



Executive Accountability: Three Areas to Monitor

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It seems that there has been a lot written about accountability lately, whether this is accountability in our government leaders to the citizens they serve or accountability on the part of business leaders to their constituencies. I believe this should lead business owners and executives to ask themselves: How accountable are you to others in your company, from your executive management team all the way down to the newest entry-level employee hired?

Los Angeles and Southern California business leaders who are most effective when it comes to leading their companies also tend to be the ones who allow themselves to be held accountable by others in their organization. They set the proper tone for accountability at the top of the organization — a tone that is likely to filter down throughout the rest of the company when others see it practiced by the owner or CEO.

Areas For Accountability

There are several specific areas where business leaders should strive to hold themselves accountable, including the following:

1. Leadership — One of the most important transitions for many owners and entrepreneurs is the transition from being a manager to being a leader. Many entrepreneurs find it difficult to let go of managing the day-to-day tasks of running their business in order to focus their attention on truly leading the enterprise.

And the most important job of a leader is to cast the strategic vision and direction for the company. Nobody else can do this — vision must come from the very top, and you must be able to get your key executives to buy into it. They, in turn, are responsible for enthusiastically sharing this vision with their direct reports and bringing it to fruition by implementing strategic initiatives and action plans company-wide.

Accountability question to ask: Am I spending most of my time *leading my team*, or trying to *manage or perform* tasks?

2. Delegation — Strong leadership will be impossible if you don't master the art of delegation. Otherwise, you'll spend most of your time trying to manage all the various details involved in running your company — or worse yet, trying to perform routine tasks yourself.

Delegation is a three-step process: First, hire the best people you possibly can. Ideally, you will hire to your weaknesses in order to bring balance to your team. Second, train your people well and provide them with the tools and resources they need to excel in their jobs. And third, follow through by actually giving them responsibility and authority. And don't look over their shoulders or meddle — once you delegate tasks, give your employees the freedom to work on them without interference, even if they fail.

Accountability question to ask: Am I comfortable handing tasks and responsibility off to other people — *and then letting go*?

3. Communication — Almost without exception, strong leaders are strong communicators. It's up to you to clearly communicate your vision for the company to everyone, not just your inner circle. This can be accomplished through regular company-wide meetings, as well as via electronic means like e-mails, videos and the company intranet.

But don't rely too heavily on electronic communication. Most employees want to see that their leader is a real living, breathing, human being — not just a talking head on their computer screen. Guard against the temptation to spend most of the day locked inside your office or in executive meetings with your inner circle. Try to spend time every day interacting with rank-and-file employees, and get to know them on a personal basis, as appropriate.

Accountability question to ask: Am I comfortable *communicating directly with all my employees*, or is this something I shy away from?

Keeping An Accountability Score

If you really want to get serious about accountability at your company, work together with your key executives and managers to create accountability scorecards. Establish individual accountability goals that are quantifiable and measurable and then monitor and track these on individual accountability scorecards for each of you.

For example, your scorecard could include the amount of time you spend each day on leadership and vision-casting work as opposed to management and performance tasks. Or how much time you spend in your office with the door closed or in closed-door meetings with executives versus interacting with rank-and-file employees. For true accountability, you must be willing to share your scorecard with everyone else in your organization.

Concluding Thoughts

Los Angeles and Southern California business leaders who want to take their companies to the next level must make a commitment to holding themselves accountable to the rest of their organization in a number of different areas, including leadership, delegation and communication. By setting the proper accountability tone at the top of the company, CEOs can help ensure that this filters down throughout the organization. A formerly-seated chief financial officer from a CFO services firm can help you create an accountability scorecard to monitor and track your and your managers' performance in areas that are critical to your company's success.

About CFO Edge

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