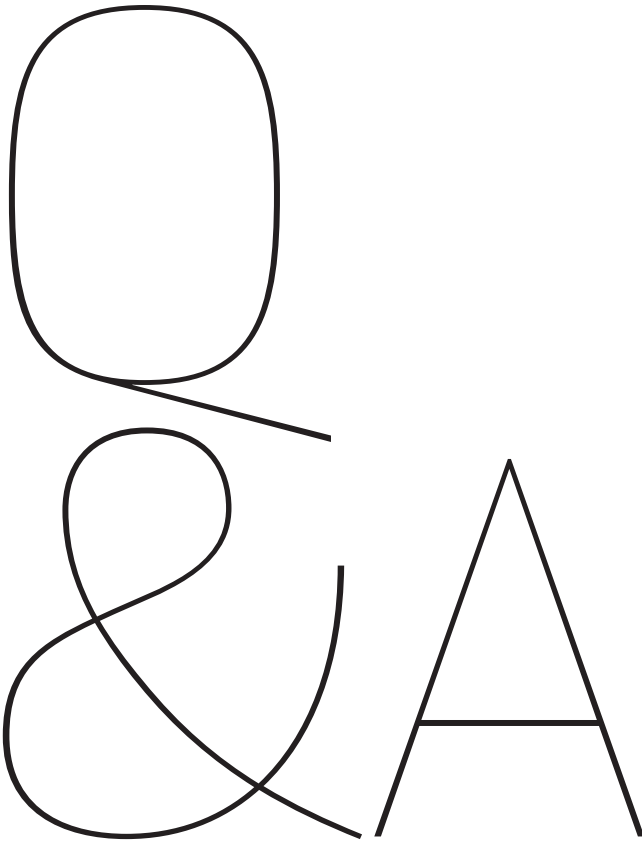




Questions for:

Michael Lee Stallard



The consultant and author talks about increasing employee engagement through ‘cultures of

connection’.

Interview by Stephen Watt

Most organizations focus on incentives like compensation and promotions to keep their most valued workers. What role do emotional factors play in employee retention?

Rational factors such as compensation are important when it comes to retention, but it takes much more than money to motivate people. Research shows that right brain-oriented emotional factors such as how people feel about their day-to-day tasks, their co-workers and their organization’s identity are on average *four times as important* as rational factors when it comes to inspiring people to give their best effort. No individual or organization can thrive for long without meeting these emotional needs.

The great leaders that I studied for my book created ‘connection cultures’ that met the emotional needs of the people they lead. What I found remarkable is that this is true of leaders in every realm: in business, government, the social sector and in sports. For me, this was a huge ‘aha’ moment: it’s important to achieve results, but it’s also important to value relationships and human beings in the workplace. Both are critical if you expect to thrive long-term.

What emotional factors were involved in your own decision to leave Wall Street and embark on a new career path?

It was a confluence of factors – some rational and others emotional in nature – that made me leave Wall Street in 2002. When I left **Morgan Stanley**’s marketing department for the private wealth management group, we had put practices in place that had helped us double our revenues over two and a half years. These practices helped people feel proud of our group as well as personally valued. I knew that there was an extraordinary force at work here, and I wanted to share this experience with the broader world. I knew what it was like to work in a ‘connection culture’ where I thrived, and also what it

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was like to work in a 'disconnection culture' that was sucking the life out of people.

One other event had a strong impact on me. When my wife Katie was being treated for an advanced form of cancer at **Memorial Sloan Kettering Cancer Center**, I observed a connection culture at its best amongst the patients and staff there. I connected the dots between these workplace cultures and the research I was doing on thriving organizations, and gained the clarity and resolve to embark on a new path.

Research suggests that a large percentage of employees are disengaged from their work. In fact, they might be consciously acting against their employers' interests. What is going on?

Over the past decade, on average 75 per cent of employees report that they're disengaged and just 'going through the motions' at work, and about 15 per cent of that group are actually working against the interests of their organizations. Most people in management are engaged, and so are the stars of the organization. It's the rest of the people who feel disconnected: they don't feel valued, informed or heard. Before long, they stop caring and putting their best effort into their work. They may even become angry and retaliate against the organization. Disenfranchised workers may stop communicating, and because of that, decision-makers don't get the information they need to make optimal decisions; performance declines and the downward spiral continues until leaders realize they're in big trouble.

It's stunning how often this pattern repeats in both the history of organizations and nations. You can see it in the works of **Herodotus**, the father of history. In *The Persian Wars*, he was warning the Athenians about the risk of losing the competitive advantage of connection. The bottom line is that leaders who fail to create connection cultures commit self-sabotage, because they will eventually experience managerial failure unless they keep the people they lead feeling connected.

Do all workers have this need for connection?

The need for connection is in our DNA, and it is based on human needs for meaning, respect, recognition, belonging, autonomy and personal growth. These six needs are universal in order for people to thrive. No individual, organization or nation can prosper for long without meeting them. They may perform well for a season, but a high level of performance is unsustainable without meeting these basic emotional needs.

The lack of connection is analogous to a slow death by oxygen deprivation. When people lack connection, they feel like they're dragging: they're bored and empty, and lack energy. They may not sense why, because the effect is so subtle yet cumulatively powerful. As the years pass, the lack of connection drains them physically and mentally until eventually, they collapse. Psychiatrists see a constant flow of business people who are suffering from the deprivation of human connection. On the other hand, when these needs are met, performance is energized.

What are some examples of companies that have achieved a culture of connection?

Companies don't build connections; leaders do. It's an interesting fact that most of the companies profiled by **Jim Collins** in *Good to Great* are not doing as well now. Changes in leadership resulted in a loss of connection, which contributed to poor performance. Leaders who are good examples of promoting a connection culture include **A.G. Lafley**, CEO of **Procter & Gamble**, who has been very strong in promoting knowledge flows in his organization; and **Anne Mulcahy**, CEO of **Xerox**, who rescued her company from the jaws of bankruptcy and created a connection culture there.

Steve Jobs, CEO of **Apple**, has been strong at inspiring identity, an important step toward creating a connection culture. When Jobs returned to Apple after a period of exile, he started the 'Think Different' advertising campaign, which reflects both his own identity and that of Apple. Jobs wants Apple to be the organization that stands for innovation, both

in terms of aesthetic design and functional abilities. The strong sense of identity and culture of innovation that he has inspired has brought the organization together and contributed to its success.

Ed Catmull, the co-founder and president of **Pixar Animation Studios**, is another notable example of a leader who has created a strong connection culture. Pixar was created with the intention to foster a sense of community that was otherwise missing in the film business, where so many people work as independent agents. At Pixar University, people can spend four hours a week in classes on any topic they like, whether it be sculpture, art history or film-making. This environment increases social connections by mixing people across silos. The motto of the university, translated from Latin to English, means “Alone No Longer.” The aforementioned Steve Jobs, Pixar’s former owner, centralized its meeting rooms, cafeteria, and mail room and even the restrooms so that people have to come into a core space where they inevitably interact with their co-workers.

How can leaders get started on creating a connection culture?

Human value exists when people feel valued, and they can only *feel* valued when they *are* valued. Most work cultures today are indifferent to people: not hostile, just indifferent. Apart from paying lip service to valuing people, most cultures really only value results. The best cultures value both results *and* people. They reject behaviours that are indifferent to or that demean people, even if these illegitimate actions produce positive results in the short term, because they know that such actions ultimately sabotage long-term performance.

Great leaders increase human value by getting to know their employees as human beings. They get to know their journeys in life and where they hope to go in the future. When their workers face inevitable difficulties in life, whether it be sickness or a death in the family, they reach out to support them. They help them progress toward their goals through mentorship, and by getting them into the roles that fit their strengths, as well as providing enough challenge to keep them going. They also keep them informed, and consider their ideas and opinions. Great leaders are committed to the people they’re responsible for leading, and it’s this commitment that fosters tremendous loyalty and a desire to meet and exceed expectations.

What are some characteristics of great team leaders?

A key responsibility of all leaders is to learn ‘task excellence’ – the processes that produce results. But a great leader also learns – whether through experience, mentoring, formal or self-education – to make employees more trusting and cooperative. A great leader also understands that a successful connection culture extends beyond workplace relationships to encompass such things as task connection – that is, finding a role for an employee that is a good fit with his or her strengths – and connection with the organization’s identity.

Listening is also a key skill for a team leader. Listening not only helps employees feel connected and engaged, it also helps leaders make better decisions. When leaders make it a habit to ask for people’s opinions and ideas, they become better informed and make better decisions. Cultures that value listening inevitably create a more robust marketplace of ideas that stimulates creativity and innovation.

Tell us what the rock band U2 taught you about teamwork and staying power.

U2 has had a phenomenal run since 1976: they have won 22 Grammy Awards, more than any band in history. They’ve been together over 30 years and have been able to maintain a strong sense of connection and commitment to each other. Doing that when you’re a rock star is not easy, given the amount of money, pride and status involved. **Bono**, the lead singer, has said that the way the band functions is even more extraordinary than the band’s music, which is quite a statement when you consider the incredible music they’ve produced. He has also described the band as being more of an ‘organism’ than an organization.

When you look at the band and learn its story, you see all the elements of a connection culture: they have a strong inspiring identity, which Bono refers to as the ‘spark’; they feel their work is important – there’s a sense of connection to their mission to help promote human rights and social justice. You see that social drive in their songs and also their activities outside their music. The band members also have a strong connection to each other. Each member has suffered numerous painful personal experiences and setbacks over the years, but these have only made the band stronger.

They’ve adopted a motto, “We’re all going to get through this alive,” and they take it quite seriously, as the following anecdote illustrates. Back in the 1980s, U2 was about to play a concert in Arizona when they received a death threat aimed at Bono. The letter stated that if they played the song “Pride (In the Name of Love)”, which is about Dr. **Martin Luther King Jr.**, Bono would be shot. Being a strong-willed bunch, they weren’t about to back down, so they went ahead and performed the song.

In a later interview, Bono described singing the second verse of the song with his eyes closed, thinking, *What if somebody is really out there with a gun and takes a shot at me?* After completing the verse, he opened his eyes to see Adam Clayton, the band’s bassist, standing in front of him to shield him. As Bono later stated, that’s how you know what it’s like to be part of a great family. This illustration of extraordinary commitment is what has allowed these guys to stay together for 30 years. **R**

Michael Lee Stallard is founder and president of E Pluribus Partners, a consulting firm that provides leadership training, team building, communications and executive coaching. Previously, he was chief marketing officer for Morgan Stanley and Charles Schwab. He is the author of *Fired Up or Burned Out: How to Reignite Your Team’s Passion, Creativity, and Productivity* (Thomas Nelson Publishers, 2007). His work has been featured in *The Wall Street Journal* and *The New York Times*.