KEYNOTE SUMMARY | MARK GRABAN

The Silence Tax

Why people stay quiet at work, and how leaders shift from cop to coach

> The Silence Tax is the cost organizations pay when people **don't speak up**: to share their ideas, to point out what's wrong, or to point out what could be better.

You can't order people to speak up

At my first job, at a GM engine plant in Michigan, the second-in-command told a group of us that to lead people, "You gotta beat down on 'em until they do exactly what they're told." Months later, he complained that nobody took any initiative. Command and control gives the appearance of control. You can't force people to speak up once they've learned it's risky or pointless. A cop catches people doing things wrong. A coach helps.

2,000 versus 2

In 2007, the BBC reported that the andon cord at Toyota's Georgetown, Kentucky plant was pulled about 2,000 times a week. At a new Ford truck plant in Michigan, it was pulled twice a week. Ford didn't have a thousand times fewer problems. The difference was what happened after someone pulled the cord: help from a team leader within seconds, or pressure for stopping the line. Ford knew team leaders were key, but that role didn't survive the budgeting process. The problem was not the rope.

Same workers, different leaders: NUMMI

GM closed its Fremont, California plant in 1982. Two years later it reopened as NUMMI, a joint venture with Toyota, with most of the same workforce and a different management system. At first, nobody pulled the andon cord. Then, as the story is told, the plant president saw a worker named Joe struggling with a taillight, reached up and pulled the cord with him, and apologized for not making it clearer that this is how the plant should work.

20–25% to 3–4%	**700+ to about 30**	**33% less**
Absenteeism	Open grievances	Labor time per vehicle

> *The culture at NUMMI is that when a problem occurs, the emphasis is on finding and eliminating the cause rather than finding someone to blame.*
>
> GM internal report on NUMMI, 1987

Fear and futility

Fear	Futility
"If I speak up, I'm going to get in trouble."	"I don't get in trouble for speaking up. It's just that nothing happens."

When I poll audiences in the U.S., Australia, Brazil, and South Africa, futility usually outranks fear, and often only about one in five people say nothing keeps them quiet. Not getting in trouble is the bare minimum. Don't

replace fear with futility. People speak up when it feels **safe enough** and **worth it** (a framing from Stephen Shedletzky's *Speak-Up Culture*).

One company was proud of certifying 500 Green Belts, each with a required project. The total number of projects: 504. People didn't run out of problems. They ran out of time, coaching, and reasons to keep going. When people aren't raising problems, more problem-solving training is usually solving the wrong problem.

From cop to coach: MEER

M
Model
Admit mistakes. Say "I don't know. What do you think?" Then you've earned the right to ask others.

E
Encourage
Ask, and keep asking: What problems do you see? What ideas do you have?

E
Enable
Give people the time, help, team leaders, and skills to act on what they raise.

R
Reward
Thank and recognize people. Tolerating speaking up isn't enough.

Miss any of the four, and the andon cord is just a rope.

Punitive, nice, or kind?

Punitive responses teach people to hide mistakes. **Nice** says "please don't feel bad" and stops there, so nothing gets fixed. **Kind** adds "let's work together to understand why it happened and prevent it." When Isao Yoshino loaded the wrong solvent in a Toyota paint shop in the 1960s, his leaders traced it to a look-alike barrel and apologized to him for the system that made the mistake possible.

Close the loop

> Out loud. Within a week. Even when the answer is no. Sometimes something did happen, and the person just never heard about it.

The era of blaming the workers here is over. Together we will succeed because we're going to manage this place differently.

Larry Spiegel, new plant manager at my old GM plant, which went from the bottom of the industry to the top quarter within a couple of years

Questions to take back to your team

- Where people stay quiet here, is it fear, futility, or both? How would we know?
- What happens in the first minute after someone raises a problem with me?
- Which concern is still waiting for me to close the loop?

Go further

- *The Silence Tax: How Leaders Drive Out Fear and Futility* (February 2027). Read the Introduction and Chapter 1 free: markgraban.com/books/the-silence-tax
- Free guides and all links from this talk: markgraban.com/talk-resources/the-silence-tax
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