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## Clarity in Action

CEOs and executive teams must work hard to gain clarity and communicate it throughout the organization. A Wall Street Journal interview with Carlos Ghosn provides an excellent example of clarity in action (*Ghosn Maps Path Through Slump*, 1/28/08). Carlos Ghosn, of course, is the CEO who rescued Nissan Motor Co. from near collapse about a decade ago. Nissan is now one of the world's most profitable automakers. In the article, Ghosn shares five tips for managing a global workforce:

1. Surround yourself with people you trust completely.
2. Ensure your strategy is unambiguous.
3. Establish a clear budget.
4. Ensure managers know your priorities so they can make decisions in your absence.
5. Use one master time manager to keep track of all appointments.

Notice anything about these five items? Three of them are about clarity – clarity in direction, expectations, and required actions. This is followed by clear communication.

Patrick Lencioni talks about the importance of choosing clarity over certainty. In business, certainty is impossible, for we will never have “all the information.” Therefore, a clear decision is often better than no decision.

John Hamm also addresses the issue of clarity in *Five Messages Leaders Must Manage* (Harvard Business Review, May 2006). According to Hamm, employees want to know their leaders' goals and what they must do to help accomplish those goals. Therefore, leaders must clearly communicate on five topics:

- Organizational reporting structure (lines of authority and accountability)
- Financial results (planned and actual)
- Purpose of the leader's job (For this, leaders must listen to outside input because they don't have all the answers.)
- Management (taking time to focus the team on the most important priorities)
- Corporate culture (sharing definitions of a healthy culture and the criteria for success)

This clear communication will likely not happen, and definitely not endure, unless the CEO and executive team first clarify the fundamental tenets of the organization:

- Core Ideology
- Envisioned Future
- 3 Year, 1 Year, and Quarterly Priorities

This is important work. Clarity enables CEOs and executive teams to achieve great results. The greater the clarity, the less effort is wasted due to lack of focus within the organization.

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