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## Transparency Is The Key

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**Howard Behar** was still early in his career when he learned a vital lesson. Behar was in charge of a round of layoffs at a firm called Thousand Trails. Another manager left a list on the copy machine naming those to be let go. When Behar found out about it, he was torn. The easy thing would be to hope no one saw it.

The next day, his assistant advised him to make the tough call -- that only the truth sounds like the truth. People can handle it, she said.

"It was the single most valuable lesson I ever learned in management," Behar told IBD.

He called a company meeting and explained why the layoffs were needed. The response surprised him. "Everybody stepped up, even the people who were being laid off," he said. "It became a joint effort to try to solve the problem."

After that, Behar stayed as transparent as possible. Any question employees had, he found the answer for them. That built trust.

"Trust is what holds things together," said Behar, who later spent 19 years at Starbucks (NASDAQ:SBUX) and was founding president of Starbucks International before retiring in 2003. "When that's there, any problem can be solved."

Behar, who wrote "It's Not About the Coffee: Leadership Principles From a Life at Starbucks," learned the power of transparency early.

"If you don't give people all the information all the time, they don't believe anything else," he said.

Chicago-based leadership trainer Susan Kuczarski, in her book "Apples Are Square," calls transparency vital for today's leaders. If you have no hidden agendas, she says, people will trust you. If you hide things, they'll find out anyway -- and the trust will disappear.

Innovation and the ability to solve problems follow from transparency. The best ideas can come from anyone, Kuczarski says. An open environment fosters that.

She talked to one executive, Jack Riopelle of Wisconsin Film & Bag, who learned after he joined the firm that some customers were getting cheated. The firm often used cheaper materials in its products, passing them off as better goods.

Riopelle made his 88 salespeople offer refunds to the customers and explain what happened. The firm didn't lose a single customer.

"Even when there's a problem, you can build something positive out of it," Kuczarski said.

Behar also points to accountability as a key to any successful organization. If top leaders blame others, that attitude trickles through the system. Instead, they should own up to problems and fix them.

Keys to making your organization transparent and accountable:

It starts with trust. Employees need to feel they'll be treated fairly. Then they can take responsibility for something without fearing repercussions, Behar says.

Stop the blame game. Accountability gets lost when you point fingers, Behar says.

Accept mistakes. "You have to be willing to celebrate failures and learn from them," Behar said.

Root for people. That helps build trust, which brings out the traits you seek. "Cheer them on, encourage them and empower them," Kuczarski said.

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