactly what people are being held accountable to do.

2. **Capabilities:** Specific competencies should be defined that outline how people are expected to think and act in the organization. This provides clarity on how people are expected to do their work. Sufficient investment in training needs to be made to build this knowledge and skill at all
Creating a Culture of Accountability for Performance

3. **Coaching and Development**: Provide ongoing and balanced feedback on how well people are performing versus their responsibilities and what they need to do to strengthen their performance.

4. **Rewards and Recognition**: Highlight the contributions employees make to successfully deliver upon their objectives. This makes the clear connection between rewards and the results that people achieve.

5. **Culture of Accountability and Ownership**: Create a workplace culture where people are supported in taking personal responsibility and initiative to improve the business.

**SELECTED COMPANY EXAMPLES**

- **Applied Materials** has a long history and culture of accountability built through personal responsibility. Employees want to deliver and be successful (and not be seen as a failure). A robust approach to cascading the company’s strategy to all levels of the organization has created a clear “line of sight” from everyone’s personal goals to what the firm needs in order for it to succeed. A tighter integration of performance into the rewards systems has also improved levels of accountability at Applied Materials. Whether or not you achieved your personal objectives during the year will impact your compensation (along with how well the collective business performed).

- In addition to connecting the company’s annual plan with individual team member’s objectives and linking performance and rewards, **Target** has “Demonstrate Accountability” as one of their key competencies. There are several levels of proficiency that team members can aspire to demonstrate. A focus this year is on achieving a better balance between “what is accomplished” and “how it was delivered.” Target also has a very robust employee survey that has been used for over twenty years to drive accountability among leadership. The goal of the survey is simple: “You Speak. We Listen. Stuff Gets Done.” Approximately 93 percent of employees participate. Within a six-week period, results are reviewed and action plans are developed at all levels within the company. This is a great example of leadership role modeling accountability.

- **Northwestern Mutual** recently took a step back to ask: “How accountable are we?” This simple question led to a series of tools to better equip leaders during the performance management cycle (for example, how to set goals and translate them into specific tasks that individuals are held accountable for). They learned that “doing the basics of performance management” really well is absolutely essential to achieving higher levels of accountability. Their current focus is on how to foster more personal motivation and challenging the status quo among their more tenured employees. This includes providing higher levels of intellectual challenge, more useful metrics, and training connected to critical leadership competencies. A key part of this is training leaders on how to dialogue with their organizations, which includes educating them on the state of the business and how their responsibilities fit into the bigger picture.

- **BAT** changed its approach to performance management by radically simplifying the process. They felt it was way too complicated. The number of dimensions that were assessed was reduced and the technology made easier to use. Clear linkages were made from setting annual objectives to getting feedback to calibrating performance. Creating a new culture requires ongoing, regular feedback, and personal development.

- **AXA** historically has had a culture of hierarchy controlling the organization, which has stifled people taking personal responsibility. They are working to create higher levels of empowerment and accountability. They started this journey with a large leadership development program (10,000 senior managers) that they found had limited impact. It was too conceptual and high level. So they went “back to the basics,” especially on management quality (building leadership capabilities to empower their organizations) and “performance ethics” (ensuring that every employee received consistent messages throughout the year concerning their performance and how they can further grow and develop). AXA’s leadership framework is designed to teach leaders to role model accountability on several dimensions:
  - Accountable for yourself and your development
  - Accountable for your team
  - Accountable for your projects and results
As a result of the financial crisis, UBS experienced some leadership turnover at the top of the organization. As part of the new strategy, the Leadership Accountabilities were developed to ensure that leaders at all levels have the commensurate leadership skills to lead UBS forward. The Leadership Accountabilities consist of a set of twelve standards for all leaders at UBS across ranks and roles. They define the competencies needed to achieve three goals: to deliver sustainable results, develop and engage talent, and drive business collaboration. They are embedded in all management and leadership training and 360-degree feedback. The Leadership Accountabilities make transparent the expectations UBS has of its leaders: To act as role models by exemplifying the values, building high-trust relationships through collaboration and mobilizing others to reach their business objectives and to advance the organization. In close alignment between business representatives and HR, development opportunities have been provided for leaders to increase their personal ownership (and accountability) for their employees throughout the year.

- Pfizer has “instilling accountability” and “holding people accountable” embedded within its core competencies. A major effort in 2010 focused on improving manager capabilities in leading their teams. A “manager effectiveness index” was created to measure how well managers led their employees, and results of this are built into individual performance evaluations. In January, an effort to build a culture of ownership (“OWN IT”) was initiated. Every business is defining specific aspects of what this looks like (for example, thinking differently, giving feedback, and having urgency in the work they do). These more explicit descriptions of the expected behaviors will help close a gap in understanding that existed. Changes will need to be made in the “infrastructure” (such as empowering people, streamlining decision making, managing risk taking, and avoiding the fear factor) in order for the new behaviors to fully emerge. While human resources at Pfizer are stewards of the culture, line leaders are the clear owners of it. What they say (and importantly do) will ultimately determine what the organization’s culture will be.

- TRMC has been instilling higher levels of clarity in decision-making through the use of tools that depict who is accountable to make specific decisions. In addition, they have clear performance indicators, success factors, and ongoing feedback to provide employees with the direction and support they need.

- Invensys drives accountability from the top to individual roles through a “responsibility matrix.” It translates overall goals into specific actions and owners and is cascaded down through the organization. This tool helps provide “clear line of sight” and the ability to answer the questions:
  - What am I expected to do to contribute to the organization’s success?
  - How am I doing? What coaching and development is needed?

Invensys relies on reward and recognition programs to broadly communicate employee’s contributions and successes. At Invensys, many of the projects that people work on are very complex with a number of factors that drive its ultimate success (or failure). It is hard to only look at the outcome measures to assess individual performance. They are breaking this down into two components—“the what” and “the how” to provide better yardsticks.

THE ROLE OF HUMAN RESOURCES

Building an organization that has exemplary levels of accountability is the responsibility of line leadership. However, Human Resources plays a critical role in enabling this through the design and implementation of a wide range of supporting systems and practices, such as:

- Recruiting: hiring people who, by their nature, have a high level of self-initiative and personal ownership for their performance.
- Training and Development: providing clear definition of core competencies (success factors) and creating opportunities to learn about and practice these critical skills.
- Rewards and Recognition: creating a strong linkage between what people do (and deliver) and the compensation and feedback they receive.
- Organization Design: developing new ways to simplify the organization (to make roles and responsibilities more clear) and provide additional opportunities for everyone to contribute and feel fully supported by their leaders in their quest to assume increased responsibility.

CONCLUDING THOUGHTS

In a world of relentless change and intense competition, having every person in the organization “rowing together in the same direction with all their strength” is essential for sustained success. A combination of strong leadership (direction setting, feedback, coaching and development), effective HR systems (training, rewards and recognition, organization design) and a culture that fosters personal ownership will create high levels of accountability, and both great results and a great place to work.