

The Force of Connection: Productivity, Innovation and Organizational Performance

Prepared Remarks by Michael Lee Stallard for



Leading@Google Series
Googleplex
Mountain View, California

July 28, 2009

How many of you have experienced times over your career when you were eager to get to work in the morning, when you were so engaged in your work over the course of the day that the hours flew by, and by the end of the day you didn't want to stop working?

And how many of you have experienced times when you struggled to get to work, when the hours passed like slow dripping molasses and by the end of the day you were physically and emotionally spent?

I've experienced those extremes too over my career too.

Over the last decade 75% of American workers reported they are not engaged in their jobs – that's over 100 million people who are not achieving their potential. 15-20% of this group are so disengaged they're actually working AGAINST the interests of their organization.

That's a problem. It's about to become a much bigger problem. Why?

We are rapidly moving into the age of globalization. The world is becoming a much more competitive place. Standards are going up all the time. Organizations that have three out of four employees not engaged -- many of them will not survive in the years ahead.

While that may sound bleak to some, I want you here at Google to consider it a major opportunity.

I first became interested in the work environment when I was chief marketing officer for Morgan Stanley's private wealth management group. I wanted to create an environment where the people I was leading would thrive and where the people who worked on the front lines directly with our clients would thrive. I knew if they were enthusiastic that it would result in a superior customer experience. The practices we put in place helped us double our revenues over two and a half years. I knew we were on to something special.

In 2002, I left Wall Street and founded E Pluribus Partners. E Pluribus is based on America's motto "e pluribus unum." It is a Latin phrase that means "out of many, one."

Initially, E Pluribus Partners was focused on research. I wanted to follow the clues wherever they led to crack the code on this problem. I met a number of individuals who became my business partners. A guy by the name of Jason Pankau who is a life coach to many successful Americans. Jason is an expert on how the workplace affects individuals' lives outside of work. Carolyn Dewing Hommes studied cultures of some of the world's leading organizations when she was at Citigroup. Dr. Mitchell Dickey taught psychology at Yale and Purdue universities. Mitch received the first American Psychology Association research award given on emotional intelligence research.

We looked at all of the avenues. We looked at businesses, governmental organizations, social sector organizations such as hospitals and universities, and even sports teams to understand why they thrive, merely survive, or even die.

Of course there are many factors that affect the success of organizations. The surprise was this: As we were mapping out the variables we continued to see that often times it came back to a single factor that seemed to predict the rise and fall of organizations. We named it the force of connection.

Connection is like gravity. In the absence of gravity objects float apart. In the absence of connection, people drift apart. With connection they pull together, they're more trusting, more cooperative, they're more aligned with each other and with the organization's goals.

The force of Connection has three elements. The first is Vision.

Vision exists when everyone in an organization is motivated by the mission, united by the values and proud of the reputation.

One of my favorite examples of Vision occurred during World War II. At that time America was far behind the Nazis in terms of military strength. General George Marshall, the Army chief of Staff, focused on organizing the tasks of the military industrial complex. President Roosevelt knew something more was required. He set out

to visit the manufacturing plants around America. During one visit to the Boeing aircraft company in Seattle, FDR brought with him a young pilot from Texas named Hewitt Wheless. The president had Hewitt speak to the 18,000 aircraft workers in attendance. Hewitt told his story about flying his plane and being shot at by the enemy. He described how his plane was riddled with bullets but miraculously made it safely back to his base. He thanked the workers for building the plane that saved his life.

Seeing that young, courageous pilot thank them had a profound effect on the workers. It transformed them from factory workers to freedom fighters. Over the next four years from 1941 until 1945 American aircraft manufacturers out-produced the Nazis by a factor of three-to-one. They built nearly 300,000 aircraft.

I also think of Apple when it comes to the element of Vision. Apple connects with its employees because it values excellence in visual design and it has a reputation for innovation.

The second element of a Connection is Value.

Value exists when everyone in an organization understand the needs of people, appreciates their positive unique contributions and helps them achieve their potential.

The story of my favorite rock band illustrates the element of Value. See if you can guess who it is. This band has received more Grammy awards than any band in history. The members have been together since they were teenagers in Dublin, Ireland, more than 30 years ago. They've been wildly successful.

The motto of U2 is "everybody gets out of here alive." Like all human beings, the members of U2 have experienced difficult seasons in their lives. Bono's mother died when he was 14 years old. He described the period following her death as one in which he felt alone and abandoned. Although he longed for the emotional support of a family, his grief-stricken father was unable to comfort his son.

Having experienced what it was like to grieve alone, Bono reached out to console Larry Mullen Jr. when his mother died when he was 16. This began a close, supportive friendship. When Edge went through a difficult divorce, the band members were there to support him. When Adam Clayton became addicted to alcohol and drugs, the band members reached out to help him recover.

A dramatic example of the band members being there for one another came during the 1980s when U2 campaigned for the observance of a Martin Luther King, Jr. Day in America. Bono had received a legitimate death threat that warned him not to sing the song "Pride (In the Name of Love)" at an upcoming concert. The song is about the Reverend Martin Luther King, Jr. Bono described in an interview that as he sang the

song, he closed his eyes. At the end of a verse when he opened his eyes Adam Clayton was literally standing in front of him to shield Bono from potential harm.

Bono has said U2 is the “best example of how to rely on others.” He has also said that although he hears melodies in his head, he is unable to transfer them into written music. Because he considers himself a “lousy guitar player and an even lousier piano player,” he relies on his fellow band members and recognizes that they are integral to his success. In other words, Bono appreciates the other members of U2 for their unique contributions. It surprises many people to discover that the profits from U2’s work are equally split among the four band members and their long-time manager Paul McGuinness.

When it comes to Value, I think of Pixar, a company I recently visited. One of the ways Pixar connects with its employees is through its in-house Pixar University where employees can take up to four hours a week of classes on a whole range of topics from film editing to yoga. Not only are they learning and growing, people are also getting to know their classmates who come from other parts of Pixar.

The third element of Connection is Voice.

Voice exists when everyone in an organization seeks the ideas of other, shares their ideas and opinions honestly and safeguards relational connections.

In 2000 P&G was stumbling: the company had lost \$300 million in one quarter, half its brands were losing market share and talented brand managers were walking out the door. The board of directors replaced the CEO with A.G. Lafley, a lifelong P&G employee. Lafley believed in the people at P&G. He surveyed employees to see what they thought had to be done. He met with groups of employees all around the world and told them that P&G needed to get the “moose out of the closet,” the problems it had been ignoring, because those problems were stinking up the place and he knew that if they were out in the light of day there was no problem the talented people at P&G couldn’t solve together.

And that’s exactly what they did. Within 12 months, according to an internal survey, employee confidence in the leadership and direction of the company soared 250 percent. In 24 months, P&G’s sales and profit soared. Its stock price rose 75 percent, creating so much wealth that P&G was able to acquire the Gillette Corporation, a huge acquisition.

I also think of IBM when it comes to the element of Voice. One of the ways IBM connects with its employees is through firm-wide Jams using social networking tools that allow everyone to participate in the conversation on issues such as innovation and environmental sustainability.

Now, we're going to do an exercise together. I would like you to team up in groups of three. In the next minutes, I want you to list specific examples of how Google increases connection. We'll see which group comes up with the greatest number of examples. The examples can be firmwide or at the workgroup level. Here are three examples to get you started:

1. Google's Mission (Vision)
2. Free gourmet food (Value)
3. TGIFs (Voice)

When the elements of Vision, Value and Voice are in the work environment, people give their best efforts and align their behavior with organizational goals.

When people feel disconnected, it builds Knowledge Traps in organizations. Silo behavior, personal rivalries and other forms of relationship failure are Knowledge Traps. When some engineers at NASA didn't feel safe expressing their concerns about cracks that occurred in the O rings at low temperatures before the Challenger launch, that was a Knowledge Trap that contributed to a disaster.

Knowledge Traps are like the cholesterol of organizations. Connection is the Statin drug that breaks up Knowledge Traps, restores Knowledge Flow and keeps the environment healthy. Greater Knowledge Flow is essential for leaders to be better informed so they make better decisions. No one has a monopoly on good ideas. Everyone has different thinking styles, experiences and perspectives so the only way to get a 360 view of issues is to consider the opinions and ideas of others. Greater Knowledge Flow also adds to the marketplace of ideas that stimulates innovation.

Today, most leaders are focused on task excellence alone. With programs such as Six Sigma, Lean Manufacturing and competitive benchmarking, the quality of our work has certainly gone up. The problem is that focusing on task excellence alone is not enough. What happens every time is that the failure to establish and maintain relationship excellence ultimately sabotages task excellence. Here's an example.

In 1984, Michael Jordan was drafted by the Chicago Bulls basketball team. His picture appeared on the cover of Sports Illustrated magazine just one month after he began playing in the NBA. He was a superstar and the team was expected to go far. Head coach Doug Collins focused on developing new plays and achieving excellence in execution. Although the Bulls improved, they failed to meet their owner's (and fans') expectations and after five years the Bulls replaced Collins with Phil Jackson, an assistant coach on the team.

Jackson's genius was that he saw that something more was required. Something more than new plays and execution. So Jackson sat down with Michael Jordan and said,

“Michael, we are never going to be NBA champions unless you surrender the me for the we. When we are on the road, you spend more time with your entourage than you do with your teammates. You hardly know them and you don’t trust them. You call them your ‘supporting cast’ and that’s how they feel. When a player touches the ball, he is in the spotlight. They need to be in the spotlight too from time to time.”

Michael Jordan acted on Phil Jackson’s call for connection. He began coming to practice early to help his teammates improve their basketball skills and physical endurance. He began spending time with them off the court. That’s when the Bulls were transformed. It used to be that Michael always took the last shot as the clock ticked down in a close game. Instead, Jordan began passing to his teammates and letting them take the shots. Over the next eight years the Bulls won an astounding six NBA championships. The two years they didn’t win Michael had left to play professional baseball, a dream his father had for him. After a stint in the minor leagues, he returned to the Bulls and resumed winning NBA championships.

Because Michael connected with his teammates, the Bulls became one of the great basketball dynasties in history. Phil Jackson was intentional about developing task excellence and relationship excellence and that produced sustainable superior performance.

Now I would like to do a brief exercise. Everyone stand up. I want you to find someone you don’t know. Introduce yourself and ask him or her a question that’s not related to work such as: what are your interests outside of work, where did you grow up, what music do you like, or what’s your favorite movie. Ask a follow up question. Then reciprocate. When you are completed you can go back to your seat and sit down. It should take about 10 minutes. Go!

Why did I do this? This exercise illustrates what I call “micro-connections.” These are the small things we do each day that humanize the workplace.

Most work environments are not blatantly toxic to people. They are indifferent. People are so caught up in the rhythm of tasks that they ignore one another. Over time, this indifferent environment is toxic too. It’s a slow toxin though, like oxygen deprivation, that so gradually and imperceptibly drains the life out of you, you hardly notice it happening until it’s too late. If you take the time to connect with others throughout your day, however, you will be more likely to thrive and, as the surgeon and writer Atul Gwande wrote in his book entitled Better, “make the machine feel less like a machine.”

I’d like to share with you a few pieces of evidence we uncovered across diverse fields of knowledge that confirm the positive effect of the force of connection.

From organizational research, we learned that the Corporate Executive Board studied 50,000 individuals worldwide in 2004 and concluded that employees who felt engaged and connected were 20 percent more productive than the average employee. That's like an extra day of work each week! Just imagine the compounded effect of an extra day a week over an employee's career. It's huge.

In addition, the Corporate Executive Board found that emotional factors were four times as important as rational factors when it came to the amount of effort employees put in their work. Emotional factors include how people feel about their work tasks, the people they work with and their organization: in other words, connection. Rational factors include items such as compensation.

We began to see why this force of connection is so powerful from the field of psychology. Psychologists have identified six human needs to thrive. These apply just as much to the workplace as they do for life in general. The first three needs are relational in nature. They are respect, recognition and belonging. When these needs are met, people describe it as feeling connected or like they click with the people around them.

The next two needs are for autonomy and personal growth. Together they are referred to as "task mastery" needs. When these needs are met people describe it as feeling immersed in or connected to their work. They describe losing a sense of passing time when they are working.

The final need is for meaning. We are more likely to thrive and put more effort in when we work on something that's important to us. When meaning is met, people often describe it as feeling connected to the work of the organization.

From neuroscience, we learned that these feelings of connection boost hormones in our bloodstreams that make us feel more energetic, more confident and more trusting of others. Connection also reduces the levels of stress hormones in our bodies so we are more likely to be rational rather than rash when we are under stress.

From psychiatry, we learned that psychiatrists see a continuous flow of people from the business world. These patients experience feelings of boredom and emptiness and they don't know why. Many begin to self-medicate by seeking thrills from taking excessive business risks or sexual risks, or by numbing the pain with substance abuse. Psychiatrists treat them by helping them bring more human connection into their lives. Dr. Edward Hallowell, a psychiatrist and former instructor at Harvard Medical School, refers to this treatment as prescribing "Vitamin C," which stands for "Vitamin connection."

Other fields of knowledge such as mental and physical health research show that connection helps us fare better in life from the time we are infants to our twilight days. Infants who feel connected to their caregivers have a physical and mental health

advantage that lasts a lifetime. Adults who feel positive emotion from connection are better problem solvers and more creative. Seniors who feel connected live longer.

Even political sociologists today believe that nations with a higher rate of connection, what they refer to as “social capital,” are more economically productive. That makes sense, doesn’t it, given all the research we see from other fields that confirms the effects of connection.

While I was doing all this research on connection a personal experience helped me see the power of connection in a way that studying the research didn’t. In 2004 my wife Katie was diagnosed with advanced ovarian cancer, a year after having breast cancer. I’m relieved and delighted to say she is cancer free today. During 2004, we experienced an extraordinary outpouring of support and encouragement from family, friends and health care workers. I vividly remember our first visit to Memorial Sloan Kettering Cancer Center in New York City. As we were approaching the entrance a big doorman by the name of Nick locked his eyes on Katie and greeted her like a returning friend. This is in Midtown Manhattan where no one makes eye contact. I thought aliens had landed. When we entered the reception area the receptionist called everyone “honey.” The security and administrative people we met were outgoing and friendly too. When we met with Katie’s oncologist, she spent an hour with us educating us about the treatment options and answering our long list of questions. She was upbeat and optimistic.

It dawned on me that my worlds had collided. While I was doing all that research and connecting the dots on connection, here was a perfect example before me. I could literally feel the connection with these people. It helped me feel more optimistic that we could get Katie through this. And we did.

Since then I’ve come to see that the force of connection is especially important during the difficult seasons we face as individuals and organizations. Connection helps us pull through the tough times together rather than retreat into a state of relational isolation, fear, distrust and finger-pointing.

Another “aha” moment occurred when I realized that too often I lacked connection in my life at work. I’m an “achieve-aholic” who can easily get so focused on tasks that I crowd out time for relationships. How many of you have the attitude of “Work is work. Relationships happen outside of work.”? I did. I look back and see how I compartmentalized my work and personal lives – there were projects to be done and I didn’t see the need for more than surface relationships at the office.

While that attitude is true on one level, all of our work on connection has convinced me that you absolutely need relationships at work too, especially given the amount of time we spend working today.

The bottom line is that it is beyond a reasonable doubt that connection affects our performance and well-being at work and in our lives outside of work. Knowing that, it is rational to be intentional about creating Connection Cultures.

Here are a few actions you can take to increase connection in your workplace.

First, “role in the whole.” People feel more connected when they know the answers to the following questions: where are we going?; why is it important?; how are we going to get there?; and, what’s my role? Help the people around you understand and appreciate their “role in the whole.” For example, if you read that great article in last month’s Atlantic magazine about “augmented intelligence” and Google, you could have circulated it to your colleagues.

Second, “find the Right Role.” Help the people around you find the “right role.” We all have different values and talents. When people are in the right role they receive recognition from others and they feel more connected to their work and colleagues. As you observe them and get to know the people around you, you will begin to see if they are in the right role or not. If you are a mentor or a trusted friend, you may be able to help them find a different role where they will thrive. You should also seek feedback about your own performance to see if you are in the right role. Ask for feedback about your work product and how you interact with others.

A few thoughts about feedback... When you provide feedback be sure to praise the person first by saying something like “Tom, you are so great at X. You may be even more effective if you try this.” When you are on the receiving end, listen to the feedback, thank the person and don’t try to defend yourself or criticize them. Keep a notebook on your personal performance and write down what you heard. As you get feedback from more people, patterns will emerge. Work to improve those areas that others have helped you identify.

Next, “connect as human beings.” Take the time to connect with the people around you as human beings rather than always treating them as human doings. When you are passing someone in the hall, do you make eye contact and say hi? I know that sounds basic but it needs to be said, especially in places like New York City. When you have the opportunity, ask your colleagues questions that aren’t related to work. As you get to know them, connection will grow and trust along with it and you will see a difference in how you work together.

Fourth, “grow or die.” The definition of death in biology is when an organism ceases to grow. There is a lot of wisdom in the phrase “grow or die.” You need to be continuously growing. Everyone needs to have a personal development plan in writing. Encourage and help the people around you to learn and grow too. Find out about training opportunities and take advantage of them. You have a lot available here at Google

including all the G-to-G offerings. If training isn't available in something you are interested in, form study groups to read a relevant book or find a teacher or mentor who is strong in the area you want to develop.

"Fist bump moments." The fist bump is the "high five" of today. I love to see President Obama and the First Lady giving each other fist bumps. (My teenage daughters cringe when I offer a fist bump. They won't accept my request to be friend on Facebook either.)

Fist bumps, literally or figuratively, are important because we all need recognition and it needs to be genuine rather than flattery. It's almost as if we have a recognition battery that regularly needs to be charged. But it's located on our backs in a spot we can't reach on our own and so we rely on those around us to charge our recognition battery. Make it a point to charge the recognition batteries of your colleagues whenever appropriate. They will be more likely to charge your recognition battery too.

Here's another really important one: keep "in the loop." At Google you have TGIF's and other processes that help people stay in the loop. As I said earlier, when people are informed and have a voice, the marketplace of ideas expands, innovation is stimulated and decision-making improves.

Finally, "learn from great leaders." Study the lives of great leaders by reading about them. In their lives, you will see the force of connection and can learn from their example.

Today I've given you the tip of the connection iceberg. For more about connection you can turn to our book, *Fired Up or Burned Out*. It has many actionable examples of connection to help you get started. One section includes 20 stories of great leaders of the past and present who were forces of connection. It has discussion questions that are ideal for group study. Google has purchased copies and I'm going to make a free download of the book available to each of you for the next two days at my blog michaelleestallard.com. Share it with your colleagues, and, if you are a leader, go through it with your team.

I've come to think of people as falling into three categories when it comes to connection. On the bottom are the intentional disconnectors. They lie, cheat and steal for self-benefit. Some are psychopaths and sociopaths. The abrasive disconnectors are easy to spot. Others will be smooth and charming on the surface but wolves inside. They're out there and you will run into them. Watch your back.

Most of us fall into the second category: unintentional disconnectors. We are well-meaning but because of our blind spots we can say or do things that are disconnecting. We may be overly critical, for instance, or afraid to provide or receive honest feedback.

We don't drift our way to becoming a force of connection in our organizations. And it's not a solo endeavor. We need to learn about connection and we need others we trust in our lives who will help us become aware of our blind spots that adversely affect our ability to connect. The promising news is that if we are intentional about learning to connect and developing relationships with mentors and close friends who will help and encourage us, we can reach the pinnacle and become intentional connectors.

I wholeheartedly believe, and research has borne this out, that being intentional about developing task excellence and the relationship excellence that comes from connection is the key to unlocking corporate potential. Connection moves people to give their best efforts and align their behavior with organizational goals. It increases productivity, innovation and overall performance. Connection is a little-recognized source of competitive advantage.

My hope is that you will begin connecting with your colleagues at work, your family members at home and your friends in the community. Mark this day, July 28, 2009, begin connecting and watch what happens. You will experience the productivity, the prosperity and even the joy that comes from having greater connection in your life.

Thank you, I will now take any questions you have.

Michael Lee Stallard teaches and coaches leaders about how to create work environments that boost productivity, innovation and performance.

See www.MichaelLeeStallard.com.

E Plur**ib**us
P A R T N E R S
UNLOCKING
CORPORATE POTENTIAL