

WickedLeaks

by Bob Whipple, MBA, CPLP

I read Seth Goden's blog every day and enjoy observing how his mind works. I am not Seth Goden, but I do admire how he comes up with interesting perspectives on the human condition daily. His blogs are often very short, which I appreciate from a time perspective, but even in a few lines he can make me think. His entry for today (10/9/2016) was "Visualizing the Leaks." It was about how organizations experience leaks all the time and often are not aware of them. According to Seth, "The first step is seeing it, and then to refusing to go back to not seeing it."

In this article, I will amplify on his observation about leaks in organizations and offer some ways to stop the hemorrhaging.

Webster defines the intransitive verb "leak" in two main ways:

1. to escape through an opening
2. to become known despite efforts at concealment

Both of these definitions have direct parallels in the business world, and each one has vast significance for the health of any organization. The definition Seth was addressing was the first one, so let's examine that first, then go on to some points about the second definition.

Organizations survive based on the nucleus of resources they have managed to amass and how well these assets are preserved. Whether we are talking about trade secrets, tangible assets, intellectual property, or key people, the organization becomes stronger when these elements are fostered and grow in number or weaker if they are allowed to leak out into the ether or become assets of a competing firm. Here the concept of a vessel comes in handy as a metaphor because we can picture resources escaping through some hole or crack in the vessel.

Let's focus the discussion here on the most important resource of all: people. The idea is to keep turnover to a minimum level and only lose those individuals who are dragging

the organization down in some way. Turnover is one of the most devastating costs for any organization, and it goes on in all groups. The antidote is to have such a wonderful culture, so far above what is available elsewhere that an individual would be a fool to pack up and go somewhere else.

To accomplish this requires leaders who know how to create great cultures. An example would be Tony Hsieh, who is the CEO of Zappos. In 2009 Zappos was acquired by Amazon because Jeff Bezos recognized the giant merchandiser could learn a lot from the smaller online retailer of shoes. For years, Zappos had offered new employees a bonus of \$4000 if they wanted to leave after their first year of training. Amazon upped the stakes with a program that they call "[Pay to quit.](#)" Amazon offers employees \$2000 to quit after their first year and then an additional \$1000 each year after that up to a maximum of \$5000 that is offered each year of employment, if the employee wants to leave.

In explaining the philosophy to stakeholders of Amazon, Bezos said, "The goal is to encourage folks to take a moment and think about what they really want. In the long-run, an employee staying somewhere they don't want to be isn't healthy for the employee or the company."

Other than a cash prize that tests loyalty, there are hundreds of ways organizations can create a fantastic culture where employees would be foolish to leave. Here is a very brief (and incomplete) list of examples:

1. Create a culture of high trust where people know it is safe to talk about their concerns without fear of reprisal.
2. Cross train people constantly. This encourages personal growth and adds bench strength. It is also a wonderful team building activity.
3. Set aggressive goals and keep people busy working toward the goals. Spend time and energy celebrating the small wins along the way. Make sure progress is reinforced.
4. Have specific values and insist that every employee, especially the managers, always live by them. It is easy to have a set of values but not always follow them when the going gets tough. Great organizations follow the values no matter what.
5. Have a culture where each person feels like a winner rather than a loser. This is done by creating a reinforcing culture that is real, not phony, and exists at all levels.

The idea here is not to create an exhaustive list of things that retain employees, but to give a few of the important examples as a reminder that the most important thing that will determine the culture of any organization is ***the behavior of its top leaders.***

When you retain the best people, then you tend to plug up all of the other leaks that can occur, like intellectual property, physical assets, and many other intangible assets. Let's shift gears and discuss the second definition of a leak: The inadvertent or intentional disclosure of information that was meant to be kept private.

With the reality of Wikileaks as an example of what is going on, it has become obvious that keeping information from leaking is more difficult today than it was 15 years ago. This trend will continue without abatement as technology becomes more ubiquitous. CEOs as well as all public figures are quickly realizing that we need to behave as if the microphone is always on, because for an overwhelming percentage of the time, it is.

Information will leak, period. The only way to run an ethical organization of high trust is to never talk or act in ways that are not consistent with what we would want plastered throughout the internet. That is a tough standard for CEOs who live in the pressure cooker of quarterly pressures from Wall Street all the time. It is the only standard that is defensible or rational in our world today. Many organizations are finding out that doing things with integrity is the only formula for long term success.

Seth Godin is right, we need to see the leaks that are going on and rise to the challenge of ubiquitous information in every organization that intends to survive. The good news is that those organizations who get that message are not only surviving, they are thriving.

Bob Whipple, MBA, CPLP, is a consultant, trainer, speaker, and author in the areas of leadership and trust. He is the author of four books: 1. *The Trust Factor: Advanced Leadership for Professionals* (2003), 2. *Understanding E-Body Language: Building Trust Online* (2006), 3. *Leading with Trust is Like Sailing Downwind* (2009), and 4. *Trust in Transition: Navigating Organizational Change* (2014). In addition, he has authored over 500 articles and videos on various topics in leadership and trust. Bob has many years as a senior executive with a Fortune 500 Company and with non-profit organizations. For more information, or to bring Bob in to speak at your next event, **contact him at www.Leadergrow.com, bwhipple@leadergrow.com or 585.392.7763**

