



**Wake Up Eager Workforce Podcast, Episode 21
Building a Culture of Accountability: The Amazon Way**

-- Produced By Suzie Price

Transcript

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Suzie Price: Hey there! Welcome to Episode 21. Today's episode is Accountability: the Amazon Way, and I'm interviewing the author of the book "The Amazon Way," John Rossman. It is a great interview. I thoroughly enjoyed our conversation and I'm excited about what you're going to get out of out of the discussion that we had. You're going to get an inside look into how Amazon creates accountability in their organization. You're going to, John shares three Amazon leadership principles that you can use to create more accountability. He's going to share the number one thing every leader at Amazon obsesses about, it might not be what you think. And he's going to share three actions every leader can take to create more accountability for themselves, their team and the organization. You're going to find out why social cohesion is the enemy of accountability. A lot of good takeaways from today's podcast and information that you're going to be able to put into practice immediately. So let's get started.

Voice Over: Welcome to the Wake Up Eager Workforce podcast, a show designed for leaders, trainers, and consultants who are responsible for employee selection and professional development. Each episode is packed full with insider tips, best practices, expert interviews, and inspiration. Please welcome the host who is helping leaders, trainers, and consultants everywhere: Suzie Price!

Suzie: Hi there, my name is Suzie Price. I am with Priceless Professional Development, I am a professional facilitator, consultant and author and your host at the Wake Up Eager Workforce podcast. Priceless Professional Development has been in business for 12 years and we focus on building energy, communication and commitment in organizations. A lot of the work that I do is around employee selection. I've written a book about that, "How to Hire Superior Performers." I use an assessment process called TriMetrix that really drills down into how a person performs and then matches how they may perform to a benchmark, and we use that in selection and we also use it for leadership development. And so I get involved in the tools for leaders and that's why I'm excited about this podcast today because you're going to get some tools that you can immediately use for building accountability, which is a challenge for many leaders in many organizations. So if you want to review the show notes for today's podcast, you can find them at pricelessprofessional.com/amazon, and that's all lower case.

Suzie: OK. Again, the title for today's podcast is Accountability: The Amazon Way, and I'm interviewing John Rossman, the author of the book, "The Amazon Way." So "The Amazon Way: 14 Leadership Principles Behind the World's Most Disruptive Company," in that book, he takes us through the unique corporate culture of Amazon. One of my favorite companies, I feel like I'm, you know, I'm on my iPad or iPhone or a computer ordering something from them on a regular basis. The UPS guy and I are really tight cause I see him all the time. What John talks about in the book is you just get an inside look into how the leaders lead in the organization and he talks about 14 leadership principles that guide the company and it helped those leadership principles help the company and it's leaders make decisions. So he's an author of that book and that's a lot of what we talk about, a little bit about that in the interview or a lot about that in the interview. But he's got amazing experience in addition to his work at Amazon. He was, while he



was at Amazon, he was the director of merchant integration, so he launched the merchants program where it's a B to B network of thousands of people or companies offering products to Amazon. So he was around when they kicked that off and that was what he did, one of the pieces of what he did. And then he became the director of enterprise services where he managed enterprise clients like Target, Toys R Us, Sears and many, many more. He has been for the last 11 years at Alvarez & Marsal, a global professional services firm and they work on operational performance improvement, turnaround in management and tax and business advisory services. So John has 24 years of technology strategy design, implementation and operating experience. He's an expert in digital disruption and he helps clients build and execute new business models. So when clients want to scale, improve eCommerce, digital or technology operations, they call John. And he's also a speaker. He spoke this past Spring of 2015 here in Atlanta at the Technology Association of Georgia conference around disruptive innovation, and I was not able to make that event, but I heard great things about John's keynote. So what he comes in and talks about is how to move faster, how to create customer obsession, how to have a leaner approach to innovation. And if you want to move faster and you want to create customer obsession and you want to have innovation, what company doesn't need or want that, a lot of that stems from accountability. Having everybody in the organization do what needs to be done, own their job, be committed to the business, committed to success, and that's how you go faster and that's how you create customer obsession.

Suzie: So our topic on accountability is right on track in regard to helping companies move faster, be more profitable. I want to give you John's contact information, I'll also share it again at the end of the interview or the end of this podcast. On Twitter, he's @JohnRossman and it's R-O-S-S-M-A-N. His blog is: On-AMZN.com. And his email address is: johnerossman@gmail.com. So to find his blog you might want to type in his name or go to our show notes so you can see how the whole blog address, it is pricelessprofessional.com/amazon, is where our show notes are. So let's get started with our interview.

Suzie: Right, I am so excited to have John Rossman here. John, welcome!

John Rossman: Thank you very much for having me.

Suzie: So appreciate your time and the wisdom that you're going to share with us today about accountability and we're going to get right to that. But before we do, we wanted to do some fun questions just so that we could get to know you a little bit better. Everybody's already heard about your background and the strengths you bring to the business world, but let's learn some fun things about you. So why don't you tell me a little bit about your favorite guilty pleasure TV show. What would that be?

John: Yeah, well there's, there's a few, but I think my family, we really like to watch American Idol and I think that we've enjoyed that over a number of years and I think the energy and the talent is amazing and the direct feedback and coaching that they get from the judges, I think is improved. It's a little less sarcastic now. I like the current judges and everything and I think that's a fun, a fun show that we watch. We are pretty dedicated to American Idol. I'll be sad to see it leave after this.

Suzie: I know! You're saying that and I'm sitting here, smiling and nodding my head. I'm the American Idol geek in my family, I'm like everybody be quiet, it's on! Yeah, they, uh, the feedback part is amazing to watch those young people with feedback such a witness to hear how they're doing even sometimes when it hurts and you can do it in a way more pleasurable than they used to do, or more pleasant to me. People improve.

John: And you really do see the professionalism that you know, the judges have and you know, just the hard work. I mean, that's what they always talk about is talent, it is great. But just that continued hard work, of working at your craft and everything is really, really important. But, you know, one of my favorite movies actually is a documentary that Jerry Seinfeld did a few years ago and the movie is about him reinventing his entire stand-up routine. And so he decided he's going to scrap everything, built everything up from scratch and how hard he had to work at that and he called it, you know, you just have to go to the sweaty gym, and so he would go to these nightclubs and just work at his new routine and it would fail and fail and fail and, you know, this is one of the best performers in the world. And I thought that was a really powerful message, just to like, you know, the world's best, make it look easy, but you forget about the work that they put into it. And, I have to continue to remind myself to do that.

Suzie: I think I even read somewhere that Seinfeld had a big calendar, and he would mark every day that he practiced, I don't know exactly what it was, but it doesn't surprise me. Seinfeld, he had a calendar and he wouldn't let a day go by that he did not practice because he knew, like what you just said about building your craft and always, always improving. And that does make it look simple. I want to see that movie. I just made a note. And you don't remember the name of it?

John: You'd think I would since I reference it here,

Suzie: But it's probably just "Jerry Seinfeld." Yeah, yeah, yeah. That's great. And it ties into our theme accountability, because if we don't get feedback on how we're doing, that put your nose to grindstone and continue crafting can get complacent or content and that's the way we improve. Right?

John: Exactly.

Suzie: So that was supposed to be a fun question, but we turned it into our subject, but that's good too. What is your favorite possession? Another fun question!

John: My boys are in high school and we've never had a dog and about six months ago we decided that this was going to be a good time. And so we got a French bulldog puppy by the name of Boss, and I would say Bossman, exactly. A Bossman actually is the full name, which has a funny story behind it, that little guy has been so funny and such a great addition to our family and he's a pain in the rear, but it's, that I would say, I don't know if that counts as a possession, but Boss is right up there, he's a pretty funny guy.

Suzie: How big is Bossman?

John: He's twelve pounds right now. So he's seven months old and so still growing and probably get up to be 18 pounds or so.



Suzie: Fun! And puppies are like having babies in your house, a little bit.

John: Yeah, yeah, no kidding. A few nights like that, but he's really figured it out and we figured it out and stuff. So it came and went pretty quickly, the real painful part of it. So that's good.

Suzie: That's good. French Bulldogs are adorable, any puppies are adorable. They have such a good demeanor.

John: You really is a, you know, he's not the smartest dog in the world. I'll say that.

John: He's really got a great demeanor and very playful and sleeps about 18 hours a day. It's pretty funny.

Suzie: He's growing, he's got to get his rest.

John: So. Exactly right.

Suzie: All right, well those are great. We love American Idol and we want to see pictures of Bossman or Boss. OK. So let's get to you as a leader and talk a little bit about that. I will start with maybe the harder question for you sharing a little bit about a challenging moment as a leader and what it taught you about our subject today about accountability.

John: Well, the one that I was thinking about was actually an early client of mine at Alvarez & Marsal and was a restructuring client, so it was a company that was going through crisis. A&M was engaged in helping that client kind of through its financial situation. And one of our restructuring leaders was the Chief Restructuring Officer and they forgot to communicate was kind of a major change to me. They were shutting down a bunch of stores and everything, and I was the interim CIO for the client and I'm shutting down the stores, created a bunch of challenges with the data flows and the reports and the payroll and things like that. So I got called up to, our, my partner's office and he was like, "You know, John, what happened?" And I said, "Well, you know, our systems barely run forward. They really don't run backwards very well. It would've been nice to have a little proactive communication on this" and he goes, "Well, in three weeks we're shutting down a couple of hundred more stores," and he leaned forward and he says, "I'm going to need to see some of that world class, problem solving skill of yours." And so we just really had to rally around that. It was really important to the business to be able to make those changes and we had to figure it out and it was a kind of national team and we just really had to rally around that and get it done. And so I think that that was, you know, a challenging moment and it really talked about, you know, to me about accountability. Which is oftentimes, and accountability, it's not a situation that you made but you still have to own it. And I didn't make that situation. I could've easily just like, hey, you know, I didn't make the situation and no way on earth, but it's like, you know what, let's, give it the best efforts we can. And, you know, myself and my team, we really owned that situation and it was, we had a great outcome and it was kind throughout because we just took it as a great challenge.

Suzie: Yeah. It sounds like it was a really big challenge and the fact that you had a good outcome or a great outcome was amazing.

John: And one of those side benefits was I, at that point I really didn't understand how all the data flows and the systems connected and things like that, and in that process, like, you know, we really learned how things operated there. So there was a real side benefit to having to dig in and dive deep on it.

Suzie: Yeah. Yeah. Out of contrast is always clarity no matter what it is, you know? So there's trouble down the road here, but we dig into it, there's something good is going to come out of it. And that's exactly what happened there. Yeah. More insight.

John: That's right.

Suzie: So I liked what you said, is not a situation, is often not a situation you made, but you have to own it.

John: Exactly. And I think that you see so many times where people, they've been trained, you know, like, OK, if this doesn't come off well, I'm still going to be accountable. And with that kind of half commitment throughout the situation and you know, I think the best leaders are, you know, they do a nice job of kind of level setting the situation, understanding it at a certain point. They just commit to it and there's no more hesitation. There is no more kind of pointing fingers there's no more, hey, you know, hesitation or hedging, well, I didn't make the situation or whatever. It's just like, you know, I own it, you know. And, that's when you really know you have somebody that you can trust on a hard topic is when they don't, you know, put all these caveats around it and remind you every day of the background and remind you that they didn't create the situation and all those other things. They just focus on kind of what's coming up and what's forward.

Suzie: No finger pointing, we are committed, we're solving it now.

John: Right. You know, I have this, I always use this mantra of, I try not to drive, looking at the rear view mirror, I only drive looking at the windshield and everything, right? And so just focus on what's coming up and not in all the prior history. That gets to be pretty redundant after a certain point.

Suzie: It is interesting, there is a skill that we measure in the assessments that I use. I talk about it all the time is personal accountability and when someone high in it, we have found that high performers have that, that when we do the assessments and then we go look at high performers, they all have one characteristic in common is high accountability. And that is that ability to, not a quick from the problem to move to the solution. No finger pointing doesn't do that. There's no time spent covering up and making excuses. Just OK, now let's move forward. And then like you said, looking forward, don't look in the rearview mirror. I liked what you said about don't put caveats on it too.

John: Oh yeah. I mean that's, you know, and there's a place in a time for that, right? But when every answer starts with, you know, let me remind you, blah, blah, blah, blah, blah. I didn't create the situation. All these dependencies, all these other aspects or whatever. It's like, you know, too often that gets repeated and reminded. It's like once, once in awhile, fantastic. But if you continually do that, you're telling everybody else there's an excuse on why we're not going



to be successful here or whatever. Right. And that, you know, sometimes that becomes a self-fulfilling prophecy.

Suzie: And yeah. So they see it in your book. I've been listening to "The Amazon Way" on audible.com. I've kind of gone back and forth between my Kindle and when I'm in my car and it's like no holds barred with Jeff Bezos and other people at Amazon. And that whole culture was, if it's not working better, own up quick, because if you don't, somebody else is going to open it up for you. And put you on the stop. But those are not your words, those are my words. Like OK. And then so it caused people to say, OK, that was wrong. Let's fix it. Right.

John: That and owning dependencies well, beyond your current scope and you know, there was one discussion in the book, it was in the opening chapter just about where, you know, I ran kind of launching 3rd party sellers at Amazon, and we had just had our inaugural launch just before Christmas and it was right after Christmas and you know, Jeff asked me how many have we launched since the New Year and I started to explain to caveat very long number and he lit into me, but it was in front of the entire group and the lesson was, your scope or your accountability isn't just defined by the scope, you need to put pressure and work with others. What I want out of you all, is I want thousands of merchants. I don't want reasons why there aren't thousands of merchants and it's like, you know, that was a culture that let you operate well beyond kind of maybe the job title that you had. And that was the lesson that I got there. I was like, all right, I am not going to let, I'm not going to be dependent upon others. We're going to, I'm going to go upstream and downstream to make sure that we can march thousands of merchants. I'm going to own my dependencies.

Suzie: I love the way you say that.

John: An essential moment for me to hear so much about that, that moment of like, oh my God, you know, and everything. It's like that was a highlight to me and everything, right? Like people spend years and paid thousands of dollars for educations like that, you know, and I got it handed to me, you know, right there in 10 minutes. And so I, it was a real highlight for me and, and that how it was intended in the book.

Suzie: Yeah, that's how I took it. And I like what you just said. It was almost like an, I don't know if these were your exact words, but it gave me permission to go upstream and downstream to get done what I needed to get done. Because too often people think, well, this is just my job and I can't go upstream or downstream. You have more bandwidth. When he was giving you the bandwidth, basically go do it.

John: One of the things that Amazon does well and I know a few other organizations that do this well, is they don't let the organization structure get in the way of ownership and ownership is the ability to have an outcome, but it's not narrowly defined as just within your organization structure or the teams that you manage or whatever. It's like you own it regardless of organization structure and I think that's a really important cultural aspect for high performing, fast-moving, innovative companies is don't let your org structure get in the way of doing the right thing.



Suzie: Yeah. Boy, if that was to shift, that would shift so many things. There's so many companies, it's a mindset in a big way, but it starts with those kinds of examples like what you're talking about.

John: I mean, I know cultures that really people only know how to manage that way of, you know, I own this, I carefully positioned for dependencies that I'm on and, and the whole game is basically just, you know, not being the one, you know, holding the hot potato at the end of the day. Right. And it's a real skill set, you know, like that's all I can come away with.

Suzie: Yeah. Yeah. And there's such a lack of intensity around that, is intensity but like skewed in the wrong direction and focused on the wrong thing. If you're focused on not being the last one, holding the hot potato as opposed to being, you know, let's get results let's move it, let's make it happen is a different intensity completely. Yeah. Yeah, that's right. Awesome. How about we go to the next question and it's the most rewarding moment as a leader and what it taught you about accountability?

John: Well, there's been a lot of things I'd say, honestly, some of my, my most rewarding moments have seen, been able to have a positive impact in seeing other people's careers grow because of the business that we've built together, you know, and stuff. So I've had the opportunity to, you know, help make other partners in our firm and just impact careers so that, that is probably in my career the most rewarding thing. But, you know, I'd say the book, "The Amazon Way" has been tremendously rewarding because of just some of the unsolicited feedback I've gotten in how it's, you know, impacted some people and some teams and I never expected that, ever expected that. And I've had, I had a lady who runs a set of orphanages down in Africa reach out to me and just like, you know, I was having to figure out how to scale my leadership style. Then you just kind of gave me some great tools and formula to run that by. I had a leader who runs a big industrial conglomerate, he got the book, he read it, he reached out to me. I did a kind of a session of facilitation with his team and then he came back to me a year later, just said, you know, John, we had a great year and you know, that was one of the big turning points in how we operated together as a team was that. And you know, just, countless stories like that. So that's been, that's been really cool.

Suzie: Impact, impact, that's awesome. And to think, your idea for the book just came out of a colleague saying, you know, you have to write those down.

John: Yeah, exactly. And it was really two people. One was a client and then one was a Tom Nelson-Brookes who runs our consulting practice, and Tom was the one who, after we had done kind of an all day session with a client and I was just basically all day long answering the questions. It was kind of a "Q and A" exercise, where they kind of pose their hardest questions to us and we brought in some of our operators, and all day long I was just answering like, well, "Here's how Amazon would think about it, here's how Jeff would react to that, here's, you know, blah, blah." And afterwards Tom was just like, you know, "John, that was, you really should write a book on that." And uh, and so yeah, it was, it was kind of like to trusted people. And I knew the stories I wanted to tell and you know, pull the team together and, I got it done. And it was, it was pretty simple to do because I knew the stories that I wanted to tell because I use them with my clients. And, that's where they came from. I practiced them for a long time, that's been spent over 10 years now since I left Amazon it, I started writing the book. It had been about seven years after I left Amazon. And so I had a big period of practice where I was just using these



stories and writing them down and getting good at. And so it was a pretty simple book from you to write, because I'm not a writer.

Suzie: Well, it was great to listen to and read their stories and insights and Amazon and myself were one, you know, like we're like, I have a personal relationship but not really. But so, you know, like that's my company man. I order something from them every other minute, you know, me and the UPS guy are friends.

John: They have really gotten amazing, you know, at reducing customer friction, high trust, high dependency, high predictability down. They really are, you know, the great thing is, is they don't rest on their laurels, like they continue to improve even the little things, right? Yeah. I'm just the little edges as well as the big things and they are relentless, in the fact that most people don't know this, but the original name of Amazon was Relentless.com That word describes their culture more than anything, is they are relentless. They just never say this is good enough. No matter how good it is; it can scale better. You can get costs out of it, you can, you know, it's either scale or costs, or more impact to it and it's just never good enough, which on one hand can drive you nuts sometimes, but on the other hand, that's a tremendously exciting type of culture to be part of.

Suzie: That is interesting and it is relentless. And I am such a huge fan, your book is completely enjoyable. I think it would be to any business person. But on top of that, if you use Amazon a lot, it's delightful to hear behind the scenes, you know, and I just, two days ago tweeted about a very positive customer experience through Amazon. I thought about you because like, "Yep, that's what he's talking about, customer obsession, you know, obsess over the customer because they do it."

John: And that was my whole intent of the book, was to talk about the lessons and the attributes and the mechanics and the tactics and the strategies that a company like Amazon uses and what other leaders can gain from it. It wasn't, you know, as somebody told me, it's not a kiss and tell book about Amazon. It's about what other leaders can take from Amazon and everything.

Suzie: Well, it is proof in a, I don't know where the orphanage was, where you said if it was Africa, somebody in Africa benefited as well as the industrial conglomerate, benefited from the book. So that's exactly what your intentions were, are playing out, which is awesome. So let's go now into talking about building a culture of accountability. And what I'd like to do is many leaders are struggling with this, in fact, I started doing four podcasts on accountability and like a little mini series and it came out of a conversation with a client I'm getting ready to do something with their executive teams and I'm talking to him, he is the, one of the top executives, and he said, "You know, I just think we need to get better at accountability." He said, "I need to get better at it, my team that used to get better at it, but my team to help them get better at it even more, you know, what does it look like, what does it sound like?" And so that's what some of these podcasts have been about. So you've experienced that. Some people have not actually been in such a culture. What does it look like? What does it feel like? What are the benefits? Tell us a little more about that.

John: Just to make sure I'm on point here, tell me a little bit about what you mean by accountability?

Suzie: So accountability, ownership, especially what my client was talking about in that particular conversation ownership of your job, what you were talking about earlier about upstream, downstream. Looking forward, not backward doing what you say you're gonna do, that, you know, what happens in this particular company, they're a fast-moving industry that's very service-oriented and young people in different positions and really trying to, young and all ages, but really trying to figure out why people shy away from having the tough conversations or they have the tough conversations and then they get so busy they don't get the follow-up like they intend to. And so it's just not as strong. It's definitely a good situation, but there's more growth there.

John: Perfect. So, you know, I think of accountability across a set of kind of habits and techniques. Some individual, some as a manager, or as a peer and some as kind of a team. And so when I think of individual ones, you know, the, I've always wanted to be known for straight talk and being dependable. If I think about what's my personal brand, I think that that's what I've always strived for in my personal brand and I fail every day, but that's what I strive for. I got to work at Arthur Anderson. I'm early in my career and I learned I have an everyday habit there that is just critical, I think. And that is every day I write out my to-do list and it's a bullet point list. Like at Arthur Anderson, they actually had a form, I think it was like a PT 120 or something like that, but just that daily habit of writing out your priorities, today you see a lot of that used with agile processes, which is, you know, people have their own personal kanban system that's basically a to-do list.

John: So in whatever form or fashion understanding like your daily priorities and not getting distracted, or being thoughtful and meaningful about what am I working on and when does something shift on the list and everything, that's I think just a skill and a way of working in a life that I think is really important. And one of the things that I think about when I'm, when I have a manager, you know, working with me, for me and everything is and I'll tell him this is everything is like, so here's our mutual agreement here, I'll manage my to-do list, you manage your to-do list and where this is going to fail is if I have to be managing your to-do list. And so if we talk about something and we go, you're going to do something, my expectation is I never have to think about that again. You know, and everything, you own it and it doesn't mean that issues aren't going to happen or you know, problems aren't going to come up and talk to me when those things do, but unless you do, I'm not worried about it and everything. Right? And so just having that trust of, you know, when you got it, you got it. And everything is really important and you know, just a daily to-do list is an important aspect. From a team level, I think orienting around metrics and instrumentation is a great way to help create a culture of and a practice of accountability and a lot of companies and teams, you have metrics, but where I often find weaknesses are on kind of three different levels. One is that the metrics don't have a hierarchy to them. So they don't have a logical flow. And so say your business is like, I do order fulfillment and the top level of that should have a metric around fulfilling orders, but then there's sub-process to that, right? You have to get the order, you have to pick it, you have to manage the inventory, you have to ship it on time to see the right things that are in the package. Each of those should have a metric and then each of those have sub-steps to them and so that one process has this hierarchy of metrics and teams don't think through that carefully crafted aspect of a hierarchy of metrics to measure their business. And one of things that Amazon, like they spend more time thinking and agreeing on, how do we measure the success of a service, a team of business, a project than almost anything else. Because if they get the metrics right and

they have a good leader, they don't need to pay as much attention to the team, they can let the team or the project run with less bureaucracy. Right? And so being really thoughtful about what those metrics are is an important aspect.

John: I think the next thing that I find where teams are typically a little bit weak is they don't, once they have the metrics, they don't create some type of weekly rhythm around reviewing those metrics, right? And there's actually, you learn a lot about the business every week with a group going through the same metrics every single week, you get to understand what's going on with the numbers much deeper if you do it in a consistent way. And so it's something my clients do this really well, Amazon does really well, is this thoughtful set of typically weekly metrics meetings to review a consistent set of metrics in why are they up, why are they down? And when the metrics are thoughtfully constructed, like I described in this hierarchy, it gives you the ability to zoom up, zoom down really quickly as you go through those metrics.

John: And then the third piece really comes to the accountability. And what I learned at Amazon was, every metric is owned by one person, regardless of whether they have full organizational control of it. Right? And so that ownership mantra kind of comes in. And so make sure that there is somebody who actually owns that metric regardless of whether they own all the inputs or the tendencies from making that metric successful, because if there's not an owner for it, the ownership ends up being very diffused and at some point at a very senior level where it's not appropriate for them to be owning that singular metric. And so making sure that it's really clear who owns the metric and if you have that thoughtful weekly process and the metrics are thoughtfully engineered, or constructed in a hierarchical manner, you can really create that culture of accountability and thoughtfulness and the business, and it won't seem like work.

Suzie: Everybody knows what's expected and everybody's focused on that. I always call that a dashboard too, you don't look at everything in your car. You look at the dials in front of you and those are the things to focus on. So if the metrics are very thoughtful and people are focusing all that on all that, and then they know that there's gonna be a follow-up every week. So it just, it really does create focus and urgency.

John: It does, and you know, what the great leadership mantra is you in the world, you know, if you can't measure it, you can't manage it. And I think that's very, true. And so this, that focus on instrumentation and metrics I think is a great way to build dependency or build accountability and ownership within teams. And then I think, you know, organizationally we've already touched on this a little bit, but that, that perspective of managing dependencies and you know, dependencies are aspects, teams, benders, other factors that you lean on to get your results.

John: And at Amazon, what I noticed was good leaders manage their dependencies much differently than what I would see leaders manage, how they'd manage their dependencies and other places. And so, you know, imagine you're working on a project, big project, lots of work streams, lots of teams and you know, think about those status meetings, especially if it's with a team or project manager that doesn't report into you. Right? And so, you know, the conversation, "Hey, how are things going? Oh, everything's green." And that's typically the extent at which people would dive into things, right? Until all of a sudden they're not great there, there's a misunderstanding, something goes yellow to red, you know, and everything, right? And then what do you do? It's like, "Hey, you know, I have this dependency, this team didn't deliver." That's not acceptable at Amazon. So what you found leaders doing was managing those



dependencies in a much different way. And so when another team would show up and they would say, "Hey, everything's green, you'd go, fantastic," you know? And then you dive into it, right? That was just a welcoming a sentence, you know, everything about it.

Suzie: It really is like, "Hello, I'm ready to talk now." Right.

John: And so everyone would dive into other people's projects and their dependencies much deeper. And so this whole trust but verify mindset was put into place. And the great thing is that when everybody does that, then people don't take it personally. You know what? Everything, right? Because part of the problem is, if you start diving into other people's businesses like, well, I don't report into you or whatever, like, you know, do you not trust me, but when you give and you promote that, hey, this is how we're going to operate and don't take it personally. And if everybody starts doing that, then, well, yeah, this isn't personal, this is just how we manage better together as a team and you're making me better and I'm going to do the same back when I have a dependency with you and this is just how we operate together.

John: And so that whole dependency management was much, much deeper at Amazon and you know, you'd always put SLAs on any type of operational dependency, internal or external; didn't matter. It is just a Service Level Agreement. So these are commitments, sometimes contractual doesn't matter, but these are the commitments of, you're using my service, you're using my product, you're using my team, you're using my capability. This is what I'm going to commit to you on, you know, on time, availability, speed. You know, those ones, right? And turning every operational dependency and having an SLA around it again, is a great way to manage your dependencies better, even with internal service providers. And again, when, and this is why this is an organizational topic because leaders have to say and give permission. Everyone's going to operate this way, so don't get your feelings hurt when people are diving deep into your business. Right? And why it's hard for just one person to start doing, acting this way, because you know, they'll walk the, you know, the social equation within the company, right? And it's like, well who is this person to be asking for so much information and treating me like I have a contract with them and everything, right? It has to be that permission and set up has to be done from the top.

Suzie: I like how you break that down. The personal is: know what your priorities are. The team level is: know the metrics and instrumentation and you have a hierarchy, have a weekly rhythm and you know, make, own the metric is owned by one person. So that makes so much sense. And then organizationally we've got to give permission. Oftentimes, if I'm talking to an individual leader, it could be a small business owner, it could be the SVP of HR and then we kind of on the side talking about somebody who's not performing and I'll say, do they understand what's expected? Yeah, I think so. How do you know? And then if you are talking to the employee, do you understand what's expected? How is success measured and then be like, really, you know, so it's a breakdown that you see a lot or I do, I don't know if you see a lot or if it is just because I do a lot of the human resource type of work. But it seems prevalent.

John: It does. And I think the other thing is that teams and people get peanut buttered or spread across many different topics that weakens the ability to get something hard done. And so one of the tricks of Amazon is they really try to break things down into small teams and assign people to those teams on a full-time basis because that lets them focus or, a big word at Amazon is obsess, obsess that a lot. Some obsess on that and it lets you hold them much more

accountable. Like, "Hey, this is what, this is the only thing you have to focus on, you know, another thing." And so no doubt there are teams and individuals who are spread across lots of things but they really try to create small teams and you know, that's why start-ups are successful, right? Cause small teams have the ability to move faster or less bureaucracy. They have more fun, they can move. Just move a lot faster. The way to create an entrepreneurial spirit within a company is create small teams and give them accountability to make, you know, the right thing happen.

Suzie: And if you are, say, I'm thinking of one particular small business that I know of a good people, committed. They're committed to the leader, that leader is always saying "somebody take ownership." They always turned to me, you know, so there's a whole lot of things going on there, but one of them is they don't understand what's expected. There are no metrics and kind of a resistance to create those. And I've got a little, simple process that I use that worked perfectly for a small team or whatever. And sometimes maybe it's how I'm communicating it maybe, I'm just not sure, but the interest and taking the time to create those metrics is kind of like, yeah, yeah, yeah. And there's not a passion about it. Like we're having a passionate talk about it. I feel passionate; it's not really there. I mean, how do you think about that? Is that something I'm doing or what do you think, or do you see that too?

John: Oh my God. I mean, that's the number one thing is, is I get lip service. I get lip service from leaders like, I want to make this type of change and I'll say: "Great, all we're going to focus on is metrics." And they'll go, they'll kind of go, OK, and then you know, a week later, were onto another topic that's like, no, no, no, this is a journey. This isn't a one week thing and we truly going to make metrics the number one way that we manage this business. And that's where the, you know, the tone from the top on that is essential. Especially if you're having to change the course on this, right? If you come from a culture of strong metrics, then that's a completely different situation. But if you are trying to make a change, you know, you have to fight that resistance and you have to fight, you know, the lack of movement on this. Right? And so you just have to make it, you know, every topic starts with metrics, metrics in that direction. We don't do anything without the metrics and we make that more important than anything else. That's what it takes to change culture around something. As you know, it has to be glaringly obvious that, you know, this is the only way we're going to do things.

Suzie: You know, what I love about metrics though, the process that I do, called a dashboard, is it's exactly what you were talking about earlier. It's not personal. So now we've had a conversation, got the people involved in creating some of those metrics and the measurements and what's important. And so it's not personal when the gas gauge is empty, it's just hey, your gas gauge is empty what's going on, it's not personal anymore? And it's an easier conversation, for nobody who loves conflict, you know, nobody loves that. But it's a much easier conversation if you've done this quote unquote hard work or what feels a little interesting work.

John: Yeah. Well you know, not a huge fan of those inspirational leadership posters, you know, and everything, but the one I love is the one that says, "In God, we trust. All others must bring data."

Suzie: Yeah, I'm going to write that down. This is great. So I'm gonna move onto the one about the 14 leadership principles. And there are, I'll have the 14 leadership principles listed on the show notes of this episode so you can glance at those if you are listening to this and want to



see those. And of course you can always get John's book, "The Amazon Way." But John, tell us about the 14 leadership principles that you talk about. Every one of them is valuable and interesting, but there are probably a couple that applied closely to building a culture of accountability. Could you tell us what you think those are out of the 14 and a why they tie to accountability?

John: Sure. So, as I was thinking about that question in reviewing the leadership principles, I think that, number four, which is leaders are right a lot comes to mind and I think we've already talked a lot about a lot of the essence of that, which is metrics are one way that leaders are right a lot. They understand the details of what's going on, but it also talks about, you know, diving deep and really understanding the details and one of the ways you do that is through great metrics. But, you know, really good leaders actually have to have the experience and the intuition to know what's right and not just facilitate it out of others. And so I think that that's, one and then number eight, having a bias for action, which is I think especially when you're in a culture that, you know, relentless and always moving forward is how to avoid, you know the right time of, you know, how to prepare, how to study, how to analyze a situation long enough but not let that become the problem itself. And having that bias for action as a leader I think is really important if you're going to be accountable for getting hard things done. And then, leadership principle number twelve, which is be vocally self-critical and you know, at Amazon when there was an issue, metric wasn't right, something happened or whatever, what you saw good leaders doing was first saying, this is why, you know, we failed on this and they would have detailed understanding of why they failed and, they would filet themselves more than anybody else ever would, but, what that did was a, it demonstrated that they were on top of their business, like they understood what was going on and that they're thinking accountability for fixing, two is when you act that way, it gives you the permission to then challenge others. Right? And, to ask hard questions of others. And I think that that's an important aspect of accountability is getting over that social cohesion which doesn't allow you to be demanding of others. And good teams, good leaders, they expect and they demand, I'll say perfection. I don't mean perfection that they demand accountability out of others and, but the way you do that is by demonstrating that and being vocally self-critical of yourself is one way to build that trust, to be able to do that. And it gives others the permissions to then say, "Yep, this is why we fail, this is what we needed to do and this is why it didn't happen." And this is what I'm going to do to fix it going forward. So those three, in particular, and then the last one is deliver results, which is just about accountability, right? And it really is, you know, at a certain point in the organization, there's no excuses, right? I think leaders have to pick where in that organization, that level is at Amazon and I think it was really at the director level. I'm like, you know, you didn't get to have excuses and everything, that was the job was getting hard things done and it didn't trickle up from there. And so I think that the, you know, the last one is all about the right results and being accountable for them.

Suzie: So I was writing quickly so many things that you said and I will go back and listen, but one of the things we've talked about, and I think it's a big piece, it's getting over social cohesiveness. I think it's how you said it; you recall what you said there.

John: Yeah. And, Jeff Bezos, uses that term a lot about social cohesion, which is it's the tendencies for groups and individuals to not, to want to get along, right, to be friends. And that is one of the enemies of accountability and holding others accountable, is how do you do in a way that's, you know, within a company socially uncomfortable to do that. Right? And, so things like metrics and making sure those metrics are owned by somebody, that's, managing or

dependencies and the consistent in deep way. Those are some of the little tricks of, you know, “Hey, we want to be friends, we want to be good colleagues, we want to be collaborative. But at the end of the day, we have to get hard things done.” People have to be accountable for them; we have to be able to ask challenging questions. We don't want group think going on, we want crisp, hard thinking going on and so you have to get over, you have to find the tricks to get over that social cohesion.

Suzie: That’s a big piece of it, especially with young managers.

John: Everybody wants to be liked. And I've had a couple of leaders who read “The Amazon Way” reach out to me and they were like, you know, what we're suffering from is everybody just wants to get along so much we don't have accountability in our business. And the pendulum, just swung, you know? And you gave me some nice ideas and some tricks and tools to help counterbalance that, that collaborative everybody wants to get along notion.

Suzie: Yeah. I think with young leaders often the thought is to get along with you, or I'm not either dictator or a consensus builder there. They don't understand that there's a lot in the middle there.

John: A good leader both gets hard results and holds people accountable for them in the long haul. And you can do it. It's not easy though, right? The easiest thing is to either demand hard results in via jerk or get along with everybody, but don't get the right results. Those are the options that you have. It's hard to do both or one or the other.

Suzie: But yeah, that's the beauty of leadership. It's an unending journey of growth and understanding and skill set. If you're smart, you're constantly working on that and finding that grey area. I love the getting over social cohesion because I see that a lot. Interesting. So out of the 14 principles, what do you think had the biggest impact on your success?

John: Well, out of the 14 principles, you know, I think having a bias for action and you know, like usually your strengths they can easily become your weaknesses at certain points also. Right? And I move things forward like I'm, I am not prone to over studying things and I assess situations and you know, move forward pretty crisply. And I think that that's done very, that orientation towards having a bias for action has been my strength.

Suzie: As a young child, were you like that, you already have kind of an active or did that come up through your different experiences at Arthur Anderson and Amazon?

John: I'm probably more developed, versus, you know, always a tendency in my life. So I probably develop that as you know, my whole career has been about projects versus operations and I, what I just learned was like, I like to get new things done. I like to hit big milestones. I like to move things forward and I was good at it. And so I think I developed that bias for action.

Suzie: And you said it's a strength. How does it become a development opportunity? As we say in close the development opportunity?

John: You know, I think when you rush into things, when you don't; I have to be careful about taking over a situation and disempowering other leaders when that's not the optimal thing to do. And so I think at times I have to be willing to sit back and let things develop a little bit and

maybe more do one-on-one coaching or feedback to versus pushing it forward in a meeting for example, or something like that.

Suzie: Is it with awareness, is it's pretty easy for you to put it in neutral when you need to or gotten easier over time, or curious because I know a lot of very hard driving players that struggle with that.

John: Yeah, I think I have, I'm definitely aware of it for sure. And have made progress on it. I think one of the, I have a friend and a mentor who I've worked with a lot at Alvarez and Marsal and you know, I just, I like to get a lot done during the day and so I'm well organized and his feedback to me has always been, "You know, John, you need to be comfortable with more unproductive time in your day." And what that means is just, you know, not letting everything become a transaction or moving things forward, you know, and stuff. Right? And so that's where I've had to mature as a leader, is just not always taking over situations.

Suzie: That's good insight. That's neat. Appreciate you sharing that because I think many of the people listening to this can relate. That's great. So we're going to come to a close because I've taken up already an hour or so of your time. We're gonna kind of close out with some advice, but we're going to do a couple of thoughtful, more personal questions, the first one is, if you had to give advice to your 30 year-old self, as a leader, what advice would you share?

John: Well, I kinda spoiled that one other than eat less sugar. I would say it was really, have less, have more unproductive, productive time. And just don't, you know, that your greatest strengths often become, personal strengths at that moment, especially as you grow as a leader in your influence, grows in an organization, that strength can at times become your weakness in some circumstances. And it's just knowing where the edges are on that and everything. And so for me it's just not always being the driver of an agenda or, you know, promoting the next steps or you know, whatever it is and everything and just allowing others to do that.

Suzie: And so when you have more unproductive time as your mentor suggested, how do you feel, what do you get from it?

John: Well, it's amazing what comes to you. You leave one hand open for opportunities. Right? And And so, you know, I just find other ways that I can assist and help out our business and our clients or whatever. And so, you know, that's part of my role now in our firm and our practice is, you know, I've dialed back my direct client responsibility as much. I help out others with their clients and relationships a little bit more. I get to do some things like this, but a different set of opportunities comes to me and comes to the firm because of that. And so, that's been, you know, a lot of fun and rewarding.

Suzie: Yeah. Yeah, that's great. That is great. So here's another question, I'm curious to what you're going to say, if you could have one billboard and you can put whatever you wanted on it and a lot of people were going to see it, what would it say?

John: Well, one of the things Jeff Bezos says is you have to be willing to be misunderstood, to do hard things right, to make change happen. I think that oftentimes leaders, especially when it comes to innovating or changing their business, they have to be comfortable with being misunderstood and what I mean, but it's not so much internally but externally. And so whether



it's investors or competitors or customers or whatever is, you have to be willing to be misunderstood if you're really gonna change the game. And so I think if you want to innovate, you have to be willing to be misunderstood. And I think Amazon and a lot of other companies, they get a lot of scrutiny on like, why are they messing with this? You know, why is Google doing that? Or why does Amazon doing that or whatever. And it's like those types of leaders and companies, you know, they're willing to make mistakes and willing to be misunderstood.

Suzie: That can be uncomfortable. But if you know your plan and you know your metrics and you have a good idea of where you're going, you'll weather that, that's great.

John: And again, I, that's, you know, that's when you're really innovating is when all of that is not clear and you can't explain yourself or you don't want to explain yourself or you don't know what the outcome is. You know, that's how true innovation happens.

Suzie: Yep. Yep. Have to be willing to be misunderstood. Being a leader is not always comfortable, is it?

John: No, but especially with external parties, you know, and everything. So I think that, that's really, what that's pointed to, I think internally it's important to be well understood. And um, and you should work hard at that.

Suzie: Yeah. So we're going to have close to the final question and it's to share some advice or wisdom that you want every leader who's listening to this to take away from this call and this discussion about accountability. What would you say?

John: Well, I guess my, special ad or advice out of this, and we've talked about extensively is, focus on the metrics of your business and accountability relative to those metrics and being very thoughtful, slow down the conversation around thinking about what the metrics should be in your business and that will help you understand goals better and it will help the team perform at a higher level and give that elusive, you know, accountability and the right results that we're all looking for.

Suzie: Right. It's the engine, it's the horsepower start with having the metrics. Right?

John: And there's lots of other things, but it's not a singular item. But if I, if I'm asked for one, that would be it.

Suzie: Many pieces to the puzzle, but get that right and focus there, then that's begins the right movement, sounds like. Well, it has been a pleasure having you on the call today and having you share your wisdom, I will share with everyone how to reach you and I encourage everybody to read John's book and consider having John help you in your company and I will provide specifics around that. That is it. Thank you so much John.

John: Perfect. I really appreciate the opportunity and great discussion. You do a great job.

Suzie: Thank you so much.



Suzie: So I hope that you were able to get insights that you could take away and use right away to help build accountability in your organization. I wanted to take a moment and recap the three principles that John said are most tightly aligned with building accountability. The first one was leaders are right a lot, and John talked about details, diving deep metrics, knowing what's right, have enough experience and intuition to decide. And I want to read you some of the verbiage around that principal; leaders are right a lot. They have strong business judgment and good instincts. They seek diverse perspectives and work to disconfirm their beliefs. Did you catch that last sentence? They seek diverse perspectives and work to disconfirm their beliefs. So it's an interesting take on leaders or right a lot. So if you want to be right a lot, you have to be very curious and you better listen to other's perspectives and other's beliefs and be open to disconfirming your current beliefs. So that is just such an interesting take and it's very smart. So leaders are right a lot.

Suzie: Second principle that John talked about that tightly aligns with building accountability is having a bias for action, so you've gotta know the right time to analyze and the right time to take action and the specific verbiage around that particular principle is: speed matters in business. Many decisions and actions are reversible and do not need extensive study. We value calculated risk taking, calculated risk taking.

Suzie: And the third principle, which is actually my favorite because you don't always see it in organizations and when you do see it, you see an organization that is moving faster and they have high trust with each other and that principle is: be vocally self-critical. When you're vocally self-critical and you talk about what didn't go right and you own up to it very quickly and you buy into how you're going to move forward without excuses, you demonstrate that you're on top of your business and that when you act that way, it gives you permission to challenge others and you know, so you're challenging yourself and you're revealing when you didn't meet some standard or something happened and you speak up. It builds trust with other people too, so you're real, it's authentic. And then here's some of the verbiage around that particular principal, be vocally self-critical, that's written around the principles. How can we get better? Speak up and make sure the truth is heard. Honest feedback, open your Kimono. There is simply no other way. You blend humility and will. So being vocally self-critical, the best visual in my mind, think about a silk robe and you're opening the Kimono. And so what you bear, you're revealing, there's no secrets. So if you're having to open the Kimono type meeting or your meetings are more like that, then everybody shares all the information they have with everybody else, that there's no protecting your silo or watching your back and there's no holding back. So that's my favorite vocally self-critical. It's so much easier once you're doing it, is to be transparent than to spend so much energy covering up what might be wrong. You don't get speed with that. You don't get customer obsession with that. You don't make great decisions with that. That's why trust, we always talk about trust so much is, cause if I trust you, then I will open the Kimono and if you have an organization that, that's what's talked about in the all leaders from top to bottom are talking about and demonstrating being vocally, self-critical or being honest and straightforward. There's a lot of power in that.

Suzie: I'll have all 14 principles from "The Amazon Way" on the show notes page pricelessprofessional.com/amazon. There are, as I've mentioned, four episodes around accountability and you can find those at the WakeUpEagerWorkforce.com page, wakeupeagerworkforce.com. That's all one word. And those are episodes number 19, 20, 21 and 22. And in those episodes what we've done is the first one is about R.E.V., it's a three step



process to help leaders take action when performance isn't as strong as you'd like, and it stands for three different actions you can take. Episode number 20 is the dashboard. That's a way to create metrics with an employee around what's expected and I love that that got backed up today in this interview. Episode 21 of course is this interview and episode 22 I'm actually gonna give you, going to drill down another step below R.E.V. and dashboard and we're going to go into a four step process for having an effective conversation. So when expectations are not being met and you're still learning or creating a culture of honest and straight forward, how do you do that? How do you be honest and straightforward and also get buy-in, potential buy-in from the employee. You need to hear and understand what's working and what's not working. So I'm going to share that step with you. It's a four-step process. I use the letters W.P.S.A. and we'll talk more about that.

Suzie: You can, also download my app, it's free. There's an iPhone app that is free. And, you just have to click it and it'll be on your iPhone or on your iPad, download it, and you can find it at wakeupagerworkforce.com. And you can also subscribe via iTunes. You'll see a link there to do that. And you can leave me a comment, I would appreciate that and any feedback. You can also order John's book, pricelessprofessional.com/audible, "The Amazon Way." That is an affiliate link. And you can listen to the book for free if you sign up for a free 30-day trial and it helps support this podcast.

Suzie: John's going to be speaking at the Prosper Conference early February 2016 it's in Salt Lake City. And I believe the link to that conference is prospershow.com. You can reach John @Johnerossman on Twitter. His blog is On-AMZN.com. He has a very up to date blogs. So you'll find that interesting. And to reach him directly to speak or ask questions: johnerossman@gmail.com. So you can reach me at: pricelessprofessional.com/Suzie, S-U-Z-I-E with your questions, comments and thoughts. Look forward to our next podcast. Have a great one. Thanks.

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