

CONFIDENTIALITY, DISCRETION AND DISCLOSURE IN THE BUSINESS ENVIRONMENT.

‘Wherever you go, whatever you do...’ as the song goes, these days you cannot avoid the issue of confidentiality and public disclosure in any working situation. It may be a small company or a big corporation, once people work together some issues need to be treated openly and some issues better remain hidden in the attic.

We all are familiar with the following situations in a private sector or in a public arena. A company wants to protect inside information. The head of one department does not want to disclose certain matters to the head of another department. The public official does not want the rest of the world to know about his private life. And a private citizen feels that his or her medical record should not be easily available to the public.

Yet we also realize that we cannot protect every piece of information and we also know deep down that if we want to conceal too much, we cannot engage in a meaningful conversation. Not to mention, that it is very difficult to establish almost any trust between individuals or groups if too much remains behind the closed door and too many things are veiled in secrecy.

Creating a trusting environment is one the most desirous demands employees ask for when they evaluate the corporate culture and the working climate. They often look for a leadership, which is trustworthy and communicates well.

So the businesses nowadays are facing a dilemma.

What should they conceal and what should they expose. How do they need to protect themselves and what do they want to share. Striking a delicate balance is becoming a major goal for the management of any company.

I.

Typically, there are two different venues when protection of any information is at stake.

First, there is a formal or a procedural way how to go about it by using **confidentiality**. Few examples well illustrate how confidentiality is accomplished in different circumstances.

Imagine, that you are a business consultant. Company X wants you to do some work in the area of a team building. You sign a **Confidentiality agreement** and become legally bound not to disclose sensitive information about the inner-workings of the organization.

You are a mediator and you deal with a variety of disputes. Not only are you obligated to protect information disclosed by both parties but you also let the parties sign a **Confidentiality agreement** so that they are obligated to each other by mutually protecting the information.

Now, picture running a seminar on “How to improve your relationship with your intimate partner.” It is essential that people are not afraid to share their sometimes very intimate experience during the seminar, yet they also need to feel quite comfortable with disclosing often very sensitive information about themselves and their partners. So we let them sign a **Confidentiality agreement**.

It goes without saying that mental health professionals or legal professionals are required by the law to protect their clients by maintaining confidentiality. To finish, the non-disclosure clause in many contracts is used as an ultimate protective measure.

Second, preventing disclosure of sensitive information can be done by applying **discretion**. Discretion in comparison to confidentiality is almost an art form. People with social awareness have a capacity to detect what might be unpleasant for certain people in certain situation to disclose publicly. What we are talking about here is sometimes called tact. Discretion or tact prevents a public humiliation and embarrassment. Discretion or tact also helps to save face. When it comes to discretion there might a tacit agreement or presumed understanding that certain things will not be discussed publicly or will not be discussed at all.

For example, it is a good practice to apply discretion and not to talk about your, mine or other people’s salaries, unless there is an agreement to do so. Quite often, once employees learn about disparities when it comes to pay, it breeds a lot of resentment and jealousy among them.

Also, it is not beneficial to castigate your employees in public even if you as a manager believe that you are offering a fair and constructive critique of your subordinates. And vice versa managers do not appreciate if their shortcomings are disclosed publicly either in front of their subordinates or their superiors. Not too many of us enjoy public humiliation and embarrassment.

Similarly we as individuals are willing to share certain things with some people but not with others, and certain things we want to keep under the lid altogether. Many times we reveal intimate sensitive or private information to the friends at work assuring that they would not disclose that information in front of others. And if they do, we can expect that the violation of trust often spells out the end of the friendship. Gossip and rumors are tolerated in the workplace as long as it does not include us and on occasion we might even enjoy it. Yet, those who gossip too much and spread questionable rumors too often are not liked very much by the rest.

II.

So what can companies do to establish and maintain a trusting environment and at the same time making sure that discretion and confidentiality are in place?

Here are a few suggestions.

If you are in a leadership position, do not promise what you cannot deliver.

Trust is built over time. Being consistent when it comes to delivering on your promises time after time shows your employees that your word and your commitment has a weight. It is therefore very important to determine what expectations your employees have.

Once you learn what needs and wants their expectations are built on then you have to figure out if the expectations are realistic. Most importantly you need to communicate to your employees your willingness and commitment to meet their expectations and to deliver on your promises. Yet, you also need to explain the circumstances and the conditions under which these expectation cannot be met. It is very easy to imagine how even the best of intentions can misfire if you do not prepare yourself for the possibility that the promises you made cannot be fulfilled. We learned a long time ago that empty promises are the shortest path to distrust.

If most of the time you do not deliver on your promises your employee will see you either as an incompetent leader or as being untrustworthy or both.

Ask your employees what issues are important to them and ask them which of these issues they are comfortable to discuss in the open forum. The sensitivity of issues must be assessed from the management standpoint as well as from the employee standpoint. The criteria must satisfy the question, do these issues support cohesiveness of the company or do they become disruptive to the functioning of the organization? The issues can vary from place to place, but we can estimate that some issues would show up on the hot list quite frequently. Such would be issues related to conditions at work, standards and procedures, performance evaluation, reward system, the decision-making process and so forth.

Sometimes difficult circumstances make an open discussion more difficult. Explaining to your work force that a certain portion of your employees will be laid off is never a simple task. Typically, management is facing a dilemma to determine, when it is the right time to make an announcement not to scare valuable employees who might jump ship. Yet, they also should prepare the employees for the inevitable and give them some time to transition to a new position. The image of the company depends on how they handle such a situation. If the management is perceived as ruthless they might not attract top talent in the future. On the other hand, if the leadership does not communicate and time a layoff properly, it can loose the best people.

Find an acceptable way to offer a criticism to your people. Be critical of your self.

We all know that to throw praise around is not that difficult. A department gathers for an occasion and the awards are handed to those who performed splendidly. As long as contribution of all employees in a department is considered equally and fairly, that should be a happy event. But imagine that you need to offer a criticism. That usually is much worse news to swallow. Therefore acceptance of how to deliver criticism must come from those who are criticized as well as from those who criticize. Here discretion must be exercised at its best.

Sometimes it is important to set the example and to offer a criticism publicly. We know that public criticism can be used as a deterrent, yet at the same time it can breed lots of resentment and sometimes it breeds outright hostility. Therefore it must be measured very carefully on which side of the spectrum you want to end up.

Finally, if you accept the responsibility for a success as well as the responsibility for a failure, and you are willing to take the consequences your employees and subordinates will be much more comfortable to take a criticism by themselves as well.

Do not reward a bad behavior.

There are people in every organization who act in their own interest more than in the interest of the organization. These people might deliberately undermine an effort to create a trustworthy environment. Too many hidden agendas and too many behind the back activities cause people to question why they would want to work in such surroundings. Few people can spoil it for the rest and if the leadership of the company tolerates that kind of atmosphere, soon you will see an exodus of people leaving in big chunks.

Ask people in your team what they are willing to share and what things they consider too sensitive to exchange among themselves.

What do people at work like or do not like to share? When it comes to work related issues it is quite beneficial to share solutions related to specific problems. Sharing knowledge and an approach to work related issues makes complete sense. Sharing goals and objectives, individual or collective helps members of the team to understand how they view their future.

Making collective decisions empowers each individual as a member of a group. Finally, talking about personal information or things outside of work reaffirms trust among members of a team. Sharing the opinions about coworkers and about overall culture of the company can go both ways. On one hand it will reinforce trust between individual members, yet it also can lead to a formation of cliques within the team, which might endanger a collaborative spirit of a group.

There are things people find too sensitive to touch. Issues such as gender, race, ethnicity, physical and mental disabilities, health condition, financial status, religious inclinations, etc. all these represent enhanced sensibilities for individual workers. It is very important to attend to these matters and to make sure that these matters do not hinder relationships among people. Optimally, we want to create a civil and respectful environment. The question, which remains unanswered, is what is better. Do we acknowledge the special sensitivities by tacitly or explicitly agreeing that we would not bring them up? Or do we realize that regardless if we keep silent about these matters they will not go away and at a certain point we need to acknowledge them publicly?

III.

Let me finish with a few cautious remarks. All suggestions mentioned above are good on many occasions but obviously they are not good for all occasions. Sometimes a situation is so complex that the leadership of any organization must rely on a gut feeling when it comes to speaking the uncomfortable truth. It is a mark of a true leadership to take a risk here and there and to show courage. It comes down to being prudent and at the same time relying on the decision-maker's intuition.