Creating an Information-Sharing Culture
with Your Outsourcing Partners BY STEPHEN M. DENT

We've been hearing a lot about the need for government agencies to share information. A congressional report cited the lack of information-sharing as a major factor behind the failure of U.S. intelligence agencies to prevent the terrorist attacks of September 11, 2001. Government agencies failed to act quickly in the aftermath of the Hurricane Katrina, in part, because the extent of the damage was not fully understood.

Many might be thinking that big, bureaucratic governmental agencies not sharing information is the norm; in fact, within business cultures, sharing information is equally as random.

STUCK IN SMOKESTACK MODE

To be successful, businesses must create a culture that promotes the exchange of knowledge and ideas among individuals, departments and outsourcing partners. Subordinates will not share information if leaders do not. Businesses must embrace the 21st-century Information-Age model, where wealth is built on gathering information and using it to satisfy customer needs.

Unfortunately, many businesses today still look like old industrial industries. Their "smokestacks" are the isolated "silos" that make up individual departments within their organization. These departments often act independently, sharing only limited information. This creates opportunities for misunderstandings, process breakdowns and conflicts.

One of the powerful truths about information is that it is exponential. In other words, if you have information and I have information, together our separate pieces of information can equal more than two. Think of it in terms of jigsaw puzzle pieces. With each new element of information, you're able to see more clearly the emerging patterns and move more quickly and precisely to make wise business decisions.

The free flow of information can give your company a powerful competitive edge. But — and this is very important — employees will only share knowledge and ideas if you've created an internal culture that allows them to do so.

POISONED SYSTEM

One of the biggest obstacles that leaders must overcome is seeing their business as a series of single events. Businesses are like living organisms, with their health dependent on employees' interaction. This holds true for outsourcing relationships, as well.

Say, for example, that a conflict occurs between a manager and an outsourcing partner. The company's leadership expects the managers to resolve conflict in a "businesslike" manner and to focus on the "job." But this type of "brush-the-problem-under-the-carpet" approach does not usually end conflict. As a result, tension between the two partners filters down through the organizations and poisons the relationship, inhibiting the sharing of important information.

Such a seemingly small episode can seriously harm an outsourcing relationship, especially if the conflict is allowed to be resolved using a win/lose outcome.

When people are in conflict, they are rarely comfortable revealing their feelings about underlying issues that led to the conflict. Nor do they feel comfortable giving others feedback, especially if the other person is in a position of power. Trust between the organizations quickly diminishes, making any future interaction between the parties more difficult.

Each day without open internal communication is a day of lost business opportunity. If you fail to communicate and use information while it's relevant, you will lose the advantage that the information offered you.

SELF-DISCLOSURE AND FEEDBACK

Along with trust, the key partnering attribute to use is Self-Disclosure and Feedback — openly, candidly and honestly discussing issues. When issues cannot be discussed for legal or ethical reasons, this fact needs to be disclosed. Telling someone you can't share information with them is not the same as not sharing anything.

The bottom line is that it is incumbent upon leaders to role model the importance of open, candid and honest communications within and between businesses and their partners. Self-Disclosure and Feedback are not optional. If you don't employ these key Partnering Attributes you will have mistrust.

When confronted with a tough decision, here are some steps you can take to make sure your employees and partners don't feel like something is being hidden from them.

- Talk about trust and its importance to you and your relationship
- Tell people about touchy situations you're facing
- Share with people what you're thinking about doing
- Explain the reasons behind decisions you're thinking about making
- Ask for feedback and listen to comments
- Ask how trust can be maintained in light of hard decisions that have to be made

The most powerful way to build trust is by talking it. Damaged trust can take decades to overcome and cost millions of dollars.

A SYSTEMS APPROACH

Even before you establish an outsourcing relationship, the importance of creating internal partnerships has never been more critical. In today's information- and knowledge-based enterprises, the level of sharing information is more intimate, requiring people to have higher levels of interpersonal skills. Those skills don't come naturally to everyone, as most managers know. Nor is there only one skill that people need to learn for partnerships to work.

Ensuring a free flow of information within an organization requires a systems approach. You can't work on only one problem area — improving employee feedback, for example — without also working on others such as building trust and developing comfort with change. Information will stop flowing unless all areas of the system are addressed.

That's where Partnership Continuum's Six Partnering Attributes™ can be of tremendous help. Developing these interconnected attributes — Self-Disclosure and Feedback, Win-Win Orientation, Ability to Trust, Comfort with Change, Comfort with Interdependence, and Past/Future Orientation — can enable your organization to resolve internal conflicts and work effectively with your outsourcing partners.

The results can be stunning: A free, open flow of information and ideas within your organization and an exciting competitive edge with your outsourcing partners.

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