

STRENGTHENING HUMAN VALUE IN ORGANIZATIONAL CULTURES

by Michael Lee Stallard and Jason Pankau

Visitors might be surprised to see Dr. Herbert Pardes making bedside visits to patients. After all, Dr. Pardes is president and CEO of the not-for-profit New York–Presbyterian Healthcare System, which includes 39 hospitals, specialty institutes, and continuing care facilities, and employs more than 50,000 individuals. Why would Dr. Pardes, a 72-year-old, well-respected psychiatrist and former director of the National Institute of Mental Health, devote time to something that other leaders might dismiss as inefficient?

First and foremost, Dr. Pardes is passionate about providing humane health care. As a seven-year-old boy, he was hospitalized for months on end with Perthes disease. During this time he was forced to endure procedures without explanation, administered by detached health care professionals. Hospital policies in the early 1940s also limited the time young Herb could spend with his family, time that might have assuaged his feelings of anxiety and sadness. This traumatic experience would transform Herb Pardes' life and instill within him an intense desire to improve the delivery of health care.

As a psychiatrist and co-author of the book *Understanding Human Behavior*, Dr. Pardes is well aware of the emotional needs of people. He knows that employees and patients feel and perform better when their emotional needs are met. Dr. Pardes regularly demonstrates the importance of valuing others. Through his words and actions, he sends an unambiguous message that caring about employees and patients is a paramount value at New York–Presbyterian. In addition to modeling human value by taking time to connect with employees and patients, Dr. Pardes has said in various publications and presentations that he wants to be sure that the doctors and nurses at New York–Presbyterian are caring indi-

viduals and that they are happy at work. He advocates that everyone should have personal and professional mentors, and he strives to help his employees balance their personal lives and professional growth. To extend the feeling of connection outward, he encourages staff members to memorize the names of not only patients but the patients' family members as well.

By combining human values in the hospital system's culture along with sound management practices, Dr. Pardes and his team have resuscitated a once-ailing hospital system. Under Dr. Pardes' stewardship, New York–Presbyterian's revenue has risen from \$1.7 billion in 2000 to \$2.6 billion in 2006. Although most hospitals today struggle to attract and retain nurses, New York–Presbyterian's vacancy rate for nurses is less than one-third the national average. In 2007, New York–Presbyterian was ranked as the sixth best hospital system in America according to *U.S. News and World Report*. The accolades have continued unabated. *New York Magazine's* survey of a thousand doctors ranked New York–Presbyterian as the best overall hospital in the New York metropolitan area. The *New York Times* observed that while "most urban hospitals have struggled, New York–Presbyterian has thrived."

Emotional Connections Strengthen Organizational Performance

The impact of emotional connections on organizational performance can be significant. When the Corporate Executive Board studied employee engagement in 2004 by surveying 50,000 employees at 59 global companies, it concluded that emotional factors were four times more effective at engaging employees than rational factors. Research by the Gallup Organization also confirms the impact of emotional factors on employee and customer engagement. Additional research by Gallup, Hewitt Associates, and others has demonstrated the positive link between employee engagement and business outcomes including productivity, profitability, customer satisfaction, and employee retention. Sadly, current research also indicates that approximately three out of four U.S. workers, or more than 101 million employees, are not feeling engaged at work. Given this evidence, it would be rational then to take a hard line on the soft

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issues that have been overlooked in the past.

Leaders are discovering the powerful effect of fostering a culture that values people and connects leaders, employees, and customers. In our book, *Fired Up or Burned Out*, we identify the key elements in a culture that increase emotional connection. The focus of this article is the foundational element of human value.

Develop Human Value

When leaders infuse the organizational culture with the element of human value, it has a ripple effect. First, it helps leaders form an emotional connection with the people they lead. Second, it strengthens the emotional connection among the people they lead as employees adopt the leaders' values in their interactions with one another. Third, the sense of connection reaches out to customers (or patients, as in New York–Presbyterian's case) when frontline employees become intentional about demonstrating human value.

Human value is present in a work environment or culture when everyone

- Understands the basic psychological needs of people
- Appreciates their positive, unique contributions, and
- Helps them achieve their potential

Employees in a culture with a high degree of human value recognize that all people have feelings and that feeling valued matters to them. They know that human value is about treating people with respect and dignity. Leaders seek ways to empower people to achieve their potential, recognizing that appreciating talents and helping their possessors achieve their potential encourages them.

Here are a few practical ways that a leader can add the element of human value to the work environment:

1. *Help employees understand the basic psychological needs of people.* According to our research at E Pluribus Partners, people have six psychological needs that they expect will be met in the workplace: respect, recognition, belonging, autonomy, personal growth, and meaning. When these needs are met in the workplace, we thrive. Employees who understand these needs can be on the lookout for ways to meet them and thereby boost their own performance and that of their teammates.

Here's how these needs play out. When we first meet people, we expect them to respect us. If they are uncivil or condescending, we get upset. In time, as our colleagues get to know us, we expect them to appreciate or recognize us for our talents and contributions. That really makes us feel good. Later on, we expect to be treated and thought of as integral parts of the community. Our connection to the group is further strengthened when we feel we have control over our work. Connection is diminished, however, if we feel others are micromanaging or overcontrolling us. Leaders who overcontrol send the message that we are incompetent and we are not trusted or respected. We experience personal growth in the workplace when our role and our work in the group are both a good fit with our skills and provide enough challenge that we feel good when we rise to meet it but not so much challenge that we become totally stressed out. When we are in the right role and therefore more productive, people notice and

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affirm us. This also increases the sense of connection to the group. Finally, we are motivated when we know our work is meaningful in some way and we are around others who share our belief that our work is important. To the extent that these six human needs are met, we feel connected to the group.

2. *Make a connection with as many people as possible, both employees and customers.* Leaders need to acknowledge individuals. Aloof behavior only communicates that someone is not worth acknowledging. There's no easier way to help people feel respected, recognized, and that they belong to the community than to learn about them and use their names when you speak with them. When leaders model this behavior, others will follow suit. If you lead a large number of people, you can make connections through little things such as maintaining eye contact, saying something as you pass in the hallway, and acknowledging what someone says to you. Although it sounds obvious, many leaders don't do this.

It is important for employees across the organization to know each other's stories, too, especially those who frequently interact with each other. To facilitate widespread connection, leaders should make it known that it is okay to take a reasonable amount of time to get to know one another and to get to know your customers. Encourage employees to take periodic coffee breaks, go to lunch, or socialize outside of work in order to get to know one another better as human beings.

Another way to learn more about others is to maintain an intranet-based directory including employees' names, pictures, and information they feel comfortable sharing, such as interests outside work, favorite books, movies, and quotations, and other items that communicate their unique stories. Giving individuals an opportunity to express themselves brings the color of human personality into the workplace.

3. *Treat and speak to employees as partners.* In all your interactions with people below you in your organization's hierarchy, treat them as equals rather than as inferiors. Think of them as partners who play different roles from yours. It will enhance their sense of personal value. Encourage people to use your first name rather

than the more formal Mr. or Ms. Don't expect your subordinates to run personal errands for you. You will keep them connected and energized as they sense the respect you show them.

4. *Help employees find the right roles.* Another way to show appreciation is to help people understand their own abilities, temperaments, and values. Each individual is a unique combination of natural and learned cognitive capabilities. Assessment tools enable people to identify their skills, temperaments, learning styles, thinking styles, and values. Providing these resources to people will help leaders place them in the roles where they will be most likely to excel. People who excel are more apt to receive genuine recognition and respect, and well-deserved praise is encouraging and strengthens connection.

5. *Educate, inform, and listen to employees.* Educating, informing, and listening to employees enhances their sense of value. As a leader, if you don't let people know what you are thinking, if you don't inform them and hear their points of view, they'll probably assume the worst. When people can't see the direction they are headed in, they naturally experience anxiety. Conversely, when you inform and listen to them, they will be grateful that you recognized them and valued their ideas and opinions. With information and understanding comes a greater sense of security and optimism that the future is bright.

6. *Decentralize decision making.* Allowing people to make decisions shows them that you respect their abilities and judgment, and that you value them. Companies have learned from experience that decentralized decision making improves morale by giving more control to employees. It also improves effectiveness when decisions are made by the people who are closest to the relevant information. Having more decision-making authority lets people feel more in control, more respected, and more appreciated. Greater autonomy, so long as it does not exceed a worker's level of competence, fires up people. It leads to a greater sense of connection and engagement.

7. *Recognize the need for work-life balance.* We all have times when things outside work require our undivided

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attention. It may be the health of a loved one or our own health. Leaders need to balance giving employees time off to attend to urgent needs in their personal lives with being fair to other employees who have to do more work when a colleague is away.

Encouraging people to get sufficient rest and relaxation outside work is an important part of keeping people from burning out and it helps stimulate creativity. People in the creative professions, including writers, musicians, and thought leaders, have long recognized the value of rest and relaxation to stimulate their creativity. Many of them retreat to quiet and relaxing settings to free themselves from the distractions of day-to-day life and release their creative energies. Prayer and meditation are also frequently cited as practices that stimulate creativity.

Delete What Devalues

The leader who wants to engage people and increase connection must also eliminate behaviors and attitudes in the culture that do harm to people by devaluing them. Here are a few areas where you can do this:

1. *Eliminate disrespectful, condescending, and rude behavior.* People are devalued when they are subjected to uncivil behavior in the workplace. Obviously, physical

aggression is wrong. Less obvious is verbal abuse, especially if it is not clear that the instigator intended to harm the target. Remember the childhood phrase “sticks and stones will break my bones but words will never hurt me”? The truth is, words can and do hurt.

Uncivil behavior can take many forms, including rejecting others’ ideas without explaining the reasons, asserting that your views are superior and not allowing a dialogue on the pros and cons of alternatives, publicly berating lower-ranking employees for the views they express during meetings, habitually interrupting people, giving people the silent treatment or completely ignoring someone. Generally, any actions meant to humiliate, intimidate, undermine, or destroy a colleague in the workplace are uncivil and must be forbidden.

2. *Go easy on the criticism.* Another devaluing behavior is excessive criticism. Wise leaders know how to provide useful input with the goal of improving performance without adding undue pressure that could contribute to a loss of confidence. In our work with clients, we suggest they use the “three pluses and a wish” rule. Before you offer one constructive criticism, first affirm your colleagues by telling them about three strengths of theirs that you appreciate.

3. *Minimize unnecessary rules and excessive controls.* Unnecessary rules and excessive controls make people feel that they are not trusted or respected. Being micromanaged runs counter to our need to have a reasonable degree of autonomy or freedom to do our work so that we might have a greater sense of control and experience personal growth as we develop new skills and expertise. Clearly, some controls are necessary and beneficial to ensure efficiency and concentration of effort. The challenge for leaders is to strike the right balance between giving people freedom and maintaining a minimum of controls and rules.

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4. *Eliminate excessive signs of hierarchy.* Leaders who display excessive signs of their power and position, like proud peacocks showing off their feathers, devalue others. In a sense, their pride is in competition with everyone else’s pride. A leader who tries to hog all the trappings of success winds up crowding out recognition for others. Wise leaders err on the side of understatement.

5. *Get rid of devaluing leaders.* Identify leaders who don’t value people, even if they are making their numbers, and dismiss them if they have proven that they are unable or unwilling to change. Devaluing leaders are like a toxin in the work environment. They damage the connection with the people they are responsible for and therefore don’t deserve to lead them.

6. *Replace devaluing severance procedures.* If it becomes necessary to reduce expenses by eliminating positions, do it in a way that allows people to preserve their dignity. We have known of companies that pack up belongings, shut off e-mail access, and have a laid-off employee escorted to the door. Absent an indication of potential for violence, this approach is damaging to the employee-employer relationship for the rest of the staff. People will take note of how their former colleagues were treated.

Human Value Is Right . . . and Wise

Human value is right in a moral and ethical sense. It is

also wise. Because human value in an organization's culture increases trust, cooperation, and esprit de corps, it boosts the productivity and innovation of the overall team. Trust and cooperation are the lubricant, if you



Michael Lee Stallard is president of E Pluribus Partners, a consulting firm that helps leaders increase employee and customer engagement through leadership training and executive coaching. He previously served as chief marketing officer for businesses at Morgan Stanley and Charles Schwab. His expertise has been featured in various media including the New York Times and Fox Business Now, and he has spoken at conferences by the World Presidents Organization, the Corporate Executive Board, and Fortune magazine, among others.

will, that make the tasks of organizations run better. When an organization intentionally adds human value to task excellence, the combination helps make superior performance sustainable.



Jason Pankau is a partner at E Pluribus Partners, where he focuses on teaching and coaching leaders. He is also president of Life Spring Network, an organization that helps promote spiritual growth. Previously he served as a minister at Stanwich Congregational Church in Greenwich, Connecticut, where he led mentoring and leadership development ministries. He began his career in financial services. During college, he was captain of the Brown University Football team and was named a pre-season All-American linebacker.

Michael and Jason are coauthors (along with Carolyn-Dewing Hommes) of "Fired Up or Burned Out: How to Reignite Your Team's Passion, Creativity and Productivity." For additional information, visit www.FiredUpOrBurnedOut.com.