

HOW GREAT LEADERS BUILD
ABUNDANT ORGANIZATIONS
TO DELIVER VALUE FOR EMPLOYEES,
CUSTOMERS, INVESTORS, AND COMMUNITIES

THE why OF
WORK

DAVE ULRICH

"#1 Management Educator & Guru." —BusinessWeek

WENDY ULRICH

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CONTENTS

	Preface	000
CHAPTER 1	The Case for Meaning	000
CHAPTER 2	The Making of Abundance	000
CHAPTER 3	What Am I Known For? (Identity)	000
CHAPTER 4	Where Am I Going? (Purpose and Motivation)	000
CHAPTER 5	Whom Do I Travel With? (Relationships and Teams [Th]at Work)	000
CHAPTER 6	How Do I Build a Positive Work Environment? (Effective Work Culture or Setting)	000
CHAPTER 7	What Challenges Interest Me? (Personalizing Contributions at Work)	000
CHAPTER 8	How Do I Respond to Disposability and Change? (Growth, Learning, and Resilience)	000
CHAPTER 9	What Delights Me? (Civility and Happiness)	000
CHAPTER 10	Implications for Executives, Human Resources, and Individuals	000
	Notes	000
	Index	000

PREFACE

This book evolved out of a conversation between a business professor/consultant (Dave) and a psychologist (Wendy), a conversation that has seasoned more than 10 years of morning walks along the riverways of Michigan, the neighborhoods of Quebec, and the mountain trails of Utah. For more reasons than one, this conversation often leaves us breathless as we contemplate the challenges faced by leaders who create the organizations we respectively encounter. Theirs are the challenges we face as well: finding the *why* to sustain the *how* of our daily living. This book focuses on a simple question: How do great leaders create, for themselves and others, a sense of abundance (meaning, purpose, hope, pleasure) that not only engages employees but also delivers value to customers, investors, and communities?

Dave works to help organizations create value for employees, customers, investors, and communities. He coaches leaders on how to build corporate agendas, organizational capabilities, and the human resource infrastructures to achieve their goals and objectives. Dave is also trained as a taxonomist who looks for simple patterns in complex phenomena. In these pursuits, Dave sometimes encounters leaders who formulate great strategies, structures, and processes but may overlook the heart and soul that make organizations meaningful places to work.

Wendy works to help people change and heal. With a background in psychodynamic, cognitive, and family therapy

as well as positive psychology, she helps clients examine the patterns that have shaped their past so they can better choose their future. Her clinical practice and change workshops include both people with everyday struggles and people facing trauma or serious adversity. Some people in each group see primarily the senselessness and deficits of their lives, while others manage to find a sense of meaning and abundance. Her M.B.A. reminds her that real change means institutionalizing, not merely individualizing, abundance and meaning.

One of us works with organizations, the other with individuals. One wants to help organizations serve their customers and investors; the other wants to help individuals grow and find peace. But as we have worked together, we have found common ground. The questions both leaders and those they lead wrestle with and the answers they develop seem to overlap and connect around the search for *the why of work*—the search for meaning, purpose. Finding that *why* infuses organizations with a sense of abundance—having enough and to spare of what matters most.

Dave had a personal encounter with abundance a few years ago while we shared responsibilities directing a mission for our church in Canada. One day he met with a poor African immigrant family living in subsidized housing with shoddy furniture and too many people for the confined space. Despite these “deficits,” this family had forged an emotional bond that emanated warmth and generosity. They cared about each other and the world. They were curious and compassionate. When it came to what mattered most, they had enough and to spare. Later that day, we had dinner in an executive’s expensive, beautifully adorned home. Although the food was tasty and the furnishings elegant, the

PREFACE

conversation and preoccupations of the evening were superficial and sterile. We both learned once again that meaning is tied less to belongings and more to emotional bonds, a sense of purpose, and using one's skills to serve the needs of others.

In organizations as well, meaning and abundance are more about what we do with what we have than about what we have to begin with or what we accumulate. They are more about finding the resources to deal with our challenges than about having unlimited resources to make work easy or effortless. Work will always be work—sometimes monotonous or routine, sometimes stressful to the max—but we believe work can still contribute more than just money to our lives. Leaders can develop the resources to make employees work harder and to make work work for employees. There is a strong business case for helping people find meaning at work. As employees find meaning, they contribute to the broadest purposes for which organizations exist: creating value for customers, investors, and communities. This book distills from a broad range of literature and research a set of resources leaders can use in that process.

As we have worked with college students and young missionaries, we have been infected with the rising generation's passion for purpose around both ideas and ideals. As we have worked with mature adults, we have learned that meaning seekers abound at all life stages. We have seen that people find meaning not only in their personal lives but also through the organizations where they learn, worship, socialize, and play. Meaning can be discovered in friendships, families, neighborhoods, religious communities, schools, service clubs . . . and work.

On a more personal level, we seem to be constantly asking ourselves, "What will we do when we grow up?" When

younger we assumed this question would be well resolved by the time we were 30, but it has lingered into our children's 30s. Is meaning found in taking vacations, learning, giving, serving our neighbors, or building a business? The answer can be yes to each of these. And it can also be no. People find meaning in many places and activities, but for us and many we know, meaning itself is not optional. It is the object of a nearly universal search. Work is a nearly universal setting for engaging in this quest.

The problems we face as a consultant and a psychologist, the experiences we have had through serving others, and our personal meaning journey have occupied our thinking for a long time. As we tried to figure out what meaning means, why it matters, and how to develop it, we realized we had embarked on a complicated journey. Wendy has taught and supervised psychology graduate students, run workshops on personal abundance, consulted for a variety of organizations, and written books on forgiving ourselves and changing our mind-set. Dave has coached and trained countless executives and HR professionals on how to diagnose and build organizational capabilities and deliver value to customers, writing more than 20 books on these topics. In each of these forums, we interviewed people to find out how they interpret the sources of potential meaning in their lives. We asked flight attendants, janitorial workers, bus drivers, homemakers, and executives what they liked about their jobs and what gave meaning to their personal and professional lives. We looked for underlying patterns of individual and organizational meaning and success. We also went to our respective literatures for research and theory on meaning and living well. Many thoughtful people in many fields of inquiry have



PREFACE

studied different aspects of how meaning and personal well-being are defined, experienced, and developed.

In the spirit of taxonomy, we culled our experience, our conversations, and the theory and research that informed our work and identified seven disciplines, each of which looks at meaning making through a slightly different lens: positive psychology, social responsibility, marriage and interpersonal relationships (including high-performing teams), employee engagement, culture and positive work environment, growth and learning, and happiness. The ideas and research from each of these disciplines contribute to the model driving this book: seven drivers, questions, and tool sets that leaders may use to build meaning, in turn creating a strong organizational purpose and identity that create value for customers, investors, and employees alike.



Two caveats are in order. First, we know we have not done justice to any of the disciplines we synthesize. Volumes of theory and research discuss positive psychology, social responsibility, marriage and interpersonal relationships (including high-performing teams), employee engagement, culture and positive work environment, growth and learning, and happiness. We have tried to pare down these vast literatures into a set of manageable tasks for leaders who want to help employees find meaning in their professional lives. Second, we realize we are writing about very personal issues within a professional setting. Consistent with that agenda, we have used a lot of personal stories to illustrate how to define and determine meaning. By personalizing meaning, we hope we can capture why and how leaders make meaning happen, build abundant organizations, and deliver value to stakeholders.

PREFACE

This brings us to the issue of the audience for this book: leaders. Whether talking to executives of global companies or therapy clients who struggle with loss and grief, we have found the search for meaning to be universal. It affects rich and poor, young and old, American, African, European, and Asian, those in big and small organizations, publicly traded firms and public agencies, employees close to retirement and employees just entering the workforce, those who volunteer in community organizations and those who lead large conglomerates, those who are unemployed and those who put in 80-hour weeks. Given our professional interests, we could have written to individuals at large, to employees, or to HR professionals (who generally accept the importance of meaning making and who build HR systems to sustain it). We decided to write to leaders.

Leaders are meaning makers: they set direction that others aspire to; they help others participate in doing good work and good works; they communicate ideas and invest in practices that shape how people think, act, and feel. As organizations become an increasing part of the individual's sense of identity and purpose, leaders play an increasing role in helping people shape the meaning of their lives. Too many leaders focus on where they are going and how to get there, without paying much attention to how it feels to those on the journey with them. When leaders make work meaningful, they help create abundant organizations where employees operate on a value proposition based on meaning as well as money. Meaning becomes a multiplier of employee competence and commitment, a lead indicator of customer share, a source of investor confidence, and a factor in ensuring social responsibility in the broader community. We find that even the hardest-nosed leaders become interested in meaning

when they realize its potential contribution to bottom-line realities. When leaders grasp the why of meaning, they then seek the how.

Our Meaning Makers

We pay tribute to those who have helped us experience, think about, and attempt to understand and deliver meaning. We have each lost our father in recent months. To them we owe great gratitude for the lessons they taught by example and word. Our mothers continue to find meaning and enlarge it for others as their abilities allow, and they along with our wonderful siblings (Belinda, Carla, and Eric) and their families are models of grace, charity, humor, and hope. They have built abundant worlds for us, and we hope to pass that legacy to our children and theirs. We consider our children among our best colleagues, thought stimulators, and most abundant abundance enhancers: Carrie Kelley, Monika Ulrich, and Mike Ulrich, with his wife, Melanie Swenson Ulrich, and our sweet granddaughter, Maren. We dedicate this book to her as our tangible symbol of hope for our future and the world's future.

We have professional colleagues who are close friends whose ideas and care support and sustain us. The list is long, but we are grateful to insights and input from (in alphabetical order) the Alpine 6th Ward, Loretta Allen, Dick Beatty, Allen Bergin, Ginger Bitter, Karen Blake, Wayne and Nancy Brockbank, Kim Cameron, Ralph Christensen, Bob Eichinger, Kathleen Flake, Rich Ferre, Jac Fitz-enz, Marshall Goldsmith, Lynda Gratton, Michelle Holt, Bill Joyce, Steve Kerr, Dave Klimek, Dale and Gerry Lake, Ed

PREFACE

Lawler, Mike Losey, Paul McKinnon, Susan Meisinger, Henry Mintzberg, Chris Packard, Jeffrey Pfeffer, CK Prahalad, Scott Richards, Bonner Ritchie, Libby Sartain, Judy Seegmiller, Norm Smallwood, Kate Sweetman, and Jon Younger. We owe a special thanks to Danny Stern, who advised us as a friend and agent. This book would not have come to fruition without the skillful shepherding of Mary Glenn and her staff at McGraw-Hill.

We are also indebted to professional colleagues who have written about these subjects with enormous insight and whose ideas inform our thinking: Viktor Frankl, whose marvelous book captures the search for meaning in impossible circumstances; Judy Bardwick, who has been so insightful at capturing many of these insights; Lynda Gratton, who brings a keen and kind eye to helping people find purpose at work; Kenneth Moore, who has the ability to bring spiritual insights into the work setting; Martin Seligman and his colleagues, who have shaped the field of positive psychology; and individuals such as Jacques Lusseyran, Teeda Butt Mam, Imaculee Ilibagiza, and Joseph Smith, whose stories of meaning making in the face of the most meaning-robbing forms of human suffering have encouraged us to believe that meaning making is not only always possible but also imperative.

We also thank our professional colleagues at the RBL Group (rbl.net) and Sixteen Stones Center for Growth (sixteenstones.net), who touch our lives as both thought partners and advisers. We are most grateful to participants in workshops and retreats who have shared their stories, insights, and honest hopes for the future.

So, Why Have We Written This Book?

We have written this book because we hope to synthesize and simplify mystical and complex approaches to meaning into focused questions and specific actions.

We hope to further a serious discussion of the nature of personal meaning at work.

We hope to show leaders that attention to meaning will help them reach their financial, customer, organizational, community, and strategic goals.

We hope to offer leaders specific ideas, tools, and practices for growing meaning and abundance.

We hope to redefine leaders' roles to include not only direction setting and structure providing but meaning making as well.

We hope to promote for all of us who go to work day in and day out a sense of greater abundance because we have a clearer sense of the meaning of our labor.

We hope to change the conversations between leaders and employees to focus not only on what needs to be done but also on how it feels to do it.

We hope to turn deficit-laden thinking into abundance metaphors and actions that will make a better world for our children, their children, and yours. For more information about this book, visit our website: thewhyofwork.com.



The Case for Meaning

This morning, people all over the planet got out of bed and got ready for work. Some headed out before dawn in high-end cars to claim high-rise offices with high-tech computers and highbrow clients. Some headed out before dawn to walk barefoot, wares on their head, to claim a choice spot in the dirt near the entrance to the village market. Some wrestled with the muses to create artistic masterpieces or solve perplexing scientific problems. Others wrestled with boredom to complete their shifts at cash registers, call centers, or assembly lines. Some pitched their résumés in business suits, looking for good benefits and a sure path to comfortable retirement. Some made their pitch in ragged jeans on street corners, looking for someone to rent their muscles for at least the day.

Some people in each one of these and many other categories by which we could define work found a sense of meaning, purpose, even abundance in their labor today. Others in each category found world-weary tedium, frustration, and despair.

Which were you?

Which were the people you lead?

Viktor Frankl was a budding psychologist following in the footsteps of Freud when World War II erupted. Frankl survived three years in a Nazi concentration camp, but upon his liberation he found his family, home, and writings gone. Before the war Frankl had been developing a system of psychotherapy based on our need for meaning. Once he was incarcerated, his previous philosophical speculations about what helps people heal and cope were no longer just interesting cerebral playthings; they were tested in the fire of a dreadful and lengthy ordeal. Frankl's book *Man's Search for Meaning*, which has sold more than nine million copies, has become a classic. Against the backdrop of horrific adversity, his insistence on the possibility—even the necessity—of finding meaning in life becomes deeply credible. After all, adversity generally disrupts our sense of meaning and robs life of what previously gave it sense and purpose. In troubled times our search for meaning becomes both more difficult and more compelling. Frankl quotes the philosopher Friedrich Nietzsche: “He who has a *why* to live can bear with almost any *how*.”

He or she who has a *why to work* can bear with almost any how as well. Obviously, people find meaning in many settings—in the privacy of homes and the expanses of nature, in churches, ballparks, and community centers, in family and friendship circles. But work takes the lion's share of our time and energy. Most of us spend more time at work than at play, at family gatherings, at religious meetings, or at hobbies. The organizations in which we labor are thus a primary setting not only for accomplishing assignments but also for finding an abiding sense of meaning in life. Work is a universal setting in which to pursue our universal search for meaning.



Meaning at Work

This book is about both the *why* and the *how* of meaning at work.

The *why* refers to the human search for meaning that finds its way into our offices and factories, a search that motivates, inspires, and defines us. The *how* gets us into the practicalities of how leaders facilitate that search personally and among their employees. We offer many specific tools and principles to help leaders put meaning to work not only to build personal meaning but also to help companies succeed in the marketplace of human endeavor.

Thus the search for meaning adds value in two senses of the word. First, humans are meaning-making machines who find *inherent value* in making sense out of life. The meaning we make of an experience determines its impact on us and can turn disaster into opportunity, loss into hope, failure into learning, boredom into reflection. The meaning we create can make life feel rich and full regardless of our external circumstances or give us the courage to change our external circumstances. When we find meaning in our work, we find meaning in life.

In addition to inherent value, meaning has *market value*. Meaningful work solves real problems, contributes real benefits, and thus adds real value to customers and investors. Employees who find meaning in their work are more satisfied, more engaged, and in turn more productive. They work harder, smarter, more passionately and creatively. They learn and adapt. They are more connected to customer needs. And they stick around. Leaders invest in meaning making not only because it is noble but also because it is profitable. Making sense can also make cents.



The Abundant Organization

In this book we refer to companies that are meaningful in both of these senses of the word as *abundant organizations*. An abundant organization is a work setting in which individuals coordinate their aspirations and actions to create meaning for themselves, value for stakeholders, and hope for humanity at large. An abundant organization is one that has enough and to spare of the things that matter most: creativity, hope, resilience, determination, resourcefulness, and leadership.

Abundant organizations are profitable organizations, but rather than focusing only on assumptions of competition and scarcity, abundant organizations also focus on opportunity and synergy. Rather than accepting the fear-based breakdown of meaning in hard times, abundant organizations concentrate on bringing order, integrity, and purpose out of chaos and disintegration. Rather than restricting themselves to narrow, self-serving agendas, abundant organizations integrate a diversity of human needs, experiences, and timetables.

In good times and in hard times, abundant organizations create meaning for both the employees who comprise them and the customers who keep them in business. Employees, customers, investors, and society benefit when employees find meaning at work and when companies give meaning to society. This logic applies to small and large organizations, to public agencies and private enterprises, to local storefronts and global conglomerates.



The Market Value of Why

Even if you are not one of those rare folks blessed with a gift for finding joy in the concentration camps of life, you intuitively know that you and your work team would be more productive, more satisfied, and more creative if work engaged not only your head and your hands but your heart and soul as well. What most of us know intuitively research confirms: when employees find meaning at work, they care enough about it to develop their competence; they work harder and are more productive; they stay longer and are more positive about their work experience. But there is more: when employees are more positive, customers generally respond in kind. Employee attitude is a key lead indicator of customer attitude, and satisfied customers help the businesses they patronize to survive and thrive. In brief:

1. Employees who find meaning at work are more competent, committed, and contributing.
2. In turn, employee competence, commitment, and sense of contribution lead to increased customer commitment.
3. In turn, customer commitment leads to better financial results for the company.

Making meaning is an important cause and a lead indicator of long-term organizational success. So-called intangibles explain about 50 percent of the market value of publicly traded firms.¹ Intangibles are the assets and capabilities of a company that cannot be touched or put on a balance sheet but give investors confidence in the future earnings of the company. Intangibles include nonthings such as leadership, talent, innovation, skill, and vision. Investors increasingly



value these intangible organizational capabilities because they offer confidence in company's future success.

Employee competence, commitment, and passion or energy are among these intangible assets. Employees can be competent, even committed, but still lack passion for their work. Meaning reinforces employees' passion for work because it ties what they do to a greater good that also pays off in the marketplace. Passion for work is an intangible asset that has a direct impact on a firm's market value.

Consider some additional data points on the value for both employees and customers of abundant organizations (exemplified here in organizations that employees like to work for, that investors admire, that invest in people, and that have positive work practices):

- Over a 10-year period (1998 to 2008) “best companies to work for” have a 6.8 percent stock appreciation versus 1.0 percent for the average firm.
- Over a seven-year period, the most-admired firms in *Fortune's* list of admired companies had doubled the market returns of competitors.
- The probability of an initial public offering (IPO; a new company) succeeding goes from 60 to 79 percent when the new company invests in its people.
- Sixty-one hospitals in the United Kingdom had a 7 percent decline in death rate when they invested in the well-being of their staff.
- A one-standard-deviation increase in high-performance work practices yields \$27,044 increase in sales per employee and \$3,814 increase in profit per employee.



- Only 13 percent of disengaged employees would recommend their company's products or services, compared with 78 percent of engaged employees.
- Disengaged employees are 10 times more likely to say they will leave their company within a year.

Franklin D. Roosevelt, U.S. president during the Great Depression of the 1930s, said, "We have always known that heedless self-interest was bad morals. We know now that it is bad economics." This is even more true in today's transparent and fluid cultures.

Leaders as Meaning Makers

So, how are abundant organizations created? This is the task of leadership.

Ultimately the crisis of meaning is always a crisis of leadership. We hope to structure for leaders the private conversations and corporate decision-making criteria that shape abundant organizations. Abundance is not only a prerogative for leaders of rich people, smart people, prestigious people, successful people. Meaning is not only in short supply for poor people, mediocre people, struggling people, hurting people. Great leaders recognize the vital importance of abundance and meaning to everyone in their organization. Including themselves.

The Great Place to Work Institute has conducted surveys of the best companies to work for in America since 1980. It now does work in more than 30 countries. Its surveys serve as a confirmation of the impact of the why of work on business results. A portfolio consisting of all of the publicly traded



companies on the Best Companies to Work For list each year from 1998 to 2008 would have earned an annual return of 6.80 percent, compared to just 1.04 percent over the same period for the Standard & Poor's 500. Even purchasing stock in companies on the list in 1998 and holding it for the ensuing 10 years would have achieved a return of 4.15 percent, which is also much higher than the comparable indices.

What do these companies do to maintain this outstanding performance? Of course they make money via excellent customer service and many other solid management practices or they would not survive. But in addition these high performers tap into the elusive quality of meaning in a variety of ways. For example, in the last 25 years, five companies have consistently been highly rated: Goldman Sachs, Nordstrom, Publix Super Markets, REI, and W. L. Gore & Associates.² Goldman leaders build a culture of “smart people working together,” or one of collaboration and synergy. Nordstrom has earned a reputation for exceptional customer service, hiring employees who delight in “anticipating and meeting customer needs.” Publix Super Markets, founded in 1930, also has a strong customer focus, cultivating “servant leaders” who treat “associates” (not “employees”) with respect and who become active in their communities. REI (a recreational equipment cooperative) trains leaders to build cooperation among employees and between employees and customers to accomplish its mission of “inspiring, educating, and outfitting for a lifetime of outdoor adventure and stewardship.” Gore & Associates leaders encourage employees to pursue innovation by living by a set of guiding principles of “freedom, fairness, commitment, and waterline.” In each of these exceptional companies, leaders endeavor to turn the meaning employees find in their work into sustained



organizational abundance. Though each company has a unique take on how to make this connection, all develop leaders who help employees find meaning at work that contributes to organizational success.

The creation of meaning applies to countries as well as companies. Bhutan is a small country located in the Himalaya Mountains in South Asia. Although most countries use the Gross National Product index to measure national success, in 1972 King Jigme Singye Wangchuck of Bhutan instituted a Gross National Happiness (GNH) index to assess his country's progress. The king instituted social and economic policies to help Bhutan citizens find meaning and well-being in their lives. The GNH index includes measures of the progress of sustainable development, preservation of cultural values, conservation of the natural environment, and establishment of good governance. Even with low gross domestic product per capita, Bhutan citizens are among the happiest in the world, with over 50 percent of citizens reporting they are "very happy." Their lifespan is in the top 10 percent of nations worldwide. Bhutan became the world's newest democracy in 2008 as the king established parliamentary elections, Jigmi Thinley, the first Bhutan Prime Minister, said, "material enrichment and consumerist ethics must not lead to spiritual impoverishment. True happiness and well-being lies in sustainable education, health, and living environments which include caring and sharing relationships where extended families serve each other."³

In companies or in countries, leaders have the task of creating a direction for their organizations that is charged with meaning—that resonates with not only the minds and hands but the hearts of those they lead. In this book, we go beyond cases to synthesize and integrate theory, research,



and experience from multiple disciplines to propose seven meaning drivers successful leaders have used to shape meaning. An individual leader might be predisposed to focus on one or two elements of an abundant organization, as shown in the preceding examples. We cull these and many other examples to offer leaders a menu of questions and activities to help them create meaning for employees and turn it into sustained organizational abundance.

Recessions of Meaning

In either good or bad markets, without bottom-line results organizations will simply fold, leaving even able workers twiddling their thumbs. Organizations in any economy must also make sense to the people who compose them. When our organizations enact our highest values and embody our best aspirations, they inspire our best efforts, and nothing short of our best efforts will keep us afloat when storms are raging and the ship has sprung a leak—or when fair winds lull us into lethargy and hubris.

In the 2009 recession, many governments bailed out companies with toxic assets. Bailing out sinking ships is a bad analogy for what makes organizations seaworthy, however. Before setting out for open seas, we must not only bail out the water but fix the leaks. Organization leaks occur not only when leaders fail to provide great products and solid returns, but also when they waver on ethical principles, isolate themselves from the consequences of their choices, abdicate responsibilities for strategy and innovation, or drop the ball of timely action. Organization leaks also occur when employees put in their time but don't invest their hearts,



when they abandon creativity or integrity, or when they lose sight of the impact of their work. Organizations that survive in recessions and thrive during recovery will have leaders who consistently offer employees both economic well-being and an abundance of meaning and purpose.

In both lean and prosperous times, an organization's values are tested and forged, setting the stage for the future. Meaning is shaped or dissipated. Loyalties are won or lost. Talent and skill are honed or abandoned. Creativity and problem-solving skill are developed or undermined. And future sustainability is either ensured or threatened.

We need abundant organizations in deficit-dominated contexts that challenge our existing sense of meaning and growth-dominated contexts that give rise to expansion.

Even when the world economy improves, the ghosts of our “psychological recession”⁴ haunt us. Financial challenges are embedded in larger trends that permeate society. In downturns people feel an increasing sense of malaise, anomie, and isolation that robs them of meaning and direction. Crises in financial markets echo the crises in personal lives and social movements—crises that, almost by definition, undercut our ability to make sense of our lives and figure out what to do next. Crises sabotage the daily routines that have grown out of our values, beliefs, and past experience. Crises threaten the assumptions we hold without even realizing it about what life means in both good times and in bad. In brief, crises increase our sense of malaise, anomie, isolation or deficit, robbing us of meaning and hope.

Frankl's *why* and *how* questions about meaning apply in both bad and good markets, at work and at home, in domestic settings as well as in organizations that span the globe. Good times can temporarily distract us from such questions,





but the questions always come back around. As Frankl suggests, the search for meaning is more about how we think than about the circumstances in which we find ourselves. Deficit thinking can abound even in the midst of plenty.

The Prevalence of Deficit Thinking

Have you ever been robbed? Our friend Rena's home was broken into. A small home safe containing her family heirlooms and personal papers was taken, along with some money, a computer, and jewelry. Rena is not a wealthy person. What was taken had relatively little economic value, but it included much that brought to her life a sense of meaning, identity, and connection with her past—a letter for her adopted son from his birth mother, Rena's father's World War II medals, a personal journal, a stack of prized letters from her mother, her grandmother's antique music box, the ring of a deceased friend. Rena lost her sense that she lived in a safe community, that her home was a haven, that a benevolent presence was protecting her family. As we can easily imagine, Rena became more skittish and vigilant, more protective of her children, more interested in home security ads on TV. Doors were locked more consistently. Sleep was interrupted by nightmares. Rena wished she could create an impenetrable wall to lock up her home, her family, her heart.

Like Rena, when employees lose what they have come to count on and expect—be it a person, an income, a position, or less concrete notions like security, identity, or direction—they are inclined to deficit thinking, a common problem when people stand to lose not only their personal treasures but also their retirement, their colleagues, their jobs. Deficit





thinking is probably inevitable, perhaps even helpful, in some situations, but when leaders' thinking is dominated by an agenda of self-protection, deficit thinking itself becomes the burglar. Deficit thinking can lock us into a prison of our own making, a prison dominated by fear, isolation, disorientation, and competition for scarce resources. Even if we get back what we lost—even if the economy improves, the takeover is averted, or we end up with a better job than before—our deficit thinking can continue to cast an discomfiting spell over our lives.

The world of deficit thinking pervades both personal and organizational life. The thieves and robbers of crisis undermine the ability of leaders to foster abundance. Of course, economic hardships, political uncertainties, family disruptions, illness, death, and even horrific suffering are hardly new kids on humanity's block. Grim realities have always inhabited our collective neighborhoods. It is still quite another matter when they move into our basement, our spare room, even our master suite. Once we realize the precariousness of the things we have come to depend on for security, security cannot be restored fully until our dependencies change. This is where great leaders come in.

At about age three, children in every culture begin badgering their parents with the question “Why?” The search for meaning begins early, but youthful philosophies that comfortably accommodated the distant existence of Trouble may require reevaluation when Trouble becomes our bed partner. Trouble may be as simple as a changed corporate policy or as complicated as a bankruptcy, as removed as an unhappy customer 3,000 miles away or as personal as losing a child. Leaders must refine and redefine their own answers to “Why?” and must help others do so as well. They must



tackle not only the meaning of suffering but also the meaning of prosperity, opportunity, or just another day knocking on doors. When we need to solve complex problems, preserve the bottom line, and maintain motivation to try again, the search for meaning moves out of the domain of philosophers and theologians and finds its way to the top of the to-do lists of hard-minded corporate leaders.

Leaders spearhead the search for meaning in both good times and bad. In up markets, when talent is scarce, meaning matters because employees are essentially volunteers who can choose where to allocate their time and energy. In recessions, employee engagement or satisfaction scores would be expected to fall with the market; however, many organizations see false positives on such surveys because of a gratitude effect (employees compare themselves with their less fortunate colleagues or friends and are grateful to have any job at all, even if it is not especially meaningful). Either way, memories last longer than recessions. Employees who felt mistreated during a down market or whose meaning at work is found only in crisis containment are more likely to leave when things settle down and they have more options.

Consider the following cases of employees and leaders in different types of companies and at different career stages:

- **Personal insecurities.** Vicki, a young professional with college diploma in hand, felt extremely lucky to win an ideal job at a top-brand company. She worked hard on assigned tasks and skillfully negotiated the daily politics of the office. But during a serious economic downturn her firm initiated first one and then a second and third round of layoffs in a matter of months. At first only lower-performing people were let go; then even talented,



senior people were cut loose to face the shrinking job market. The atmosphere at the office turned from collegial to cynical and from cooperative to competitive. Vicki worked even longer hours to keep her job, and she worried incessantly about her future. The demands at work kept her away from hobbies and friends, invaded her relationship with her husband, and touched off old problems with depression and anxiety. The rhythms and routines of her life began to feel jagged and contorted almost beyond recognition, and all her stories became tinged with fear.

- **Work/life balance.** Raj is a successful Indian entrepreneur, proud of the company he has built. The company he started 12 years ago has grown to more than 80 employees, with a strong brand and customer loyalty. But he knows that to go the next step of continued growth he will have to invest in becoming more global and even more innovative. This will require both personal energy and more time traveling in North America, Europe, and Asia, the most likely prospects for his company. With teenage children who are both happy to see him home and sometimes happy to see him gone, Raj knows he would pay a large personal price for the next phase of company growth. He debates whether he has the energy to do what it would take to move his company forward or should coast on previous successes for a while.
- **Undermined security and flexibility.** Grant and Shirlyn have worked hard their entire professional lives. Grant started with his current company 25 years ago, right out of college. Shirlyn did substitute teaching until her children were older; then she began teaching full-time. They had hoped that when their last child left for



college they would have more opportunities to travel and develop hobbies. Although Grant feels reasonably secure in his job, changing market conditions have led him to lay off 25 percent of his employees. Those who remain have to do not only their work but also the work of those who left. People are nervous about their jobs and frustrated about longer work hours. School budget squeezes have also led to increased class sizes and more stress for Shirlyn. Grant's and Shirlyn's retirement savings have been reduced about 20 percent in the declining stock market, and they will have to work for another three or four years to recover. Work has become drudgery as they face these unanticipated realities. But work also forestalls the necessary question: what will give meaning to my life when I retire?

- **The liability of success.** Ivan was the successful one. In school he got the top grades, was popular, and was targeted as a future leader. At work he moved up quickly, becoming not only wealthy but powerful too. He paid a personal price with two divorces and alienated children, but he hoped his kids would come back around as they matured. He savored the daily challenges of his work and put his mind and heart into it. Gradually, however, Ivan began to feel disconnected from the heart of his work. Sitting in his luxurious office, he realized it had been a long time since he had interacted directly with the customers who used to make him feel good about his company. He had not really visited employees on the front line in years, and when he met with them in formal meetings they seemed aloof. Those closest to him continued to tell him how talented and successful he was, and he was surrounded by all the trappings of success.



But he started to wonder if he had lost touch with what he really loved. He saw himself resembling the Dickens character Scrooge more with each passing day.

Most of us as leaders have been or have had such employees in our organizations. Many of us have personally experienced both economic malaise and the pitfalls of success, either first-hand or among our families and friends. Unfortunately, these cases are not isolated; they represent developing patterns in today's world. Without overfocusing on depressing realities, leaders will recognize something of the depth and breadth of this malaise. Skim the following for a quick overview of some of these trends (ignore the end notes unless you want more detail):

- 1. Declining mental health and happiness.** Building on the work initiated in Bhutan, the New Economics Foundation, which has calculated happiness scores for 178 countries, concludes that most countries of the world face a crisis of unhappiness⁵ More specifically, statistics on personal well-being indicate increases in clinical depression, anxiety, and addiction. Eight to 10 percent of Americans over age 18 suffer from some depressive disorder, while in developing countries depression affects 15 percent of the population with 80 percent of those afflicted untreated.⁶ Anxiety disorders (including panic disorder, obsessive-compulsive disorder, posttraumatic stress disorder, and social phobia) covary with depression, and about 18 percent of U.S. citizens face one of these anxiety challenges in a given year.⁷ Addiction disorders (including eating disorders and substance abuse) are also on the rise.⁸ Mental health disorders are the leading



cause of disability in the United States for people aged 15 to 44, directly and indirectly affecting employee costs. People seem to be losing touch with their strengths as more lives are dominated by weaknesses with a focus on what is wrong.

- 2. Increased concern for environmental demands, social responsibility, organization purpose, and individual motivation** Scholars estimate that humans currently consume 30 percent more resources than the earth can produce.⁹ Between 1961 and 2006, human demand on the biosphere more than doubled. These demands threaten habitats, air quality, and climate stability. For example, between 1961 and 2001, the consumption of fossil fuels (coal, oil, gas) increased by almost 700 percent. At present rates of consumption, we could run out of these fuels in the next 25 years.¹⁰ In part because of their poor handling of environmental concerns, many social institutions face waning stakeholder respect. Institutional cynicism runs high in political, business, educational, and religious settings. People distrust organizations they believe do little to protect the earth or serve its poorest inhabitants.¹¹ More than three-quarters (79 percent) of the world's most admired companies have seen their reputation decline in recent years.¹² Eroding corporate reputation, increased institutional cynicism, and poor records on environmental responsibility underlie this loss, alienating many high-potential employees.
- 3. Increased complexity of work.** Technology, globalization, and demographics all add to the complexity of the workplace. With technological advances, the half-life of knowledge has shortened. The Internet has newly



become the standard source of information, with 60 percent of Internet users online daily and 70 percent of businesses having a website.¹³ Customers have more information and choice than ever about what and how to buy, and distant markets have replaced local markets in many industries.¹⁴ Global companies have 24-hour operations among their locations around the world. Workforce demographics are becoming increasingly diversified around race, ethnicity,¹⁵ social class, gender, sexual orientation, age, religion, and nationality.¹⁶ Corporations face the major challenge of how to respect and make good use of these differences in increasingly diverse workforces. For example, as GenMe or Generation Y employees (born between 1981 and 1999) move into the workforce, their values (like self-esteem, self-interest, and leisure time¹⁷) often clash with those of the baby-boom generation,¹⁸ creating the need for policies and practices that appeal to and motivate various subgroups. All of these technological, global, and demographic trends make work more complex, necessitating both more specialization and more teamwork to respond. Teamwork requires unprecedented skill in cooperation, prioritization, and communication—skills often underdeveloped in an age of text messaging rather than in-person relating.

- 4. Increased isolation.** Proliferating electronics, high mobility, and urban sprawl have all been blamed for increased social isolation. Those who spend hours in front of a computer screen spend less time with real people, Wiki and chat groups notwithstanding. U.S. households own an average of 2.24 televisions, with each television running for an average of 6 hours and



47 minutes per day and the average child watching TV 1,680 minutes per week (28 hours a week; 4 hours a day).¹⁹ Fewer Americans participate in civic movements like signing petitions, voting, or attending club meetings, and entertaining at home is half as common now as 20 years ago.²⁰ The sense of isolation spreads to the workplace as job changes, international assignments, and constantly shifting work groups dominate the work landscape and undermine the sense of community. People lose the stories, the history, the heroes, and the routines of small interactions that form the bonds of connection. In a work setting, countering these trends means building a culture and work setting that unite and unify people.

- 5. Low employee commitment.** A recent analysis of data by HR Solutions, Inc., found that an astonishing 50 percent of employees said yes when asked if they had thought of resigning in the last six months. According to a Saratoga Institute study of more than 19,000 U.S. workers in 17 industries, 72 percent of employees who quit leave because they feel they are not being recognized for their contributions or sufficiently respected and coached by their leaders.²¹ *Gallup Management Journal's* semiannual Employee Engagement Index shows that only 29 percent of employees are actively engaged in their jobs, while 54 percent are not engaged and 17 percent are actively disengaged.²² Right Management (a consulting firm) found similar results with only 34 percent of employees fully engaged while 50 percent are completely disengaged. Nine percent are engaged by their organization but not their job and 7 percent are engaged by their job but not the organization.²³ The



cost of lost productivity in the United States is estimated to be between \$287 and \$370 billion.²⁴ In the United Kingdom, research from YouGov on more than 40,000 employees reports that only half (51 percent) of employees feel fully engaged by their company.²⁵ Disengaged employees are less likely to meet corporate goals or to stay with the firm.²⁶ When only fear of unemployment keeps employees on the job, they are probably not giving their best.

- 6. Growing disposability and change** We live in a world of increasingly disposable products—from diapers to pens to shoes to electronic devices. Instead of repairing and reusing, we discard and replace. While disposability makes some things easier, it also carries a hefty environmental price tag. The disposability trend carries over into relationships, as speed dating, casual “commitments,” and high divorce rates can land children and partners on the disposability heap. In the United States, about 45 percent of first marriages and over 60 percent of second marriages end in divorce.²⁷ In Canada and parts of Europe the rates are even higher. The disposability of families has severe consequences for the financial stability, personal health, and emotional well-being of partners, children, and society as a whole.²⁸ In recent years, the self-help movement, which often suggests these difficult problems have quick fixes, has burgeoned to become a \$9 billion business.²⁹ Many of these self-help books, tapes, or workshops offer false hope with few sustained successes.³⁰ When desperate people seek easy solutions without doing the hard work of fundamental learning and change, resilience is undermined and real growth and learning fade.



7. Greater hostility and enmity. Road rage is up as people race to complete their journey ahead of others. Reality TV shows stage win-lose battles over everything from cooking to apprenticeships, while others make us voyeurs in domestic arguments. Political dialogue is less about solving problems and more about staking out a position and being louder than one's opponent. Bipartisanship is as outdated as rotary phones and land lines. In 1976, 26.8 percent of voters in the United States lived in a county where one presidential candidate won by more than 20 percentage points. The number of people living in these "landslide counties" increased to 38 percent in 1992, to 45.3 percent in 2000, and to 48.3 percent in 2004 and 2008.³¹ This partisanship indicates pockets of increasing homogeneity in our neighborhoods, reducing the opportunity to learn to get along with those who see the world differently. In personal relationships, getting our way gets in our way, as compromise and civility are replaced with contention and hostility. In work settings, we mistakenly see competing with each other as the pathway to competitive advantage. Win-lose battles crowd out win-win solutions. A false hope of the me-first mind-set is that winning will bring personal satisfaction when it more often leads to emotional isolation. Civility and happiness come when people find delight in their work setting.

These daunting trends suggest that many people you lead face personal and societal demands that affect their well-being, their families, their communities, and inevitably their work experience. Even in the world's wealthiest nations, deficit thinking predominates. Workers at all levels respond



by giving up on traditional dreams, isolating themselves, reducing their expectations, becoming dependent on government or others for support, or finding temporary escape in addictive behaviors. These responses are expensive and time consuming for employers and society. They can instigate vicious cycles of despair, withdrawal, and breakdowns in personal meaning and purpose.

And there is something organizational leaders—not just politicians, psychologists, parents, or priests—can and must do about it.

Leaders Who Focus on Meaning Create an Abundant Response

A crisis is a terrible thing to waste. Fortunately, when crises stop us in our tracks they may also make us stop and think, and thinking can be the start of creating meaning at work and elsewhere. Crises can shock us into facing the questions we often sidestep: “Who am I? What am I trying to accomplish? What really makes me happy? What do I believe? What is my purpose? What matters most?” As leaders probe the whys of work, they empower employees to find personal meaning that creates value for customers, investors, and communities.

Abundance implies plenty: enough and to spare, fullness that overflows. If we focus attention on what we stand to gain from our crises, not just what we stand to lose, abundance thinking can replace deficit thinking even when deficits are the rule of the day. Abundance looks to future opportunity more than past disappointments, promotes hope over despair, suggests change for the future rather than languishing in



the past, and fosters the creation of new meaning where old meanings have broken down. Abundance does not imply that things come easily or quickly but that we can make meaning even in the midst of challenges we face. Like the Gross National Happiness index in Bhutan, the abundance we imagine is not just an abundance of visible assets (money, prestige, security, or position) but an abundance of an intangible sense of purpose, identity, growth, and well-being. To reiterate: an abundant organization is a work setting in which individuals coordinate their aspirations and actions to create meaning for themselves, value for stakeholders, and hope for humanity at large.

For our friend Rena, whose home was broken into, a focus on the things robbers could not steal—memories, loving bonds, personal skills and talents, deep religious faith, opportunities for empathy and growth—allowed Rena to shift gradually from fear-based deficit thinking to a way of life that focused on all that she had, not all she had lost. On life's goodness and personal meaning, not just on its precariousness.

Many leaders see employees' search for meaning as their own affair, while productivity and bottom-line results are the business of business. We also advocate that companies exist to get work done. In fact, rather than define an organization by its structure, roles, or rules, we define it by its capabilities: what that organization is good at doing (Apple has the capability to innovate, Disney entertains, Marriott has the capability to serve, and Walmart delivers low prices). To survive, organizations must not only amass capabilities but must also turn internal capabilities into value for external stakeholders. For-profit enterprises must create products or services that customers value and investors trust. Government



agencies must meet citizen demands and respond to legislative mandates. Not-for-profit organizations continue only if they embody and further societal values. Capabilities link what goes on inside the company to what customers will pay for and what investors trust.

But in this book, we also argue that organizational capabilities more readily lead to lasting value when leaders promote meaning making as well as money-making. As leaders weave affirming stories, find heroes and causes, embody ethical and trusted values, clarify principles that lend order and rationality to decisions and routines, and make visible the ways employees' efforts help the company contribute to a greater good, they create organizations that overflow with a sense of meaning and abundance. In the words of former U.S. president Woodrow Wilson, "You are not here merely to make a living. You are here in order to enable the world to live more amply, with greater vision, with a finer spirit of hope and achievement. You are here to enrich the world, and you impoverish yourself if you forget the errand."³²

Pockets of abundance can flourish in virtually any organization. The entire organization does not have to wait for a charismatic executive to push the abundance agenda. While we look to leaders to create organizational abundance, all employees also own the opportunity and responsibility to create an abundant work space for themselves and their team. Leadership is not confined to the executive suite.

As organizations become repositories of abundance, employees gain antidotes to some of the malaise, isolation, and crises of meaning discussed here. They also increase the organization's capability for doing what it does best. Apple researchers who experience abundance turn their personal creativity into Apple's product innovation. Disney "hosts"



who experience abundance find a greater good in delighting theme park guests. Marriott hoteliers who experience abundance serve customers from resilient inner conviction more than easily derailed outward expedience. Walmart clerks who experience abundance can take pride in Walmart's commitment to low prices that help struggling families. While abundant organizations won't necessarily turn around divorce rates or stop drug addiction, they can be a societal force for meaning and purpose that counteracts ennui and despair both inside and outside company walls.

Whether you are an individual employee looking for a reason to get up for work every day, a manager of a team or division wanting to build employee productivity and engagement within your unit, or the leader of an entire organization committed to values, objectives, policies, results, and stories that make for great places to work, abundance is a relevant agenda. The next chapter provides an overview of seven questions and seven fields of inquiry that help promote this meaning-making, value-creating, hope-building process at all levels of organizational life.

How Do I Build a Positive Work Environment? (Effective Work Culture or Setting)

LEADERSHIP POSITIVE WORK ENVIRONMENT CHALLENGE

Organizations develop unconscious patterns of how work is done that, left unattended, may lead to cynicism, disorganization, redundancy, or lethargy. Great leaders recognize and establish positive work environments that inspire employees, meet customer expectations, and give investors confidence.

How long does it take to get a feel for the atmosphere in a work setting you walk into? Think of walking into a doctor's office, a store, a restaurant, a classroom, or a plant. Within minutes or at most hours you have a pretty good sense of what it feels like to work there.

Companies track employee attitudes, productivity, and retention to put numbers behind these gut impressions, but leader and customer perceptions of a work environment are often spot on. What exactly is it we are picking up on? Does it have to do with the pictures on the walls? The looks on people's faces? The casual conversations in the halls?

We've learned from personal experience (ahem!) that long-term weight loss is less about any particular diet and more about changing our lifestyle, emotional patterns, and relationship with food. Likewise, a work unit's work environment consists of the lifestyle, emotional patterns, and relationships between the people and the work that goes on there. Sometimes leaders sponsor events to try to shape how work is done (a town hall meeting, training program, annual bonus, new logo, poster and cards with vision statements, etc.), but until events become patterns, the work environment remains unchanged. The work environment reflects the organization's consciously chosen identity, brand, or culture (Chapter 3) but also shows up in the less conscious and unwritten norms, expectations, and rules—the “muscle memory” of how people think and act at work.

Most of us have personally experienced both a negative and a positive work environment. A negative work environment comes with cynicism, frustration, and gossip. Employees spend more time backbiting, protecting turf, resisting or blindly obeying than solving problems and helping the company add real value for customers. There is an assumption of deficiency and not enough to go around of all the things that matter: resources, respect, information, opportunity. People dread work and look for excuses to be away.

In contrast a positive work environment inspires, invigorates, and challenges. Employees have positive relationships

with each other (Chapter 5) and savor the work itself (Chapter 7). They see work as adding to their quality of life and personal well being, not detracting from it. There is a feeling of abundance—enough and to spare of what matters most in our lives: good relationships, meaningful work, learning and growth, and positive impact on the world. A positive work environment is one in which:

- Employees are committed, productive, and likely to stay with the company
- Customers pick up on employee attitudes and are more likely to do business with the company
- Investors have confidence in the company's future, giving it a higher market value
- The company's reputation in the community is enhanced

In this chapter, we lay out 10 attitudes that underlie an abundant work environment and what leaders can do to foster them. Table 6.1 at the end summarizes these 10 attitudes and highlights the cynical and abundant options for each. It also enables you to score your organization on each attitude.

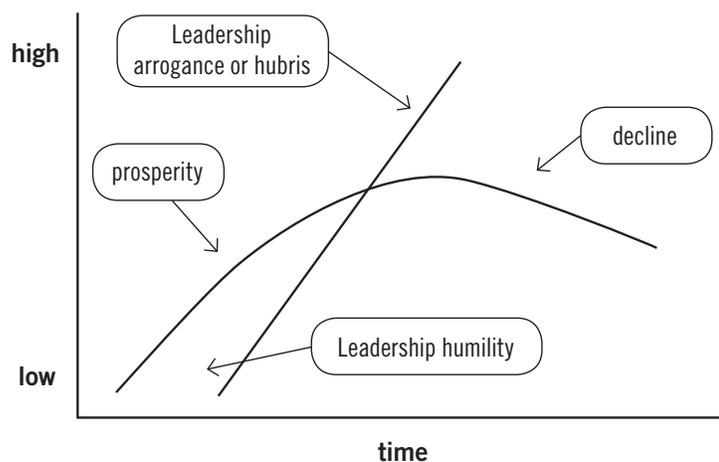
1. Attitude Toward Success: Arrogance Versus Humility

Recently Dave was asked to speak to a combined group of business and religious leaders. They asked his view about the dramatic economic decline that gripped the world. Not being an economist or financial markets expert, he chose to talk about the impact of leadership on this decline. When

governments came to the aid of financially stressed companies with a “bailout,” the metaphor badly missed the real issue. As discussed in Chapter 1, we bail out a boat taking on water or people in jail. In either case, bailouts don’t solve the underlying problem of the hole in the boat or the crime committed. If the holes are not fixed or people’s lives are not put in order, bailouts accomplish little.

One hole in the boat that led to recession was a lack of effective leadership. We believe one of the important qualities of effective leadership is humility. As shown in Figure 6.1, when leaders act with a sense of humility, even in the midst of success, prosperity continues. But, when leaders become arrogant, prosperity reverses and declines. In many cases the success of companies and countries causes leaders to respond with arrogance, taking credit for the prosperity, seeing themselves as invincible, or focusing more on enjoying the present windfall than learning for the future. This arrogance is the pride before the fall. Humble leaders continue to improve and respond to changing conditions. And humility becomes part of the culture of the firm—the work environment we can sense when we walk in the door of a company.

There is a liability of success, and it causes many successful companies to fail. There is a rapid turnover of firms in the U.S. *Fortune* 500 (almost 50 percent every 10 years). Twenty years after *In Search of Excellence* was published, many of the 43 original firms had not lived up to the criteria that placed them in the “excellent” category.¹ Researchers Ulrike Malmendier and Geoffrey Tate found that CEOs who received superstar status as evidenced by public CEO awards (from *BusinessWeek*, *Financial World*, *Chief Executive*, *Forbes*, *IndustryWeek*, Morningstar.com, *Time*, Time/CNN, and the like) actually performed 15 to 20 percent worse than

FIGURE 6.1 Leadership Arrogance, Decline, Humility, and Prosperity

comparable CEOs for the three years after winning their award, suggesting that if such awards promote arrogance they do their recipients and their employees a real disservice.²

The liability of success can be overcome as leaders avoid arrogance and complacency and remain learning focused and service oriented. (See Figure 6.1.) Humble leaders take the blame for mistakes and share credit for success. They talk less about personal accomplishments and more about others' achievements. They focus on giving rather than receiving service. They don't boast about what has been but focus on the challenges yet ahead. Jim Collins in *Good to Great* notes the importance of leadership humility, labeling it a key factor in "Level 5 leadership."³ Humble leaders have also been called *servant leaders*, who don't need to always get their way, who admit that others may be right, who express appreciation for insights, who seek to learn, and who help others do their job.⁴

Humility helps create a positive work environment of learning, service, appreciation, and growth.

2. Attitude Toward Value and Values: Implicit Versus Explicit

One of Yogi Berra's (an American athlete known for his witticisms) notorious restatements of the obvious was "If you don't know where you are going, you might wind up someplace else." Many terms have been used to articulate a direction: *strategy*, *mission*, *vision*, *purpose*, *goals*, *intent*, and *aspiration*. Underlying these concepts is the importance of making both value and values explicit. *Value* refers to the worth, importance, or significance placed on something by key stakeholders. *Values* are ethical norms that guide behavior. A direction statement not only positions the organization with stakeholders in the future but also suggests the beliefs and moral behaviors that will guide action to fold the future into the present. Value is about what matters to others; values is about what matters to me. A positive work environment is shaped by leaders who intentionally and thoughtfully build both value and values.

Abundant leaders must create clear and explicit value propositions for several groups: employees, customers, investors, and communities. An employee value proposition clarifies what employees give to the organization and in turn what good employees get back in return. In a positive work environment, an employee knows what is expected and what he or she can expect for meeting (or not meeting) those expectations. Negative work environments persist when employees don't know for sure what they should do or understand what happens if they reach or miss goals.

A customer value proposition clarifies what the organization intends to offer customers and what customers can expect from the product or service they purchase. Customer value propositions make explicit whether the customer should expect excellent service, high quality, technological innovation, or low prices. A high-priced restaurant will receive more complaints than a low-priced restaurant because its patrons expect better service, ambience, and food and so are more readily disappointed.

An investor value proposition states why investors can expect the company to maintain market share, remain profitable, and increase stock price. Some investor value looks back at financial results; other investor value looks forward to confidence in the ability to deliver future results. A community value proposition ensures the reputation of the organization as a contributor to the common good and a participant in civic events.

In addition to making value propositions explicit, abundant leaders have clear values statements that refer not only to ideals but also to actions. Most companies have drafted some formal statement of their values, but fewer companies have turned those value statements into leadership behaviors, organization practices, and customer expectations. In abundant organizations leaders' actions are consistent with their espoused values, turning internal values into real value for customers. A number of companies we have worked with have taken their value statements to their key customers and asked three questions:

- 1. Are these the values you would like us to have?** By inviting customers to comment on the values, leaders make sure they are creating an identity consistent with

customer expectations. One company started with three key values: to be the most profitable in the industry, with great people, and great customer service. But customers didn't care if the company was the most profitable in the industry—in fact, more profit for the company meant less cash in the customer's pocket. They wanted reasonable profit so the company stayed in business but were more interested in innovative products and consistent quality.

2. **What do we have to do to live these values?** When customers help operationalize the behaviors associated with values, they become more real to everyone. Customers who operationalized *innovation* as “bold new designs” have different expectations from those who think *innovation* means “consistent improvement.”
3. **If we live these values as you expect, will you buy more from us?** Values can lead to increased customer share because customers have more confidence in the firm's ability to serve them over time.

When leaders talk and act on their espoused values both inside and outside the company, employees and customers have more confidence in them. They have a sense of this being a company where there is integrity that can be trusted—enough and to spare.

3. Attitude Toward Service: Self-Interest Versus Selflessness

In the classic prisoner's dilemma game, the following scenario occurs:

Two suspects are arrested by the police. The police have insufficient evidence for a conviction and, having separated both prisoners, visit each of them to offer the same deal. If one testifies against the other and the other remains silent, the betrayer goes free and the silent accomplice receives the full 10-year sentence. If both remain silent, both prisoners are sentenced to only six months in jail for a minor charge. If each betrays the other, each receives a 5-year sentence. Each prisoner must choose to betray the other or to remain silent. Each one is assured that the other would not know about the betrayal before the end of the investigation. How should the prisoners act?

This dilemma can be summarized as:

	PRISONER B STAYS SILENT	PRISONER B BETRAYS
Prisoner A stays silent	Each serves 6 months	Prisoner A: 10 years Prisoner B: goes free
Prisoner A betrays	Prisoner A: goes free Prisoner B: 10 years	Each serves 5 years

Clearly, the best outcome for both parties is obtained if both remain silent. Each will serve six months but no more. But if one prisoner takes a chance on this option and the other does not, that individual will pay for his choice with 10 years of his life while his squeaky accomplice goes free. Acting selflessly is the best policy if everyone plays by this rule, but it is risky. If we don't trust others to act selflessly as well, we all pay a higher price. This is especially true if we play the game over and over, as companies do in real life. In that scenario people quickly learn whether trust and selflessness pay off or self-interest is the rule of the day.

We play many versions of the prisoner's dilemma in life . . . in divorce courts, political parties, neighborhood squabbles, and corporate mergers. Work-related examples of the prisoner's dilemma:

- In compensation decisions about a fixed bonus pool, do leaders take a larger portion of the bonus or distribute it more widely?
- In decision making, do leaders call the shots or include others in the process?
- In allocating perks (parking space, travel funds, office space), do leaders send a message of self-interest or selflessness?
- In assigning credit for successful projects, do leaders take or share credit?

When leaders consistently act out of self-interest, employees do the same. Over time, such leaders contribute to negative work environments for everyone. In contrast, leaders who emphasize other-service more than self-interest demonstrate a real commitment to treat people with fairness and respect. They help create work environments where people look out for and serve each other because people trust that the small sacrifices they make for the public good will be reciprocated, not taken advantage of. There is goodwill to spare.

4. Attitude Toward Ideas: Criticized Versus Invited

A few years ago Dave helped facilitate a town hall meeting in which employees were charged by their business leader

to generate solutions to some real business challenges. After employees winnowed their ideas into recommendations, they were to present these ideas to their business leader. These employees spent most of a day generating and filtering their top priorities for sparking and supporting more innovation. When the business leader came at the end of the day to hear their recommendations, the employees were excited to share. But when the spokeswoman for the group shared the group's first recommendation, the leader slammed the table and said, "Is that all you've got to show for a day of working on this? We've tried that, and it doesn't work. I hope you have something better than that!" Needless to say, the employees' enthusiasm turned to silence and the anticipated sharing of ideas quickly evaporated. Without intervention, the work environment in this unit would sour dramatically.

Colleagues have suggested that ideas are the new economic currency.⁵ The money of new ideas grows on the trees of imagination and is nurtured by encouragement, good listening, and respect, followed only later by careful, respectful pruning. Leaders who build positive work environments encourage the growth of good ideas by creating listening posts where employees share and discuss options. These listening posts may be a café-type conference area, an electronic blog, or a town hall meeting. Town hall meetings work well when leaders create a positive work environment by acknowledging employee creativity, expressing gratitude for their work, inviting open discussion of new ways to act, and making real-time decisions that demonstrate their willingness to try new things.⁶

Being open to new ideas means that leaders ask questions and seek to learn. In contrast, one leader shared his experience with a corporate executive on a two-day tour of the local

facility. During the two days the local leader asked countless questions about the executive's background, experience, and suggestions for improvement. The executive, intent on sharing his wisdom and making recommendations, never asked a single reciprocating question about the local leader's perceptions or experience. At dinner on the last evening the local team shared some of its local innovations and awards from the community for its successes with plant operations. The corporate leader was surprised to learn what the local leader had done but did not pursue trying to learn about these local innovations. At the end of the trip the executive returned to headquarters satisfied that he had shared what he knew. But the local innovations were not brought into the rest of the system, and the work environment of the local team was affected more negatively than positively by the visit.

Leaders who listen and learn create an environment where ideas can be surfaced,, debated, and tried. One executive is known for the yellow legal pad that he carries everywhere, to note not problems but insights from conversations in which he is always inquisitive and trying to learn. Another leader followed the flow of her product into her customer's hands, starting in her customer's purchasing department and asking why purchasing had chosen her product over others and how they could improve . . . then going to the receiving dock to determine whether her product had been shipped to the customer in ways that made it easy to work with . . . then visiting the assembly area to see how her product fit into the customer's product . . . then following up with visits to sales, marketing, and service, each time learning how her product was accessed and used by the customer. When the leader returned to her organization, she met with each group of employees to share with them the customer's comments,

compliments, and suggestions about their particular area. Each group of employees felt like the leader brought fresh ideas that connected them with their customers.

A positive work environment is supported by routines that foster openness to new ideas. Employees can voice opinions and even bad news without fear of others killing the messenger. Leaders ask more questions and become a clearinghouse for innovation. Ideas are valued and sought out.

5. Attitude Toward Connections: Impersonal Versus Personal

A positive work environment is rooted in how people treat each other. In one fast-food company, local leaders had a three-step protocol for determining the friendliness of the franchise:

1. **Do our employees smile at customers?** Greeting customers, smiling at them, and making eye contact shows a commitment to friendliness.
2. **Do customers smile back?** When customers reciprocate and smile back, the friendliness is two-way and customers are probably enjoying that employee.
3. **Do customers smile at each other?** When customers engage with each other without going through the employees, they are fully enjoying the restaurant.

By analogy, employees may be seen as a leader's most important set of customers. Do leaders engage their employees in positive interactions? Do the employees engage back? Do the employees engage with one another? A positive work

environment reflects all of these levels of engaged personal connection.

Ideas for creating a connected workforce are elaborated in Chapter 5. In addition, leaders build a positive work environment through caring connections by focusing on what is right more than what is wrong, expressing appreciation and gratitude, and creating ways to celebrate both people as individuals and the work unit as a whole.

Leaders can use what we call *gratitude enhancers* to help connect employees. One leader created a language that employees could use to describe their day—a simple rating scale of 1 to 10—and he would often ask, “So how is your day going, 1 to 10?” or “Did you have a 10 day today?” Another leader encouraged people to remember others’ birthdays and special events. Another wrote letters complimenting employees to the employee’s spouse, children, or parents. Another started most staff meetings with a “good news moment” where people could briefly share a personal or work-related highlight. A leader who graduated from Duke University sent “blue devil” stuffed animals (the Duke mascot) to employees who had done a good job. Another leader wrote notes on personalized stationery that expressed appreciation. Another provided funds for employees to go bowling together. Another invited employees to brainstorm ways they could support a teammate with cancer. Such ideas (and many others . . . see the excellent examples by Bob Nelson⁷) help employees feel close not only to the leader also but to each other.

Obviously, leadership is not just about affirming but also about making corrections. However, we have a three-to-one rule of thumb. For every correcting comment we encourage leaders to make a bare minimum of three positive and affirming comments. This encourages everyone to focus

more on what is right than on what is wrong, building a positive work environment.

The characteristics of a work environment come into high relief at times of crisis, which might include physical harm to an employee, product malfunctions, family illnesses, work-related threats, and other debilitating circumstances. At such times leaders in abundant organizations offer personal and organizational support and resources. Sanlam Investment Management is a South African investment firm. When one of its employees was tragically kidnapped and murdered, the business leader immediately reached out to her family. He also communicated to employees openly about the tragedy and offered them counseling and support. Posthumously, the deceased employee received public recognition and awards for her service, which had great meaning to her family. By recognizing and talking about the tragedy, the leader was able to help other employees pull together and cope with very difficult circumstances.⁸

6. Attitude Toward Involvement: Hands-Off Versus Hands On

Belinda is a middle-school principal of students aged 12 to 14. A key symbol of her leadership is her tennis shoes. She spends much of her day wandering around the school. She greets students (mostly by name) when they disembark from their bus; she stands in the hallway talking to students between classes; she visits classrooms while teachers teach; she eats in the lunchroom; and she attends many after-school activities. Her tennis shoes symbolize her leadership on the run, spending time with students, teachers, and parents. Belinda's leadership

priorities have resulted in lower teacher and staff turnover and higher student test scores over the course of her tenure. The atmosphere at her school has improved as teachers who are committed to education feel supported and encouraged. When Belinda's father passed away, many teachers and students attended the service to support her in turn.

While people do not appreciate a leader who micromanages, a hands-on leader can make a powerful contribution to a positive work environment. Hands-on leaders are accessible, go to employees rather than requiring employees to come to them, and get on the floor where employees are on the job. They learn what employees are doing and become more sensitive to their needs. On a recent United flight, a well-dressed passenger helped the flight attendants serve throughout the flight. Dave learned that he was one of the corporate officers. Whenever he flew, he felt it was his opportunity to support the in-flight crew. Word about such efforts spreads quickly and helps employees see that they are supported.

Leaders also create positive work environments by building enthusiasm for upcoming initiatives. When Belinda greets students and teachers during the day, she often reminds them of "coming attractions" at the school. The school dances that she sponsors have high attendance because the students have been looking forward to them for many weeks. We all need things to look forward to and dream about. As leaders point people toward future opportunities, they build positive energy.

Hands-on leaders can also learn a lot about the company's work environment by becoming its customers. One company asked its leaders to call in a complaint through the normal customer service channels without identifying themselves as executives. They found gaping holes in the quality of service and preparation—holes they could set about plugging

with training and supervision. The overall work environment is more positive when people know they are providing good service.

7. Attitude Toward Accountability: Enfeebling Others Versus Empowering Others

A new head of a U.S. sales operation presented his plan to the senior executive team. He was a bit embarrassed that he did not have a dramatic new program to increase sales in a tough market. What he proposed was “Management 101”—having each salesperson set clear goals for sales and make practical plans about which customers to meet with, what products to offer, and how to spend time to reach the goals. He prepared a simple one-page accountability form to use to follow up with each direct report each week. Nothing dramatic, no fancy program, not a lot of fanfare. But no one was surprised when after three months revenues began to increase. As employees began to realize that their new leader had clear, reasonable expectations and held them accountable for results, they came to trust that they could succeed.

Employees want leaders to lead, not just be peers or friends. Leading includes setting clear goals and expectations and then following up to make sure people are accountable for results. When employees participate in the expectations, they have more ownership for them. When leaders offer direct and clear feedback and help employees analyze their performance strengths and weaknesses, employees learn and move forward. When employees succeed, they have a better experience at work.

Dave was invited into a company that had gone through four new performance appraisal systems in four years, and he was asked to recommend new performance appraisal system number five. If four out of four systems do not work, it may not be the systems that are at fault but their implementation. He quickly discovered that leaders at this company were not holding people accountable for goals they set. When leaders shirk candid conversations about accountability, no system will work. We suggest three phrases that can help these conversations go better:

1. **“Help me understand.”** These words put the leader in a coaching stance where the leader wants to learn, not boss. “Help me understand what went wrong” and “Help me understand what went right” both spur helpful discussions.
2. **“... the data.”** Sharing with the employee the specific data that indicate problems or successes helps everyone get results focused (e.g., missed deadlines, low customer service scores, low quality scores, low revenues).
3. **“...so that we can solve the problem?”** gets the conversation focused on fixing the problem, not finding someone to blame. The focus is on *we*, not you or me.

When employees consistently make mistakes they don't learn from, leaders need to move decisively to replace them. When Dave interviews leaders who have been through a transformation, he asks, “If you had to do it over again, what would you do differently?” Inevitably the answer is “I would move quicker. I knew early on that X did not have the skills or commitment we needed, but I stayed with X for too long, hoping he [or she] would adapt and change.”

When leaders ensure accountability, a positive work environment follows because our best experiences at work generally occur when we know we got the job done and done well. Clear accountability coupled with support for learning from mistakes helps empower people to succeed.

8. Attitude Toward Communication: Reduced Versus Increased

A common finding from employee attitude surveys is that communication rates low: employees often feel out of the loop about ideas leaders think are well understood. A positive work environment is fostered by communication that is redundant, two-way, and affectively charged.

Effective communication requires *redundancy*. When complex or new ideas are involved, it probably takes 10 units of communication for every unit of understanding. This means that leaders need to overcommunicate through multiple media. A senior leader Dave worked with crafted a detailed plan for her company. She then spent almost as much time figuring out how to share this plan as she had spent creating it: through formal webinars, teleconferences, blogs, town hall meetings, training programs, compensation programs, videos/DVDs, and staff meetings. In addition, she shared the plan informally as she talked to employees throughout her division. She invited employees to comment on the direction and to commit to the actions necessary to make it happen. At first employees were uncertain and skeptical about her agenda, but her consistent and redundant communication helped them understand the plan and see her commitment to making it work.

Two-way communication helps employees both see where the company is headed and contribute to its success. They know they have the ear of those shaping that agenda, and they are empowered to help. For example, Sony regularly encourages employees to offer suggestions for improvement and seeks to implement over 90 percent of the ideas. Do workers in your company have the opportunity for this kind of impact? When employees have easy access to those who enact policies and procedures and their ideas are routinely implemented, they not only help the company succeed but know too that they are making a difference to that success.

Affect implies that information has emotional appeal. One way information becomes memorable and impactful is for leaders to share personal feelings or stories about the information. The leader described earlier who shared her plan over and over also talked about how it would affect her and others and shared her feelings about the intent and benefits of the plan. She shared stories to help employees realize that her commitment was not passive and that the plan had real consequences in people's lives.

Communication that is redundant, two-way, and affectively rich helps shape a positive work environment in which people know they matter and are motivated to contribute to the whole.

9. Attitude Toward Conflict: Run and Hide Versus Run Into

Wendy is affectionately known in our family as “conflict averse.” She hates political talk shows, resists correcting employees, and hopes that if she ignores a conflict it will

go away. It is always amazing to her when people confront a conflict openly and something good actually comes of it. While it is entirely possible to create conflict unnecessarily, when we run and hide from differences, conflict often festers.

Leaders build a positive work environment by facing and running into conflict rather than avoiding and hiding from it. This does not imply escalating conflict through blame, contention, or yelling. Quite the contrary. Running into conflict rather than away from it means respectfully airing multiple points of view, being transparent about problems, and moving quickly toward problem solving when things go wrong.

Conflict may require difficult decisions. A firm saw a 30 percent drop in revenues in a recession, which led to the need for cutbacks on staff, compensation, and training opportunities. Rather than hide from this difficult conversation, leaders in this company became very transparent. They went to employee groups and shared industry conditions, customer demand, and their company's financial woes. Leaders then asked employees to help them find ways to survive the downturn. Instead of resisting and posturing, employees were highly motivated to find creative ways to reduce costs. They minimized travel, gave back vacation days, managed supplies better, and implemented dozens of other cost-cutting ideas in an effort to save jobs. When this was not enough, employees also recognized that some job cuts were necessary for the company's survival, so morale was not overly compromised.

Conflict may also occur between individuals within a work team. Leaders who sense a conflict among employees need to teach and model skills for conflict resolution. It is

easy to fall into shouting, blaming, and seeing only one side of an issue. Leaders manage conflict by inviting the parties into a dialogue where they seek to understand and verbalize the other's point of view until each can state the other person's position as well as the person presenting it. If clear understanding does not lead to compromise, leaders may need to make a decision, acknowledging that it may not equally please each side of the conflict. Win-win decision making requires understanding and buy-in, not agreement with all aspects of the resolution.

Setting the stage for organization-wide or individual conflict resolution means that leaders learn how to disagree without being disagreeable, accept tension without fostering contention, and allow differences while seeking common ground. When differences can be exposed and discussed, organizations have a more positive work environment because people feel safe disagreeing.

10. Attitude Toward Physical Space: Haphazard Versus Chosen

Take a quick look at your physical surroundings at work. What do they communicate about your leadership style and your company's culture? A telling example of work space sending a message is the boardroom set of the television show "The Apprentice." In each episode, contestants for a high-powered apprenticeship perform work tasks and then gather in the boardroom to meet the boss. During the boardroom showdown one of the contestants is "fired." The boardroom is dark, with no visible windows, no personal effects on the walls or table, and colors that communicate wealth and

status. The board table is rectangular, with the boss and his lieutenants on one side and the aspirants on the other. The boss sits in a larger chair than anyone in the room, and he enters through a private door next to his chair so he does not have to come close to the potential apprentices. All of these visual cues signal that the boardroom is serious and the boss is in charge, surrounded by symbols of power. The use of physical space sends messages about the nature of the work environment. Here the space communicates forcefully that the boss is a man to be feared, whose word is final . . . and who needs lots of external props to reinforce his ego.

A company's work space sends an implicit message to customers and employees alike about what matters. To dissect that message more explicitly, consider layout, worker safety, lighting, color, personalization, upkeep, and symbols.

Physical *layout* can hinder or facilitate relationships, communication, efficiency, and innovation. Modular workstations let people quickly reconfigure space to meet changing requirements. What does it communicate when a company has mobile walls so that employees can organize space to form small task forces? Or when filing systems are portable to allow employees to transport materials from office to office?

Layout should include consideration of which units need to communicate or work together. If you want closer cooperation between sales and engineering, put their offices next to each other. If you want to boost creativity among your innovative spark plugs, move them near each other. The layout inside an office or plant also speaks volumes about expectations: a U-shaped table with an LCD projector in a conference room normalizes a one-way presentation to passive recipients, while a round table with flip charts and an

overhead projector implies team problem solving, responsiveness, and influence based on mutual insight.

“No message” is also a message. Office layouts communicate management style and culture more clearly than any speech or culture change program. A top-floor corner office communicates a different leadership approach than a bottom-floor office near the main entrance. A leader who sits behind a desk that takes up almost half his office sends a very different message from another leader who had the desk removed entirely and works at a small table in a corner. The former meets visitors across an imposing barrier; the latter turns and interacts directly with guests.

Worker safety also plays a part in managing physical space. Investing in seating and work surfaces that fit the individual worker may be more costly than one-size-fits-all office furniture but can pay for itself in workers' compensation alone (back pain leads to almost a quarter of workers' comp claims and a third of the dollars spent¹⁰). A work environment that encourages employees to move around during the day rather than spend unbroken hours at their desks can make a difference in employee health. A work environment that emphasizes employee safety communicates clearly that employees are valued and their well-being is paramount.

Lighting both creates a mood and allows people to function at work. Four types of lighting may be used in the office environment:¹¹ (1) daylight from windows, skylights, and glass doors; (2) ambient light from ceiling- or furniture-mounted light sources; (3) task light from lamps focused on a particular area; and (4) accent or display lighting to add visual interest and define space. Natural lighting in office space helps people connect with the world outside the office

and helps prevent or alleviate seasonal affective disorder, a type of depression.

Color also sends messages. Some companies pick light colors for an open feeling; others equate social status with darker colors. Red, orange, and yellow tend to stimulate and excite. Pale greens, light yellows, and off-white are calming (think doctors' offices). Water colors seem to cool things down; fire colors seem to warm the space.

People like to *personalize* their work space with favorite colors, pictures of loved ones, and mementos of hobbies or interests. Even in temporary “hotelling” offices where employees share space and furniture, some personal touches appear. Companies that ban personalization not only reduce employees' sense of ownership in their office space but risk reducing ownership in the company as a whole.

The *upkeep* of the work setting also sends a message. Is the workplace clean, freshly painted, and safe? Are the gardens kept up? Are the windows clean? These tangible details of the workplace signal commitment to quality and to employee well-being.

Symbols can also intentionally and sometimes unintentionally send powerful messages about a company. The first impression sticks: a traditional stone chalet in a forest communicates a different message from a modern glass office building downtown. The whole physical plant—architecture, location, landscaping, signage, maintenance—will be read as an indication of the company's values. Leaders with larger offices, customized wall hangings, plush carpets, rich paneling, and expensive artwork send powerful messages that fit the needs of hierarchical organizations very well. Retaining such physical accoutrements in a theoretically flat and agile organization sends the unintended message that influence



is a function of position rather than a function of insight, information, and contribution.

Using these tools, leaders can thoughtfully use physical space to communicate their values non verbally. Is the use of physical space contributing to a constraining, cold, and isolating message or to a positive, inclusive, and caring one?

Positive Work Environment in Action

Creating a positive work environment is important in all types of organizations—large and small, private and public, domestic and global. Let's look at how organizations in different settings have used the 10 attitudes (plus principles discussed in other chapters) to ensure that affirming routines replace cynical ones and that positive patterns outlive any single event.

Merck has articulated a commitment to a positive work environment with the following public statement:

A positive working environment is essential to allow our employees to achieve their potential. It helps attract new employees to Merck and motivates them to stay. Components of our working environment include numerous opportunities for employee development and professional growth, competitive compensation and benefits, our focus on health and safety, and our approach to diversity and inclusion.¹²

Their leaders then leverage the above tools to signal these values and make this aspiration a reality.

ConocoPhillips also has made a public commitment to its work environment:



HOW DO I BUILD A POSITIVE WORK ENVIRONMENT? (EFFECTIVE WORK CULTURE OR SETTING)

We are committed to providing a workplace free of harassment that values employees and respects their rights. Our code of business ethics and conduct, along with our equal employment opportunity policy, set consistent global standards for providing equal opportunities and fair treatment in recruiting, compensation, professional development, and advancement. Regional policies determine how these standards are implemented in compliance with local law.¹³

Conoco leaders make this commitment real by training supervisors to communicate openly with employees, resolve employee conflicts, and track employee attitudes. The impact of this training shows up in the work environment:

SURVEY QUESTION	% FAVORABLE	% NEUTRAL	% UNFAVORABLE
Supervisor accessible	83	12	5
Supervisor routinely discussed progress on performance goals	65	18	17
Can report an ethics violation without fear of retaliation	78	18	4

The City of Brisbane (Australia) commits to providing employees “a positive and supportive working environment,” fostered by valuing diversity of people who are hired, identifying and making decisions founded on a set of values, and paying enormous attention to workplace health and safety issues. The city has publicly committed to “zero harm” to anyone in the workplace or in public places and to the health and well-being of employees through wellness programs. It offers free gyms and fitness centers in major centers. It also

claims “vibrant, open office spaces that offer exciting new environments.”¹⁴

Health care research has shown that a nurse-friendly environment leads to improved measures of not only nurse retention but also patient care. The nurse-friendly environment includes safety, control, professional development, recognition, and accountability (dimensions we highlight in this chapter). When nurses experience these “friendly” practices, patient care improves, as do indicators of nursing satisfaction, commitment, and retention.¹⁵

The University of Bristol’s leadership team implemented a positive work environment initiative (PWE) in response to survey results from university employees. The PWE was built on five commitments to staff:

- **Staff support and development.** This includes clearly articulated standards and expectations as well as opportunities for development of employees.
- **Leadership and management.** This includes coaching leaders to engage employees and work closely with them.
- **Communication.** This includes websites and other information sharing.
- **Physical environment.** This includes paying attention to physical space.
- **Monitoring and evaluation.** This includes regular reporting of progress on PWE efforts.

As a result of these initiatives, university staff commitment scores have gone up and the university was awarded the *London Times Higher Education Leadership and Management award*.¹⁶

An Exercise

Walk back into your work space. Take a look around. Notice the written and verbal messages, the faces of employees, the layout of the offices, the attitudes and priorities communicated, the symbols. Take the checklist from Table 6.1 with you to help you quantify your gut impressions. Ask employees and customers to do the same. Are the messages being communicated consistent with your company's chosen values and beliefs?

Work environments matter. The work environment outlasts any individual leader in shaping how employees and customers respond to the company. Positive work environments are fostered by leaders' investment in the 10 attitudes we have described.

Summary: Leadership Actions to Create a Positive Work Environment

- Pay attention to the work environment as patterns of how things are done.
- Regularly monitor the work environment using the diagnostic in Table 6.1.
 - Pick two or three of the items from your diagnosis and focus on them.
- Ask newcomers to your work environment their impressions of what is positive and what is not.
- Make public statements about your commitment to shaping a positive work environment.

TABLE 6.1 Summary of Cynical Versus Abundant Attitudes and Routines

ATTITUDE TOWARD . . .	DEFICIT-DRIVEN ROUTINES	TO WHAT EXTENT DO WE NORMALLY FOCUS ON	ABUNDANT ROUTINES
Success	Arrogance and taking credit	-3 -2 -1 0 +1 +2 +3	Humility and sharing credit
	Telling and demanding	-3 -2 -1 0 +1 +2 +3	Asking and learning
Value and values	Little awareness of customer needs	-3 -2 -1 0 +1 +2 +3	Clear about how we add value to others
	Core values are fuzzy or not lived	-3 -2 -1 0 +1 +2 +3	Core values explicit and put into action
Service	Taking care of self	-3 -2 -1 0 +1 +2 +3	Taking care of others
	Sacrifice is exploited	-3 -2 -1 0 +1 +2 +3	Sacrifice is rewarded
Ideas	Critical of new ideas	-3 -2 -1 0 +1 +2 +3	Open to new ideas
	Discounting employee opinions	-3 -2 -1 0 +1 +2 +3	Using employee opinions
Connections	Every person for self	-3 -2 -1 0 +1 +2 +3	Collaboration valued

HOW DO I BUILD A POSITIVE WORK ENVIRONMENT? (EFFECTIVE WORK CULTURE OR SETTING)

	Friendliness is superficial	-3 -2 -1 0 +1 +2 +3	Friendliness is widespread
Involvement	Leaders are isolated	-3 -2 -1 0 +1 +2 +3	Leaders know, work with employees
	Leaders inspect or judge, don't help	-3 -2 -1 0 +1 +2 +3	Leaders are hands on
Accountability	Expectations not clear	-3 -2 -1 0 +1 +2 +3	Expectations are clear
	Goal is to catch people doing something wrong	-3 -2 -1 0 +1 +2 +3	Goal is to catch people doing things right
Communication	Hoarding information	-3 -2 -1 0 +1 +2 +3	Sharing information
	Employees aren't heard	-3 -2 -1 0 +1 +2 +3	Employee input sought
Conflict	Conflict is ignored or escalated	-3 -2 -1 0 +1 +2 +3	Conflict is addressed respectfully
	Blame supersedes problem solving	-3 -2 -1 0 +1 +2 +3	Problem solving more important than blaming
Physical Space	Work space is neglected	-3 -2 -1 0 +1 +2 +3	Work space is functional and pleasant
	Work space is used to intimidate	-3 -2 -1 0 +1 +2 +3	Work space reflects core values