

Leadership and Management Best Practices to Increase Employee Willingness to Share Views



Office of Inspector General
Board of Governors of the Federal Reserve System
Consumer Financial Protection Bureau

ABSTRACT

The leadership approach of senior executives, managers, and team leaders plays an important role in driving organizational culture, fostering positive team dynamics, and creating an environment in which employees feel comfortable sharing their views. Increasing employees' willingness to share their views can improve the flow of information to decisionmakers and support more informed decisionmaking. Additionally, increasing employees' willingness to speak up may contribute to improved employee engagement and increased productivity.

Contributors

We describe a series of leadership insights gleaned from an evaluation we conducted regarding employees' willingness to share their views about large financial institution supervision activities. The major contributors to that project are listed below.

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Introduction

The leadership approach of senior executives, managers, and team leaders plays an important role in establishing an organizational culture, fostering positive team dynamics, and creating an environment in which employees feel comfortable sharing their views. We describe a series of leadership insights gleaned during an evaluation that assessed the willingness of Federal Reserve System employees to speak up while supervising large financial institutions.¹ Our evaluation included a survey of Federal Reserve Bank employees, interviews with Board and Reserve Bank employees, and a review of academic literature on a range of leadership and management topics.²

According to an organizational behavior study³ and a series of *Harvard Business Review* articles⁴ that explore why employees choose not to share their views in the workplace, employees appear to conduct a two-step internal assessment when considering whether to share a view:

1. Potential repercussions associated with sharing a view.
2. If no repercussions appear likely, the employee conducts a cost-benefit analysis to consider whether it is worthwhile to share the view.

With respect to steps 1 and 2 above, one article we reviewed suggests that employees perceive that the potential repercussions of sharing their views are certain and immediate, while the potential organizational gains associated with sharing are uncertain.⁵ Overcoming this potential obstacle is the essence of the challenge of encouraging employees to speak up.

In our evaluation report, we identified root causes that contribute to employee reticence to speak up, as well as best practices leaders can use to increase the willingness of employees to share their views. Although our evaluation report assessed this issue in the context of large financial institution supervision, many of our insights about leadership and management have broader applicability.

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1. Office of Inspector General, *Opportunities Exist to Increase Employees' Willingness to Share Their Views About Large Financial Institution Supervision Activities*, [OIG Report 2016-SR-B-014](#), November 14, 2016.
 2. Our evaluation included a survey of more than 700 employees at the 10 Reserve Banks that supervise large financial institutions, interviews with more than 240 Board and Reserve Bank employees, and the review of academic literature. A list of academic articles we reviewed appears at the end of this document.
 3. James R. Detert and Amy C. Edmondson, *Everyday Failures in Organizational Learning: Explaining the High Threshold for Speaking Up at Work*, 2005.
 4. See the list of sources at the end of this document.
 5. James R. Detert and Amy C. Edmondson, "Why Employees Are Afraid to Speak," *Harvard Business Review* 85, no. 5 (May 2007): 23–25. Business Source Elite, EBSCOhost (accessed December 18, 2015).



Root Causes of Employee Reticence to Speak Up

We identified five root causes that contribute to employees' reticence to share their views. Addressing these root causes will likely increase communication between leaders and employees and help to improve the flow of information to decisionmakers. Addressing these root causes may also lead to increased employee engagement, because when employees are more comfortable sharing their views, they will likely be more connected to their organization and leaders.

The need for management to solicit employee views more frequently. Not soliciting the perspectives of employees may contribute to their reluctance to speak up. Making a conscious effort to solicit employees' views conveys that leaders value employees' thoughts and opinions. Also, when leaders solicit their employees' views before sharing their own view, they reduce the risk that employees will simply conform to the leader's view.

The need for improved relationships between employees and decisionmakers. Employees may be more comfortable sharing their views with their immediate supervisor than with more senior leaders. There appears to be an inverse relationship between employees' comfort level and willingness to share and the rank of the leader—willingness to share decreases when interacting with more senior leaders. Deliberate efforts on the part of managers and decisionmakers throughout the chain of command to interact with employees can help to develop relationships, build trust, and increase open communication. Also, employee willingness to share may increase when middle managers model candor with their supervisors, which reinforces that it is safe to speak up, particularly with senior leaders.

The fear of retaliation during the performance management process. Employee perceptions about the performance management and promotion processes can contribute to employees' reticence to share their views. Employees may not challenge the views of management because they believe doing so may negatively affect their performance ratings and advancement prospects. Employees may also feel that those who agree with management are more likely to be promoted. Providing employees with specific and actionable performance feedback and clearly communicating the criteria for advancement may help increase employees' willingness to share. In addition, recognizing and rewarding employees who speak up may send clear signals to employees about the behaviors that leaders appreciate.

The perception that no action will be taken. Employees may not share their views because of the futility perception—that is, the belief that decisionmakers will not act on their input. If employees have shared ideas with their leaders in the past and the leaders did not act on their input or made decisions irrespective of the input, employees may perceive that it is not worthwhile to share their views. Leaders can dispel these perceptions by giving employees feedback on their ideas and explaining the rationale for decisions.

The expectation that employees must have complete confidence in their viewpoint. We found that in the context of financial institution supervision at certain Reserve Banks, some employees felt that they needed to have a fully formulated idea before expressing it to certain leaders. Employees' perception that they should share a view only after thoroughly evaluating it caused some employees to devote time to fully formulating their idea prior to sharing it, thereby prolonging the period between the identification of a potential issue and the escalation of that issue to the appropriate decisionmaker. In addition, employees' perception that they should have a fully formulated idea before expressing it could result in some employees investing considerable time or effort evaluating an idea that leaders ultimately may not think merits such attention. Leaders should evaluate their information needs—specifically, whether it is more important for employees to share an idea promptly than to take the time to fully formulate the idea—and ensure that employees are clear about leaders' expectations regarding the level of preparation required before speaking up. In this respect, leaders should be sensitive to the effect that organizational norms and management expectations may have on employee willingness to share.

ESTABLISHING ANONYMOUS CHANNELS FOR SHARING CONCERNS MAY NOT BE EFFECTIVE IN ADDRESSING ORGANIZATIONAL CULTURE ISSUES

According to one *Harvard Business Review* article, allowing employees to remain anonymous underscores the risks of speaking up and may reinforce employees' fears.^a According to the article, establishing anonymous channels suggests, "It's not safe to share your views openly in this organization. So we've created other channels to get the information we need." Although anonymous channels, such as an internal anonymous hotline, can serve as a valuable release valve for employees to anonymously report concerns, including potential ethical or safety and health issues, establishing such a channel generally does not effectively address the organizational culture issues and the leadership behaviors that may inhibit the sharing of views.

a. James R. Detert and Ethan R. Burris, "Can Your Employees Really Speak Freely?" *Harvard Business Review*, January 2016, pp. 82–83.



Best Practices to Increase Employees' Willingness to Share Their Views

We identified several best practices that leaders can use to increase employees' comfort level in sharing their thoughts and opinions. Implementing the processes and leadership and management behaviors outlined below can promote an organizational culture that encourages employees to speak their minds. These best practices can help leaders and managers enhance employee engagement and increase productivity.

Recruit and promote effective leaders. Leaders play a key role in influencing organizational culture and fostering positive team dynamics. Some organizations may prefer to promote individuals with technical proficiency and subject-matter expertise; however, such individuals may not be effective leaders. When hiring or promoting employees into leadership positions, it is important to strike a balance between technical expertise and leadership capabilities and focus on behaviors that will contribute to positive team dynamics.

Ensure that senior leaders and employees interact frequently. Informal interactions and formal meetings can serve as platforms for employees and senior leaders to exchange information and address employee concerns. When senior leaders work closely and interact regularly with their employees, those employees may be more comfortable sharing their views. (See text box for some interaction strategies.)

Solicit the input of others before sharing the leader's view. Employees are more willing to share their views when leaders solicit them before providing their own view. This approach drives participation, minimizes the likelihood that employees will

STRATEGIES TO INCREASE LEADER-EMPLOYEE INTERACTION

Meet and greets with new employees. The importance of building relationships with new employees should not be underestimated. Consider, for example, holding breakfast meetings to facilitate meet and greets with new employees.

In-person meetings with employees in remote locations. For organizations with offices that are geographically dispersed, consider traveling periodically to meet face-to-face with employees in remote locations. This can lead to remote employees feeling more comfortable sharing their views with their leaders.

Open-space floor plans. Consider an open-concept floor plan that makes leaders more accessible and facilitates interaction between employees and leaders. Open-concept floor plans allow team members to observe their leaders in real time. Although there may be drawbacks to such an environment, such as office redesign costs and workday interruptions, the costs should be weighed against the potential benefits.

conform to the leader's view, and affords leaders the opportunity to consider feedback that may test or challenge their view, which could result in leaders modifying their view on the topic.

Explain the rationale for decisions. When managers explain the rationale for decisions, they help to prevent employees from filling the silence with their own explanations, which can result in organizational myths. If an employee makes a suggestion to a leader and the leader takes a different course of action without any explanation, this may reduce the likelihood that the employee will share his or her views in the future.

Give and receive feedback effectively. Employees who receive clear, actionable, real-time feedback are more likely to have a better relationship with their manager and to be more willing to share their views. Further, managers who are open to feedback from their employees and embrace constructive criticism increase the likelihood that employees will speak up or challenge them.

Explain the criteria for advancement and promotions. When an employee is not promoted as anticipated, the supervisor can demonstrate a commitment to the employee's development by describing what the employee needs to focus on developmentally to advance. Failing to share these criteria or explain why decisions surrounding advancement are made erodes trust and invites organizational myths to fill that void. For example, an employee may interpret that he or she did not receive an expected promotion as a result of sharing a view that did not align with that of their management. Alternatively, an employee may perceive that others in the organization who appear to agree with their leaders are more likely to advance and conclude that it is best to not share differing views.

Model a willingness to challenge throughout the chain of command. Employees are more willing to share their views if their leaders demonstrate a willingness to do the same with their supervisors. The academic literature we reviewed notes that a leader's willingness to challenge throughout the chain of command can encourage others to identify and share issues.⁶

Designate contrarians. Designating a team member to play the role of the contrarian during meetings could lead to a more thorough discussion and analysis of the relevant topics. An interviewee stated that a former team leader encouraged open communication by serving as a contrarian despite the leader's actual thoughts on a specific topic and that this approach made employees sift through alternatives to arrive at their best argument. According to the academic literature we reviewed, appointing a person to raise issues and concerns can result in employees developing the habit of providing feedback.⁷

Recognize and reward (publicly, if possible) those employees who do speak up. Employees are more likely to feel comfortable speaking up again if they are publicly acknowledged or rewarded for doing so.

6. Rebecca Knight, "How to Get Your Employees to Speak Up," *Harvard Business Review*, October 2014, p. 3.

7. Knight, "How to Get Your Employees to Speak Up," pp. 3–4.

Acknowledge that leaders sometimes make mistakes. One leader we interviewed communicates informally with her employees about instances in which she has learned from her own mistakes. When leaders acknowledge that they make mistakes, they (1) reinforce that perfection is not the operational standard or expectation and (2) demonstrate that mistakes can provide learning opportunities. This candor can increase employees' trust in their leaders and may encourage employees to speak more freely.

Hold skip-level meetings. During skip-level meetings, employees periodically meet one-on-one with their supervisor's manager. Skip-level meetings may help to build trust by (1) providing more frequent interaction across various levels of the organizational hierarchy—not just according to the chain of command; (2) demonstrating to employees that their supervisor's manager is interested in their viewpoint; and (3) helping to build relationships with employees. Skip-level meetings may help increase the comfort level of individuals in escalating issues or concerns directly to senior leaders or speaking in front of their leaders in other forums. These meetings also benefit management by giving senior managers the opportunity to gain greater insight into employee issues and the effectiveness of managers below them in the chain of command.

Hold senior executives, managers, and team leaders accountable. Senior executives can ensure that leadership and management best practices cascade through the entire organization by holding leaders throughout the chain of command accountable. One possible approach is to ensure that leaders' performance competencies and incentive compensation packages emphasize behaviors that encourage employees to share their views. Further, a performance review process that includes feedback from a leader's peers and subordinates, not just from the reviewing manager, can shed light on how others perceive the leader and highlight opportunities for improvement.

SPECIFIC PRACTICES CAN INCREASE A NEW EMPLOYEE'S OR A TEAM MEMBER'S WILLINGNESS TO SPEAK UP

Leaders can take specific measures to support the integration of new and transitioning employees into the organization or team and thereby increase their willingness to share their views.

Customizing the onboarding process for each new hire allows these individuals to acclimate more quickly, which can boost their comfort level and confidence. Onboarding processes that incorporate regular check-ins between new hires and their manager can assist in building trust.

Knowledge transfer and mentoring programs can benefit new employees as well as employees transferring to a new team. Overlapping a new team member with his or her predecessor can smooth the handoff of responsibilities, familiarize the new team member with his or her responsibilities, and reduce learning curves.



Progress Monitoring

Senior executives can benefit from monitoring their organization's progress toward addressing the cultural elements that affect employees' willingness to share their views. One potential approach entails conducting periodic employee surveys and follow-up activities. By conducting employee surveys, organizations can collect feedback about topics such as the level of employee engagement, the effectiveness of executive communications, and the extent to which employees trust their leaders. Employee surveys can provide a point-in-time measurement of the organizational culture and climate and enable leaders to identify trouble spots or areas that need heightened attention. Conducting such surveys on a recurring basis can help organizations monitor progress toward addressing feedback, identify trends, and develop mitigating strategies.



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