



## CHAPTER 1

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# TOWARD A CULTURE OF CANDOR

*All faults may be forgiven of him who has perfect candor.*

—WALT WHITMAN

“Nancy, I want to have a talk with you. Please come to my office.”

The call was from the chief executive officer of the bank where I was senior vice president in charge of product development and pricing. I enjoyed my position and expected to fill that role for quite some time.

Why did the CEO need to see me alone? I knew something was up. I called my immediate supervisor and told her that I had been summoned to this meeting that didn’t include her.

She simply said, “Yes.”

“Should I prepare anything?”

“No. You should just go.”

Notebook in hand, I arrived at the CEO’s office. He told me that the president for the northern region—a portfolio worth about \$1 billion—was retiring. I scribbled down everything he was telling me, certain that he was preparing to ask for a product launch in honor of the retiree’s replacement.

Then I heard him say, “I’d like you to take over that job upon his retirement.” I stopped taking notes.

I just looked at him, wondering what to say, and this is what I came up with: “You know I have never underwritten a loan in my life.”

The CEO, who had progressed to his position through the investments department of the bank, leaned forward in his chair. “Neither have I.”

Those three words have stayed with me for many years, because I felt a sense of freedom at that moment. “So, what you’re telling me is that I should go up there and make sure I’m surrounded by the right people who can get the job done?”

“Exactly.”

About two weeks later, the CEO died.

My promotion had not been announced. I didn’t even know whether his successor as CEO agreed with him and wanted me to be the regional president, but it turned out that he did, and I assumed my

new role. In the weeks and months ahead, as I strived to meet the goals that my departed leader had set for me that day in his office, I felt his presence repeatedly, and I kept thinking of those three words. For this new responsibility, what mattered was not whether I knew the mechanics of underwriting a loan. What mattered was leadership.

The CEO had seen something in me that I had not seen in myself. Whenever I had faced something new, I saw past the details and embraced how I could influence the outcome. I focused on what really mattered. Still, my immediate thought upon being offered that promotion had been, “I don’t know if I can do this.” I expressed where I felt vulnerable—and in return, I got a lesson for life.

He didn’t try to convince me that I could do it. You can’t convince people to change their perspective, as any good salesperson knows. They decide for themselves. As it turned out, I loved making loans. I felt that I was helping people to realize their dreams, whether for a family home or for their business. In making loans, I got to know people by listening to their stories. I was candid with them, and it was clear to me when they were being candid in return. I found that I had a sense for when people were upfront about their intentions and commitments.

It was unusual in 1995, in Virginia, for a woman to be a regional bank president. On my first day, I heard from female tellers around the state—we had 3,500 employees—who appreciated knowing they could aspire to such a position. A lot of women in our organization felt encouraged, but I was thinking more about living up to the CEO’s show of faith. I wanted to demonstrate my gratitude.

Today, I think often of that long-gone soul. Because he shared, I could grow.

## THE TURNING POINT

We all have those moments when we don't know whether we will be up to the task. Think about a time when you have held back in expressing your own fears and doubts. Why did you hesitate? Were you worried that you would look bad, or weak?

Today, in my role as an executive coach, people often tell me they are concerned that they will be unmasked as somehow inadequate. It is the “impostor syndrome,” the fear of being exposed as a sham or a fraud—as the emperor without clothes—and it gets in the way of candor in relationships.

It is human to feel uneasy when venturing into the unknown. We must think of those misgivings and doubts not as signs of inadequacy, but rather as recognition of our room for growth. We are challenging ourselves to continue developing as we move into new territories.

Most of us can identify times of struggle that put us on a newer, wiser path to success. It's almost as if we have to fade before we can grow. Often, our turning point comes when someone speaks to us with true candor.

When I was six months into my new job as the regional bank president, I found myself doubting whether I was truly the one who could take us to the next level of growth. As a result, I did not

feel that I was stepping boldly into the world of possibilities—so I engaged a coach.

To gain a renewed perspective, I needed someone with whom I could relate as a peer but who had no agenda with the company. I needed to identify and pull down any barrier to my own success that I had erected. I needed a comfortable relationship with someone who could help me explore ideas for innovating. With a good coach, I could be true to myself, with no one judging.

As I sought that professional coaching, I realized that the assistance I was receiving was the same kind of assistance that I had been offering to a lot of other people. Every day on the job, I asked questions and offered support. All along, I had been helping others to stretch their potential. I found that I loved both being coached and coaching others. I had the foundation for a new career, in which I strive to help people reach greater heights. Coaching is not about fixing people. Coaching is for people who are already successful and want to take the next step as they do new things with new people.

Today, I am privileged to work daily with smart and successful businesspeople who want to be even more effective. They want better relationships and better results. They are developing enterprises that create many jobs, and they are doing good things in the community. I meet with engineers and manufacturers, with e-commerce retailers, scientists, consultants, physicians, and C-suite executives. These are passionate people who help our society thrive, and I have the pleasure of learning about their businesses. My role is to help them clearly see the path that they wish to pursue. My career is a joy.

I am a coach who knows what it is like to be coached. I've been there. I understand how it feels to be in transition and uncertain of what lies ahead. I have seen how coaching has benefited me, and I can empathize with the range of feelings involved. I recognize that, on the path to greater success, it is a good idea to reach out to others so that I might learn more about myself. And I know this, above all: without candor in our relationships, we cannot progress.

## **AN UNCOMMON COMMODITY**

You may be old enough to recall hearing US President Richard Nixon assuring the country that he was speaking “in all candor.” It was a common phrase that he used even as the nation was realizing, during the Watergate era, that his honesty left something to be desired. His assertion, “I am not a crook,” was somehow not the perfect candor as described by Walt Whitman, the poet of the American spirit, in the quote that begins this book.

I'm sure you can readily think of the names of many prominent prevaricators who have been in the news. Some of them are no doubt decent people who went through a bad patch. Others seem unable to speak the truth no matter the circumstances.

Candor is simple sincerity and honesty. When it lapses in a big way, our respect for leadership erodes. The examples are many, which demonstrates that the lack of candor in our culture is a shortcoming that is deeply ingrained in our lives.

In boardrooms and families across the country, it is time to be open and direct and to communicate respectfully with all. Candor is a

commodity of uncommon value to our society, yet we see not nearly enough of it. In more ways than one, we are a people who long for that kind of truthfulness.

We have so much to gain by remedying that. Research shows a significant return on investment from a culture of candor, a powerful tool that builds trust and is a force for positive change. Authentic conversation, quickly getting to the heart of what matters, translates into organizational success.

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## THE ART OF HONESTY

There are times when we communicate with candor, and times when we do not. The goal is to be more candid more of the time. It's within each of us to be totally lacking in candor at times, yet that doesn't mean we're unscrupulous. It means we are human. To be candid is an art, and we have to practice it to perfect it.

Each of us has the capacity to play so many different roles in life. The actress Meryl Streep has said that when she is acting, she is just bringing out those traits already within her that define the character. She is not faking the role; she *is* the role. We all have candor within us. What we need to do is bring it forward more frequently.

Leland Melvin, former NASA astronaut and NFL wide receiver, understands the art of candor. Speaking at the University of Richmond, his alma mater where he studied chemical engineering, Melvin credited his success to two primary factors: grit and the support of others. He

tells of his experiences in his book *Chasing Space: An Astronaut's Story of Grit, Grace, and Second Chances*.

Melvin says his “grit”—the willingness to work toward a goal despite setbacks and failures along the way—had much to do with his success. He learned early on that those setbacks could become building blocks.

During a training dive at NASA, Melvin suffered an injury that left him deaf for a time. Despite that challenge, he flew two missions on Space Shuttle Atlantis. He knows that none of it could have happened without the many people who inspired him in his family, career, and church community.

“Through the grace and wisdom of the good people in my life,” says Melvin, “I had developed a growth mind-set and truly believed anything was possible.” After Melvin’s remarks, he fielded questions, many of them from children and teens, and he encouraged all of them to believe in themselves.

Melvin’s story reminds us that we have the power within us to profoundly influence other people’s lives, and we in turn need others to become our very best. By reaching out to our fellow travelers, we can reach for the stars. That’s one giant leap toward honesty in our relationships.

That type of candor can benefit more than individuals. It is what allows an organization to be wholly more successful than its parts. We need to foster environments in which honesty is such a habit, so welcomed, that we don’t even consider hiding our individual short-

comings. By acknowledging how much we need one another, we can all grow together.

It's not as if some of us wear halos of candor. It doesn't mean that anyone is better than anyone else because they are more candid. Sometimes we practice candor and sometimes we don't, but in those moments when we do, we tap into something powerful.

## **IT'S NOT ABOUT OUTRIGHT LYING**

When we're not being candid, I don't think we believe we're lying. When managers need to point out an issue they have with an employee, they often will extol that person's strengths and then gloss over, at half the decibels, the area for improvement. That's not lying. But it's not candor, either. When you hold back or emphasize the wrong things, you lose your emphasis. It's little wonder that others just don't get it.

Often when we're not being candid, it's not purposeful. It's almost accidental. We are trying to project something, maybe subconsciously, or we're trying to make a point, so we selectively choose information. On a first date, for example, people put their best foot forward. They project their ideal of themselves. If you have done that, does that make you a liar? Later, as a relationship develops, we find each other less than perfect. The projection wasn't quite accurate. Yet, in most cases, it's just the normal progression.

Similarly, people project their ideals of themselves in a job interview. Hoping to "win," many people try to demonstrate they have all the right stuff for the job. How much better if they focused on whether

they were a good fit for the job. If you can't be yourself, you won't be happy, and a good place to start being candid is the job interview. Yes, it's good to dress smartly and display your best self, but trying to be something you are not cannot be your objective if you are to succeed. You may adjust well to the position and excel, but if you are making a career move, keep in mind that you likely will be happiest where the fit is best.

In the long run, we do well when we are very honest about our qualifications for a job as well as our interests. It's natural and desirable in an interview to want to make the most of our strengths and accomplishments, so long as we don't talk ourselves into something we hate. A lack of candor can have such a consequence.

A friend of mine interviewed for a job with a financial regulatory agency, and she thought it was going well. She laid out her qualifications, background, and references. Her interviewer, a senior executive, thumbed through her resume and other papers and laid them on her desk.

"Would you like some feedback?" she asked. "Yes," my friend said.

"I don't hear passion," she said.

The comment took my friend by surprise. She felt she had clearly shown she had what it took to do the job.

"I'm looking for someone who really wants this job," the executive explained.

At that very moment, my friend told me, she realized that the interviewer was correct. No amount of talk could cover for the fact that she just wasn't excited about the job. In fact, her presentation had revealed the truth that an astute interviewer could not miss.

In the end, the experience, though initially disappointing, was good for her. A candid observation had saved her from what potentially could have been unhappy and unproductive years. It also showed her the importance of demonstrating eagerness for a job.

Ask people whether they have ever had a "great" interview, yet never got a call back. Most people will nod knowingly. What went wrong?

They imagine it was this or that or another thing, and the truth was yet something else, but nobody explains. My friend thinks the world of that person who didn't hire her. That frank rejection, she says, was a gift.

There's no reason to be offended if someone is being honest and tactful. To tell the truth in kindness is a huge favor.

To help people avoid the wrong path, or get on the right one, can save them years of frustration. In the end, candor grows respect.

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## A TROUBLEMAKER IN RELATIONSHIPS

Lack of candor is the number-one reason for mischief in our relationships. Because of unproductive conversation, we fail to get the velocity and results that we desire. Our failure to be straightforward is a barrier not only to productivity, but also to satisfaction. It's simply no fun to live under illusions, whether on the job or in the home.

We can make the biggest impact through straight talk. People want to know just what they are dealing with, so that they can move forward. Otherwise, they can feel vulnerable or incompetent and stuck, and their fears rise to the fore. It is one thing, for example, to say, "Our public-school system is not working." It would be quite another to say, "Teachers are bad." Yet without clear and straightforward talk, people might imagine the latter, even though nobody said that. Constructive communication provides a clear context so that others are less likely to take our words the wrong way.

We need to be open and direct, to speak simply and honestly, and to communicate respectfully. That hasn't commonly been the practice, yet it is essential if we are to drive our organizations and society to higher levels.

## A SPORTING CHANCE

I love baseball. I've loved the sport since I was a girl, although Virginia has not one major-league sports team. When we were kids, we would go to see the Tidewater Tides, which was a minor-league team affiliated with the New York Mets. (They're now the Norfolk Tides, a farm team of the Baltimore Orioles).

When Tom Hanks' character shouts, "There's no crying in baseball!" in the movie *A League of Their Own* (about the All-American Girls Professional Baseball League in place during World War II), we are reminded that baseball is a sport of tough love.

Chad Harbach describes the game in his novel *The Art of Fielding*. One of his characters thinks of baseball as, "Homeric, not a scrum, but a series of isolated contests. Batter versus pitcher, fielder versus ball. You couldn't storm around snorting and slapping people ... You stood and waited and tried to still your mind. When your moment came you had to be ready because if you [expletive] up, everyone would know whose fault it was. What other sport not only kept a stat as cruel as the error but posted it on the scoreboard for everyone to see?"

If any game demonstrates candor, it's baseball. It's a complex and nuanced game, won purely by skill without aggression. I love that stadium atmosphere, with all those excited people—and it's all out in the open.

You see, athletes make mistakes all the time, and their mishaps are splashed all over the media in replay after replay. But only in baseball is it so fundamental to how the sport is played and followed that error stats are as much a part of the game as catching a ball. In other sports, the stats tally the "positives": the touchdowns, the goals, the fastest time. In baseball, quantifying and recording a player's mistakes is an official part of the game. Those stats are recorded for history. Now that's candor about performance.

Imagine if your boss were to keep a tally of everyone's successes and mishaps in the front lobby. To some, that would be embarrassing or cruel. But if the culture, the collective environment, is perfectly open and honest, mistakes aren't something to be covered up or forgotten. They are part of learning and growth. If we are uncomfortable talking about the errors, then we've closed the door on improvement, and we've set a tone for perfection that becomes unattainable. Perhaps if

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every organization were as candid about errors as baseball, then we'd find more opportunity for collaboration and development.

I wonder if the players mind the scorecard's record of errors? My guess is that they're okay with it.

They've chosen this sport and pursued it with a passion, knowing full well they will be identified by their errors just as they are with their hits, homers, and perfect games.

## **A TOUGH PILL TO SWALLOW**

Johnson & Johnson's recall of Tylenol remains one of the most outstanding examples of being forthright in times of crisis.

In 1982, seven people died unexpectedly in the Chicago area within one week. It was discovered that the common thread among the deaths was that each victim had consumed Extra-Strength Tylenol. At the time, this medicine was the company's best-selling product and the top over-the-counter pain reliever on the market.

It was quickly determined that some containers of Tylenol had been tampered with after arriving on store shelves. Someone had placed cyanide into the tablets, many times a lethal dose.

James Burke, the company's CEO, had a decision to make. While it was believed the tampering had happened after the pills had left Johnson & Johnson's production and distribution channels, there was no way to know how many more bottles of Tylenol were carrying lethal tablets. Burke could have done what other organizations have done at times like this in an effort to protect profits and reputation: deny culpability, say carefully crafted words developed to avoid litigation, blame others, and delay action. Another option, the one most focused on public safety and the costlier one to the company (certainly in the short term), was to recall the product.

Burke proved to be an example for all business leaders. He not only decided to recall the product in Chicago but also extended the recall to all Tylenol on shelves nationwide.

Imagine standing in front of your management team and board of directors and recommending the recall of over \$100 million of your leading product. Then, to restore the brand to a market-leading position, Johnson & Johnson would need to spend massive amounts of manufacturing and marketing dollars to replace the tablets and rebuild customer trust of, and loyalty to, Tylenol.

*The Washington Post* and other major news publications gave great credit to Johnson & Johnson, suggesting it effectively demonstrated how business ought to handle a disaster, using words such as "candid,"

“contrite,” “compassionate,” and “committed to solving the murders and protecting the public.”

Not only did Johnson & Johnson give us a fine example of candor by an organization in the throes of crisis but, as part of the initiative to reintroduce a safe Tylenol product, the company also developed tamper-resistant packaging, which is the norm today in the pharmaceutical and food industries. Due to these actions, it's true that additional lives were spared. And within a year, Tylenol sales and Johnson & Johnson stock returned to pre-crisis levels.

Why do companies still struggle with acting candidly? What is it about the fear we feel in times of crisis that freezes us so that we act in a less-than-candid way? How can this example be a model that more organizations use in times of crisis?

Johnson & Johnson's leaders stayed true to the company's credo. They chose to do the right thing and were very straightforward. They quickly conceded that they didn't know where the problem lay, but within twenty-four hours determined that the poisoning did not happen at the factory or on the way to the stores. Still, they chose to be leaders. They communicated what they knew and did not know and what they would do to learn the truth, all the while emphasizing safety over profit. It was not an easy position to take, but it was the right one. Unfortunately, it is not hard to bring to mind examples of major corporations that have been far less candid in their approach to public relations in the wake of crises. Corporate leadership clearly has a long way to go.

## THE ROI OF CANDOR

As one might imagine, there is a return on investment (ROI) for candor, and it helps the bottom line. But you don't need to imagine. Among a sample of Fortune 500 companies where the CEO is judged to be open, use clear language, and share information, the average returns are consistently greater than the S&P 500 market returns. And in companies where the CEO is perceived to use jargon or obfuscate, the average results consistently are below the S&P 500 market returns. That's according to data compiled by Rittenhouse Rankings, a candor-analytics firm that helps executives gain insights on their corporate culture to strengthen leadership and performance.

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The firm ranks companies based on candor. In its 2015 Candor Survey, it confirmed that “companies excelling in candor substantially outperformed the market.” It reported that “for the tenth consecutive year, the top-quartile companies in the Rittenhouse Rankings Candor and Corporate Culture Survey outperformed the S&P 500 Index return of 1.8 percent by posting an average year-over-year return of 17.6 percent.” Although candor may seem like a subjective behavior, here it becomes quantifiable—and the numbers don't lie. Points are awarded for “informative, relevant disclosure” and deducted for “jargon, confusing statements, and clichés.”

Rittenhouse Rankings has produced a valuable tool: the companies included in the survey have their communications evaluated for candor, and other businesses can see and learn how candor impacts success. Prospective employees and customers have an additional resource to make smart decisions about where they want to work or shop (or not).

Those findings should come as no surprise. Common sense tells you that when you treat people well—honestly and openly—the word will get around. More and more, I am hearing our global business leaders, top consultants, authors, and speakers make a case for candor. They are expecting it from themselves and demanding it from others. In his book *The Speed of Trust*, Stephen M. R. Covey opines on the power of trust as “the one thing that changes everything” and drives profits. Of his thirteen principles, his number one is “talk straight.” To me, that underscores the importance of candor. Authentic conversation, quickly getting to the heart of what matters, translates into organizational success.

In this book, you will find many stories about leaders who have learned from their experiences, and about my own evolution in learning the value of candor. Through these stories, I hope to illustrate the power of straightforward communication and what we miss when it is lacking. It’s time that we create a culture of candor in our workplaces and in our lives.