This material has been excerpted from

The Truth About Lies in the Workplace
How to Spot Liars and What to Do About Them

by Carol Kinsey Goman
Published by Berrett-Koehler Publishers
Copyright © 2013, All Rights Reserved.
For more information, or to purchase the book,
please visit our website
www.bkconnection.com

The Truth about Lies in the Workplace

How to Spot Liars and What to Do about Them

CAROL KINSEY GOMAN

More Praise for *The Truth about Lies in the Workplace*

"We live in a world of confusion and deception. *The Truth about Lies in the Workplace* will make us all successful detectives and fact checkers in our work lives. This book gave me insights into finding the truth and safeguarding my reputation."
 —**Lee Hornick, President, Business Communications Worldwide, and Program Director, The Conference Board**

"*The Truth about Lies in the Workplace* is more than about spotting liars at work. It's about recognizing our own roles in fostering workplace deception, understanding how our own biases affect the way we interpret and relate to lies of others, and finding ways to minimize the destructive impact of lies and hidden biases. Carol Kinsey Goman brings these concepts together in ways easy to understand. Our challenge is to use this understanding to do the hard work required to create open, honest, and productive workplaces."
 —**Marci Rubin, Executive Director, California Minority Counsel Program**

"Carol Kinsey Goman exposes the mechanics of deception in this powerful new handbook for workplace health and productivity. Add a live keynote or seminar with Carol, and a new era of leadership and exemplary workplace culture is within your grasp."
 —**Karen Tucker, CEO, Churchill Club**

"What a fabulous topic for today's leaders. As we move toward heterarchical organizational design, there's never been a more important time to deal with deception in the workplace."
 —**Watts Wacker, futurist and bestselling coauthor of *The 500 Year Delta***

"In today's hyperconnected world, transparency and trust in the workplace are critical. Carol Kinsey Goman clearly understands the power of honest, collaborative leadership. And that's no lie."
 —**Linda Kaplan Thaler, Chairman, and Robin Koval, CEO, Publicis Kaplan Thaler**

"Carol Kinsey Goman offers a thoughtful, often counterintuitive, and actionable analysis of lying in the workplace and in life. She is an exceptionally good business writer. Her work is practical and useful. I highly recommend Goman's *The Truth about Lies in the Workplace* to anyone who manages people."
 —**Timothy Askew, CEO, Corporate Rain International**

"In this groundbreaking work, Carol Kinsey Goman, PhD, boldly enters a topic that has been taboo for far too long and reveals the tools and tactics necessary to spot the liar in our midst. We attempt to hire warriors only to realize too late that we have hired a cunning liar. Now there is no excuse! *The Truth about Lies in the Workplace* is a game changer and a long-overdue weapon in the tool kit of every HR professional."

   —Brad Szollose, award-winning author of *Liquid Leadership*

"People lie for different reasons. It can be driven by fear, greed, or even an organizational culture that encourages it. No matter what the reason, lying destroys employee morale and ultimately the bottom line. *The Truth about Lies in the Workplace* gives you the tools to cut through to the truth and helps you determine what to do when you spot lies."

   —Jon Peters, President, The Institute for Management Studies, and CEO, AthenaOnline

"Goman's great book is far more than a primer on how to recalibrate your BS detector. It will completely reframe what you know about lying while providing powerful perspectives and practices on how to nurture trust in the workplace. I promise you'll be surprised and enlightened."

   —Chip R. Bell, coauthor of *Wired and Dangerous*

The Truth
about Lies in the
Workplace

Other books by Carol Kinsey Goman

- *This Isn't the Company I Joined:*
  How to Lead in an Organization Turned Upside Down

- *The Nonverbal Advantage:*
  Secrets and Science of Body Language at Work

- *The Silent Language of Leaders:*
  How Body Language Can Help—or Hurt—How You Lead

The Truth about Lies in the Workplace

How to Spot Liars and What to Do about Them

Carol Kinsey Goman

The Truth about Lies in the Workplace

To Skip, always and forever

*And to Toni Franklin, Ellen Vaughan,
and Joyce Turley Nicholas—
my incredibly special cheerleaders*

Contents

This page intentionally left blank

Introduction

For the past two years I have been a contributor to Forbes.com. I write articles about body language—its impact on a leader's effectiveness in managing change, engaging employees, leading collaboration, negotiating, and communicating with a multicultural workforce. My more popular entries usually receive 10,000 to 20,000 hits.

On April 11, 2012, I posted the blog "12 Ways to Spot a Liar at Work." Within 10 days the post had been viewed 262,929 times. Clearly, the number of hits showed that this topic struck a chord with my business and leadership audiences.

It also reflected my growing interest in the subject. I had been trained as a therapist and knew how to track, mirror, and analyze nonverbal cues. In my private practice and later as a leadership coach, I became adept at spotting contradiction—noting those places where a client's words and body language were out of sync. I became a fan of Paul Ekman, the foremost authority in emotions research, nonverbal communication, and the role of microexpressions in lie detection; and most recently Patryk Wezowski, founder of the Center for Body Language in Antwerp,

and his program for detecting microexpressions in workplace settings. I followed a variety of other researchers as they reported on the lying behaviors of children, profiled the (sometimes surprising) qualities of convincing liars, and used functional magnetic resonance imaging (fMRI) machines to track what happens in a person's brain when telling a lie. In addition, my 25 years as a lecturer in more than 100 companies in 24 countries provided me with real-world knowledge about the impact of deception in the workplace.

I assumed that, given what I already knew, writing a book on this topic would be easy.

I was wrong.

The deeper I delved into the most recent studies on deception from neuroscientists, social psychologists, and university researchers, the more I discovered how little I really knew. I began by thinking that lying in the workplace was an aberration that could be eliminated; instead I found that lying was created by evolution and driven by social necessity—and that we couldn't operate in a business environment (or any other environment) without some forms of it. I thought that I could divide the workplace into categories—the deceitful "them" and the truthful "us"—but found that there is no such clear-cut distinction. I believed that I was honest with myself, only to discover that no one is. I felt I was a perceptive and objective observer, but I discovered that like everyone else I hold unconscious biases that are pervasive and powerful enough to distort reality.

When I sent out a "deception in the workplace" questionnaire, I received 547 responses that added to my growing knowledge—this time from firsthand accounts—about the

negative effects that destructive lies have on individuals, teams, and organizations. I learned that many people work (happily and productively) in organizations with ethical leadership and trustworthy co-workers. But I also learned that a majority does not: 67 percent of respondents said that they have lost confidence in the truthfulness of their senior leaders, 53 percent admitted that they don't trust their managers, and 51 percent believed that their co-workers regularly lied.

The Truth about Lies in the Workplace describes what I have discovered so far about this nuanced and fascinating topic. The following is a brief overview.

Chapter 1, "Liars at Work," lays a framework for the book by giving an overview of the (positive and negative) nature, pervasiveness, and consequences of lies at work. Chapter 2, "Deception Detection: 50 Ways to Spot a Liar," teaches you the signs of increased stress and anxiety that most often accompany deception and explains the verbal and nonverbal cues that are most likely to indicate a falsehood. Chapter 3, "Why We Believe Liars and Play into Their Hands," explains how our vanities, assumptions, prejudices, rationalizations, and self-deceptions set us up to be duped. Chapter 4, "How to Deal With Liars," gives practical advice and options for responding when someone lies to or about you. Chapter 5, "Do You Look Like a Liar?," offers body language tips to help you project your true competence and confidence—and to ensure that feeling anxious, introverted, or shy doesn't inadvertently signal untrustworthiness. Chapter 6, "Reducing Lies in the Workplace," includes examples of how leaders at all levels of the organization are reducing destructive lies and encouraging candor.

I think you'll find this book a real eye-opener. I did, research-ing it. I'd love to hear about your experience with lies and decep-tion (or with honesty and trust) in your workplace. Please contact me at cgoman@ckg.com with comments and questions.

CHAPTER **1**

Liars at Work

You work with a bunch of liars.

You're a liar, yourself.

So am I.

That's the truth.

But wouldn't it be nice if it weren't? Wouldn't it be convenient if the workforce were divided neatly into "us" versus "them"? We, of course, would be the good guys who were always up front and truthful. They would be the rotten apples whose destructive lies betray the confidence placed in them and ruin everything for the rest of us. If that scenario were valid, imagine how simple it would be to create totally candid corporate cultures: the human resources (HR) department could develop a test for truthfulness to eliminate liars before they were hired, promotions could be awarded to the most honest employees, and alert managers could weed out any extrawily deceivers who somehow slipped in and were later exposed.

But if the truth is that we're *all* liars—if the line between "us" and "them" is not as definitive as we'd like to think—how in the

world do we deal with lies in the workplace? That's the question that makes this subject so provocative and leads to a host of issues that I will be addressing throughout the book.

There is no universally agreed upon definition of *lie, lying, deception,* or *liar,* and each of us has his or her own opinion about what constitutes a small, inoffensive fib; a diplomatic white lie; or a big, damaging slander. In this book I use the words *deception* and *lie* interchangeably; however, I view *deception* as the broader umbrella term that includes every imaginable way to mislead, whereas *lying* refers to specific acts of generating falsehoods or omissions for the purpose of deception. With this as a starting point, my goal is not only to help you spot liars in the workplace but also to help you determine which lies and liars can be overlooked or forgiven and which are truly destructive and need to be dealt with seriously.

Development of a Liar

In *Why We Lie: The Evolutionary Roots of Deception and the Unconscious Mind,* David Livingstone Smith poses the theory that lying is deeply embedded in our subconscious as a result of evolution.[1] In evolutionary terms, being a successful liar constitutes a "selective advantage"—which means simply that our ancestors who didn't develop the knack for deception died off and those who survived by lying passed on stronger and stronger genes for this ability.

But being born with a predisposition for deception doesn't mean we are born knowing *how* to lie. The fact is, we have to learn that skill. New research shows that lying may even be a positive

developmental milestone. A Canadian study of 1,200 children ages two to 17 suggests that those who are able to lie successfully have reached an important developmental stage because only children who have advanced cognitive development are able to carry out the complex juggling act that involves saying one thing while keeping the truth in the back of their minds. Only one-fifth of the two-year-olds tested in the study were able to do that, whereas at age four 90 percent were capable of lying advantageously. The rate increased with age to a peak at 12. By the time children are teenagers, they become even more adept at lying—moving from basic deceptions to quite intricate fabrications.[2]

When we finally grow up, do we at last see the error of our youthful ways and take the honesty pledge? Of course not! This is a life skill we're talking about. We go right on lying—either occasionally, frequently, habitually, or pathologically—for the rest of our lives.

Most of the lies we tell are self-serving, meaning they are lies that benefit us: the job candidate who exaggerates his or her accomplishments does so to look more qualified for the position. Some are intended to benefit others: the co-worker who compliments a nervous colleague does so to put him or her at ease. And some lies are a mixture: the manager who tells competing candidates that he backs each of them is wanting to boost the self-esteem of both people, but he also wants to be "on the winning side" regardless of which candidate gets the job.

In the workplace people fib, flatter, fabricate, prevaricate, and equivocate. They take liberties with, embellish, bend, and stretch the truth. They boast, conceal, falsify, omit, spread gossip,

misinform, or cover up embarrassing (perhaps even unethical) acts. They lie to avoid accepting responsibility, to build status and power, to "protect" others from hearing a negative truth, to preserve a sense of autonomy, to keep their jobs, to get out of unwanted work, to get on the good side of the boss, or to be perceived as "team players" when their main motivation is self-interest. They lie because they're under pressure to perform and because, as one co-worker observed about his teammates, "they lack the guts to tell the boss that what is being asked isn't doable."

Some types of people are better than others at lying. If you are creative, you are one of them—not because creativity makes you more likely to be dishonest but because you're probably good at convincing yourself of your own lies. If you have a charismatic or dominant personality (as many C-suite executives do), you probably also have a special capacity to deceive—which doesn't mean you lie more than others; it just suggests that when you do, you are more skilled at it.

If you're an extrovert, you lie at a higher rate than do introverts. If you are intelligent, you can think strategically and plan ahead like a good chess player—and you can better handle the cognitive load imposed by lying. If you are manipulative or overly concerned about the impression you are making on others, you tell more lies. If you are adept at reading body language, you are also adept at sensing when other people are getting suspicious. And if you have a good memory, you are less likely to be tripped up by your falsehoods.

You may even be in a profession that produces "polished" liars. If you are an actor, poker player, evangelist, salesperson,

politician, marketer, negotiator, coach, company spokesperson, lawyer, or (my profession) a professional speaker, you have probably learned to "bluff" convincingly.

Four Types of Liars

Occasional liars. Most of us fall into this category. We don't like to lie but do it every now and then. Occasional liars feel the most uncomfortable about lying and are the easiest to detect through the verbal and nonverbal cues that I detail in chapter 2.

Frequent liars. These are more comfortable with lying, even though they know it's wrong. Because they are more practiced, their lies are more difficult to detect.

Habitual liars. They tell lies automatically and effortlessly. Their deception comes across as "natural" behavior because for these people it is. But often they get lazy or sloppy with their content, and that is what trips them up.

Pathological liars. This is the hardest group to detect because they lie compulsively—often for no apparent advantage—and have totally bought into the veracity of their own lies. Fortunately, this kind of liar is rare and far less likely to be encountered in the course of normal business dealings.

Workplace Lies at All Levels of the Organization

Workplace lies run the gamut, from everyday fibs to whoppers, and from benign to destructive. Small lies are easily forgiven or overlooked: "My manager gave out an earlier due date for

the completion of a project than was necessary. She knew that some people would procrastinate, and she wanted to make sure the work was done on schedule." Big lies destroy trust and are almost never forgotten or forgiven: "My boss assured me that my position was secure—then he accidentally copied me on an e-mail about interviewing my replacement."

One thing to keep in mind is that not all untruths are lies. Different people recall different details from the same event. That's why eyewitness statements are often contradictory, and why two co-workers can attend the same business conference and come back with two very different opinions of the event.

Liars deliberately choose to mislead others, and lies may be encountered throughout a person's career, from résumé inaccuracies when applying for a job to disingenuous answers on exit interviews when leaving an organization. And they can occur at any level of the organization. From my survey of 547 business professionals, the following are the most common workplace lies. (All of the quotes in this section are from anonymous survey respondents.)

Lies from Senior Leaders

Leaders' lies matter most because the behavior of leaders has a greater impact on more people and because others model that behavior. Of the respondents to my survey, 67 percent said that the senior leaders of their organizations didn't always tell the truth. Leadership lies cited most often were those of omission and misrepresentation—executives either didn't tell the whole truth or they presented an overly optimistic view of the company's current state and future prospects.

Withholding crucial information. The number one complaint from employees is that executives lie by telling half-truths and omitting negative information, especially during a merger or restructuring or at any time the organization is facing potential layoffs.

"I work with the senior leadership team on a daily basis, so I'm pretty much in the communication loop. I've seen members lie blatantly to their own staff members about layoffs and plant closures that have actually been decided on weeks before and in some cases have already become hot rumors on the company grapevine. Why bother lying about something people know is going to happen? Company culture, I guess. 'It's what we've always done.' Why? You tell me!"

"Our leaders don't provide the whole truth about anticipated impacts of organizational changes. In fact, the information they do present is so garbled and wrapped up in big words, it's like listening to politicians trying to put something over on us."

Glossing over the truth. Whether you call it "corporate spin," "excessive optimism," or "irrational exuberance," talking about things going well when they obviously aren't is the second most frequently observed deceptive behavior of corporate leaders.

"Board reports are always routinely revised to present a better picture of the company's status and performance. It's expected. I know because I was part of the senior leadership team charged with overseeing the rewrites."

"The executives keep saying that things are fine and there will be other work to do. Meanwhile they keep outsourcing our jobs. Do they think we don't notice?"

Lies from Managers

The relationship between manager and staff is the most crucial for employee satisfaction and engagement. As is often noted, people rarely quit their jobs due to disputes with organizational policies; they quit because they work for ineffective or uncaring bosses. In my deception survey, 53 percent of respondents said that their immediate supervisor lies to them. The most common lies were avoiding responsibility for mistakes or failures and, conversely, taking too much credit for team successes. Managers were also accused of not keeping promises and of lying because they were afraid to admit that they were fallible.

Avoiding responsibility. "My boss said it was my fault, but she was the one who missed the deadline—not me."

"He blames others to cover himself in front of his own boss."

Taking undue credit. "My manager takes credit for the efforts of the entire team. One day I'd like to see how he gets on without us."

"We do all the work. She takes all the bows."

Not keeping promises. "My boss said she'd write a letter of recommendation. I reminded her several times, but she never followed through."

"I was promised that I could go to the training seminar, but when the time came my boss made some lame excuse."

Not admitting fallibility. "My boss routinely lies to the executive team because she wants them to think she can handle everything. In reality she is too weak to tell them what they don't want to hear."

"He just makes things up. I think he's afraid of looking uninformed by admitting he doesn't know."

Lies from Colleagues

Because we interact with them so closely during the workday, almost without realizing it we subject our immediate colleagues to more or less continual judgment regarding their performances and behaviors. Most of the time, we find that co-worker lies are small, insignificant, and easily forgiven or forgotten, involving nothing more serious than excuses for missed deadlines or failure to follow through on requests. But over time a pattern of these seemingly inconsequential lies can erode workplace relationships and inhibit teamwork.

About half (51 percent) of survey respondents said that they have had to deal with colleagues who lied to and about them on a variety of matters a good deal more serious than missed deadlines. Especially egregious to my participants were backstabbing behaviors, lies to hide unethical acts, and deliberately withholding or misreporting information.

Backstabbing. "The other department head thanked me for my idea, then told our boss that I'd stolen it from her. Luckily, I had documents that proved otherwise."

"My co-worker made up terrible things about another person and said that I started the rumor."

Unethical behavior. "One of my colleagues lies consistently on his expense reports, pads them, and uses extra days of travel to get frequent-flyer miles so that he can take his wife on vacations."

"She inflates her expense account excessively for food and drinks—but when I asked her about it, she said that there was an 'unwritten rule' that this was okay so long as she didn't exceed her budget."

Information hoarding and misinformation. "Some people on the team hoard information or misinform other team members as a way of making themselves feel more powerful and in control."

"I wasn't invited to the meeting—deliberately, I'm pretty sure—so of course I couldn't come up with the details when my manager asked for them later. I felt like an idiot. I also felt like someone on that team has it in for me."

What about You?

According to a 1997 study jointly sponsored by the American Society of Chartered Life Underwriters (now the Society of Financial Services Professionals) and the Ethics and Compliance Officer Association, 48 percent of the workers interviewed admitted that they had engaged in one or more unethical or illegal actions during the year—including lying to a supervisor or direct report, deceiving customers, covering up incidents, taking credit for co-workers' ideas, and faking sick days.[3]

When I talk with managers about the worst kind of lies they hear from their staffs, they often mention lies of omission: "There is nothing worse than getting blindsided by a project that has gone off course."

What about you? Do you always tell the truth? When I put that question to my survey participants, 53 percent admitted lying—primarily to cover up job performance inadequacies, to control time, or as part of a job or career strategy.

Lying to cover up job performance. "I lied and said that I was almost finished with the project when I hadn't even started."

"I didn't want to look unprepared, so I said I knew all about the situation. But I knew nothing."

Lying to control time. "When I'm at a meeting and find I am wasting my time, I leave, saying I have to attend another meeting. I also lie about my agenda when I don't want to attend meetings. Or sometimes I will pretend to forget a meeting. I use this technique only for meetings that I view as a waste of my time, however. I do attend important meetings."

"I'll say I'm sick when what I really need is a sanity break."

Lying as part of job or career strategy. "I assure my staff that everything is fine, even when I know it isn't. It is my role in the organization to play dumb about big executive decisions until I've been told when the announcement is scheduled; I then tell whatever lies I have to to keep panic from spreading."

"I flatter people to make them feel more important so they'll be more likely to pay attention to me and listen to what I have to say."

"I said I resigned 'for professional growth reasons.' It would have been career suicide to tell the truth."

Liars, Lies, and Diversity
Although there hasn't been a lot of research to determine if gender, socioeconomic class, or race or culture changes the frequency or the type of lie being told, here are a few preliminary findings.

Gender

Who are the biggest liars—men or women? I've uncovered no valid research to suggest that men and women lie at different rates—with the exception of one study on deception in an economic setting: researchers at the Stockholm School of Economics found that men are significantly more likely than women to lie to secure a monetary benefit.[4] There is, however, wider agreement that men and women lie differently.

Men tell more self-centered lies. They lie about their accomplishments, salaries, and status in an attempt to appear more powerful or interesting than they are.

Women also tell self-centered lies, but—and this is most apparent in their dealings with other women—they tell more "other-oriented" lies and are more likely to fake positive feelings. In my deception survey, women frequently reported lying to protect someone's feelings: "It's something I'm working on. I know how important it is to be totally candid with my staff—especially during their performance reviews—but I still hate to say anything that makes someone feel bad."

Socioeconomic Class

A series of studies conducted by psychologists at the University of California, Berkeley and the University of Toronto in Canada found that people who considered themselves upper class (as determined by a standardized questionnaire) were more likely than lower-class participants to make unethical choices, such as cheating to increase their chances of winning a prize.[5]

They were also more likely to lie (by omission) during a job interview. In this role-playing study, participants were assigned

the role of an employer negotiating a salary with a job candidate seeking long-term employment. Among other things, they were told that the job would soon be eliminated and that they were free to convey that information to the candidate. Upper-class participants were more likely to deceive job candidates by withholding this information.

The only factor found to supersede class in determining unethical behavior was the subject's attitude about greed. When participants were primed to think about the advantages of greed and were then presented with bad-behavior-in-the-workplace scenarios—such as stealing cash, accepting bribes, and overcharging customers—participants from lower classes were just as likely to engage in unethical behavior as the upper-class cohort.

Lies across Cultures

The word *culture* refers primarily to a set of shared social values and assumptions that determine acceptable or "normal" behavior within a defined society, such as a nation, commonwealth, tribe, or religious community. These values also serve a given society as a benchmark by which to judge the behavior of others.

All cultures can be situated in relation to one another through the styles in which they communicate. *Low-context cultures* (German, Scandinavian, American, English, and Canadian) communicate predominately through verbal statements and the written word. Low-context communication is explicit, direct, and precise, with little reliance on the unstated or implied. In *high-context cultures* (Japanese, Chinese, Arab, Greek, and Mexican), communication depends more on sensitivity to nonverbal behaviors—body language, proximity, and the use of pauses

and silence—and on environmental cues, such as the relation-ship of the participants, what has occurred in the past, who is in attendance, and the time and place of the communication. So when a high-context culture thinks that an understanding has been reached because of who participated in the meeting, low-context-culture participants may be waiting for a formal agreement to be signed.

In international business dealings, I've also noticed that the way different cultures handle accountability and responsibility can make it seem as if someone is lying even when they are not. For example, in the Japanese culture, responding yes to a question often means "I heard you" and *not* "I agree with you." I've seen this type of misunderstanding lead Western team members to think that their Japanese counterparts have lied to them or are not honoring their word.

Some nonverbal signals are unique to a particular culture and can bring confusion to international dealings. Emblematic gestures fall into this category. For example, what we in the United States think of as a positive gesture—the "okay" sign with thumb and forefinger together creating a circle—has very differ-ent meanings in other cultures. In France it means "worthless" or "zero," in Japan it stands for money, and in other countries it is lewd or obscene. Other signals—such as the amount of eye contact deemed proper, head nods (to signal *yes*), the accepted physical space between conversation partners, the amount of touch allowed, and the level of emotional display—that feel so right in one culture can be viewed as inappropriate or even deceptive in another.

The very definitions of honesty and deception can cause significant conflicts in intercultural relationships. A study by four universities (two in Canada and two in China) examined cross-cultural differences in Canadian and Chinese concepts of lying about certain behaviors.[6] The biggest difference the researchers found was in the area of untruthful statements made to conceal one's own good deeds. Nearly all Canadians labeled these as lies, but many Chinese allowed untruthful statements made for modesty's sake to fall outside the realm of lying. Another noteworthy finding was that the Canadians gave significantly more positive ratings to confessing misdeeds than did the Chinese. Most of the Canadians highly valued admitting mistakes and taking responsibility for them. Most of the Chinese believed that while confession was commendable it did not negate the bad behavior of lying.

Another joint study, this one by Michigan State University and the University of California, Santa Barbara, investigated the relationship between American and Korean cultures in their evaluation of truth and deception.[7] One finding reflected the communication differences in high-context and low-context cultures. Koreans converse less directly and clearly, relying on other factors like personal bonds, previous dealings, and non-verbal cues to add significance. Because Koreans were more accustomed to producing and comprehending indirect meaning, they tended to judge ambiguous messages as less deceptive than low-context Americans who expected truthful statements to be specific and complete.

Consequences of Lying

Despite the fact that the workplace is awash in deception, I don't mean to suggest that we should give a free pass to lies that do real harm. As discussed, some lies actually preserve the social order and can even be selfless. From this point on, however, we focus on those lies that seriously damage relationships and organizations. I realize that this distinction can be like the "I know it when I see it" test for rudeness, but most human beings are extremely nuanced in gauging another's selfishness as a liar. The boss who gives you a false deadline because she knows you procrastinate might actually seem canny and clever to you. The boss who gives you an early deadline so that she can take credit for your work is much harder to forgive. The early deadline might be the same in each example, but only one is hurtful and harmful. Unless I say differently from this point on, you can assume that I mean "painfully selfish, destructive lie" when I use the simple word *lie*. Life is too short to worry too much about the other kind!

With this in mind, I hate lying. I don't mean I hate the "I'd *love* to be interviewed on your 3 a.m. radio show" or the "It's *no trouble* to create a custom-tailored program outline so that you can decide if you want to hire me as a speaker" kind of lie. I'm perfectly comfortable with those. But I hate lies that force me to remember conflicting stories and that I fear will shame or embarrass me if found out. Those lies are too stressful and take too much of my emotional, physical, and mental energy.

I also hate what lies can do to others—to the individuals who tell them, to those who are duped by them, and to teams,

departments, and organizations that deal with the repercussions. The following are a few consequences to consider.

Lies are bad for your health. Psychologists at the University of Notre Dame conducted an "honesty experiment" in which 110 individuals, ages 18 to 71, participated over a 10-week period.[8] Each week they came to a laboratory to complete a health assessment and take a lie detector test. When researchers tallied the number of physical and mental health complaints, the study found that as people increased the number of lies they told, their health declined. Conversely, when lies went down, the subjects' health improved.

Deceiving others increases self-deception. Researchers at Harvard Business School found that those who cheat on tests are more likely than non-cheaters to rationalize their superior performance into a genuine sign of intelligence.[9] This unconscious act of self-deception, while providing a short-term psychological boost, comes with a longer-term price to pay; when asked to predict their own future performances, the cheaters erroneously presumed that they would perform as well as they had previously—and of course couldn't.

Lies can destroy your reputation. In the era of personal branding, two things are most important to success: your professional network and your reputation. Nothing can weaken a network or destroy a reputation faster than being exposed as a liar.

Lies can destroy your career. Embellishing your résumé or company track record may not seem like such a big deal, until

you realize how many people who rose by this method also came crashing down. RadioShack's chief executive officer (CEO), David Edmondson, lost his job in 2006 after acknowledging that he lied about academic degrees listed on the company's website.[10] Notre Dame football coach George O'Leary resigned after five days on the job when it came to light that he had falsified academic and athletic credentials.[11]

Then there's the more recent case of Yahoo's CEO Scott Thompson, who was asked to leave the company after a fake degree on his résumé was discovered.[12] Whether Thompson embellished his bio with a college major he didn't earn (his actual accounting degree was changed to include one in computer science) or signed his name to a document someone else falsified, the lie cost him a flourishing career. Thompson had claimed the false credential when he was president of PayPal. After he joined Yahoo, his official bio containing the double major became part of the company's annual report filed to the Securities and Exchange Commission, a document that CEOs must personally attest is truthful.

The recipient of a lie feels betrayed. In many cases, a lie is a violation of trust in a trust-dependent relationship. Bernard Madoff operated a Ponzi scheme that defrauded thousands of investors out of billions of dollars. His victims' justifiable anger was tinged with feelings of deep betrayal. They lost hard-earned money that they thought they'd placed in safe hands because they believed Madoff's lies.

But you don't have to lose your life savings to feel betrayed by a liar. Whenever your trust in someone is destroyed by his or

her lies, there is almost always an element of betrayal. This is also why it is so difficult to ever trust that person again.

Lies of omission hinder collaboration. Collaboration depends on knowledge sharing. When team leaders or colleagues withhold information, it affects each individual's ability to do his or her part and to contribute to the goals of the team. Omission is especially damaging to collaborative efforts when some (the chosen few) are given information and others are excluded.

Lies weaken productivity and profits. Inside organizational cultures that encourage lies and deception, or at least don't actively discourage them, something insidious begins to happen: previously dedicated workers become less committed to company goals; skepticism builds (I've watched an audience play "buzz-word bingo" while listening to executives' speeches); employees increasingly complain to one another; absenteeism increases; productivity, innovation, and customer service plummet; and, eventually, so do profits.

Lies are expensive. According to the Association of Certified Fraud Examiners, a typical organization loses 5 percent of its revenue to fraud—a potential global fraud loss of $3.5 trillion.[13]

Lies can threaten an entire industry. A 2012 *New York Times* article, "As Libor Fault-Finding Grows, It Is Now Every Bank for Itself," states: "Major banks, which often band together when facing government scrutiny, are now turning on one another as an international investigation into the manipulation of [inter-bank borrowing] interest rates gains momentum. With billions

of dollars and their reputations on the line, financial institutions have been spreading the blame in recent meetings with authorities, according to government and bank officials with knowledge of the matter."[14]

<p align="center">⌒⋯ 🤞 ⋯⌒</p>

So, you work with a bunch of liars. You indulge in a bit of lying yourself. Most of that lying—yours, mine, and everyone else's—is either benign or falls under the heading of the pettiest of petty crime. But not all of it. Remember Nick Leeson, the former derivatives broker whose fraudulent and unauthorized speculative trading caused the collapse of Barings? Remember Lehman Brothers, whose bankruptcy triggered a chain reaction that produced the worst financial crisis and economic downturn in 70 years? Remember Kenneth Lay, Jeffrey Skilling, and Andrew Fastow, whose use of accounting loopholes and improper financial reporting left thousands of Enron employees and investors holding the bag?

No one spotted them until it was too late. And too late is the thing we all want to avoid. By learning the verbal and nonverbal signals that most liars exhibit, you can develop your internal lie-detecting ability and increase your chances of spotting liars at work. Chapter 2 will help you do that.