

## **Business Transparency: 12 Steps to Unlocking the Golden Handcuffs**

*By Ruth Schwartz*



*The golden handcuffs are a metaphor for the physical, mental, and spiritual ties that lock entrepreneurs to their work. It's the belief that you can't leave your employees alone for a minute, that they can't be trusted, that if you want something done right you need to do it yourself. The key is creating an atmosphere where everyone becomes a contributing partner in the business. To do this you must shift your attitude and develop a transparent company.*

- 1. Love what you do.** If you love your business, your attitude will become contagious and you will pass the feeling to your employees. When employees have a shared passion about their work, they come together and create a passionate team experience. It is the team working together toward the same vision that is memorable and effective.
- 2. Create a clear and compelling mission and vision.** If you do the work of getting clear about your mission and vision at the outset, every decision, problem, and obstacle becomes easier to navigate. Strip the language down so that it is simple and there is no confusion. That is the hallmark of great missions.
- 3. Define your value proposition.** What benefit does your company bring to your customer? What makes you different from the competition? Be sure every employee knows the answer to these questions.
- 4. Define your company's culture.** Your company will develop a culture. It might as well be one of your own creation, rather than something that occurs by default. Imagine an environment that supports growth and open, honest communication
- 5. Become a leader.** Do everything you can to help members of your team become successful.
- 6. Make clarity your goal.** Discuss in detail the seven areas that can cause people to fail: job descriptions, boundaries, measurable results, authority, time, knowledge and skills, information, resources, support. Ask employees questions, be sure they understand what is expected of them.

- 7. Provide access to information—yes, even company financials.** Everyone must have access to information, be a part of decision making, have the ability to solve problems when and where they occur, and have broad job descriptions.
- 8. Work towards consensus.** Consensus is reached when all members understand the decision, commit to it, and will support it, even though they may not agree with it. Consensus means that we agree to live with the outcome of a decision.
- 9. Learn to love your meetings.** Learn how to run effective meetings and use them to discuss “big picture” topics. Think of meetings as a time for team members to share and learn.
- 10. Let employees know how they are doing.** Employees need to know what is expected of them, if they are achieving these goals, what they can do to improve their skills and knowledge. Untie performance from compensation. People crave feedback but hate reviews.
- 11. Open your books.** Teach employees everything you can about the business. Everyone should understand profit, revenue, cost of goods, expenses, payroll, and margins.
- 12. Develop compensation plans and profit sharing.** When people understand the numbers and are ready to act like partners in the business, they can handle the big bad truth. They can understand that payroll is the biggest part of any business and what they cost the business, what their coworkers cost the business and even what you cost the business.

If you follow these 12 steps, you will hold the key to unlocking the keys to the golden handcuffs.

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Ruth Schwartz started Mordam Records in 1983. By the time Nirvana hit the pop charts and Green Day went platinum, Schwartz was running a ten million-dollar company. In 2012 Schwartz chronicles her success in *The Key to the Golden Handcuff's – Stop Being a Slave to Your Business*. Published by Outskirts Press, and based on Schwartz' business experience, the book gives entrepreneurs and business executives insight into shifts that can be made to create a transparent, open-book company. Today, Schwartz is an internationally certified business coach, motivational speaker, and the facilitator of business peer advisory boards. She owns High Performance Advocates, a management development and marketing company. Contact Ruth through [www.highperformanceadvocates.com](http://www.highperformanceadvocates.com) or by calling 530-288-0180.