Chapter 5: Respect

Howard Behar shared his recollection of what I consider to be the iconic story of mutual respect and the example set by Howard Schultz at Starbucks. The story itself dates back to their early days of the company, and I want to tell it in Howard Behar's own words to keep it in context and provide the full effect:ⁱ

It was 1989 and I was the new VP of Operations at Starbucks, and Howard [Schultz] was the 34-years-old CEO. One day I heard from a store manager—a young guy named Jim who had been with Starbucks nearly from the beginning. He called a me to say, "I'd like to meet with you and Howard Schultz."

"Sure," I said, "But maybe there's something I can do for you, Jim. What is it?" Jim responded: "No, I really need to talk to both of you."

I said, "Okay," and promised to set-up the meeting.

The day arrived and Jim came to the front desk. I got him and we sat on the little loveseat in Howards office and we made small talk while Howard finished up a phone call. Howard hung up and he and Jim started talking, because they'd known each other for a while. Eventually I did what all A-type personalities do, I said, "So, Jim, what can we do for you?"

Jim just looked at us both and said, "Well, I want to tell you that I'm dying. I'm dying of AIDS."

This was in the early days of the epidemic and we didn't know a lot about AIDS. Was it a virus that was catching? What was it? A tear came down Howard's face and I sat there, kind of shock. I had no idea how Howard would respond.

Howard said, "Well, Jim, what can we do for you?"

Jim told us: "I'd like to work as long as I can and I don't know how long that will be."

Howard just looked at him and he said, "Jim, you can work until you don't want to work anymore."

Then Howard asked him a question: "How are you going to support yourself when you can't work anymore?"

Jim said, "There's lot of agencies now that are starting to give help to people that are dying of AIDS, and there's hospice and all sorts of things." Howard just looked at him and said, "Absolutely not, Jim. You will be on our payroll until you die, until you pass away. We will continue to pay you as if you were working here."

Howard asked him a second question. He said, "Who's going to pay for your healthcare?" Jim had the same answer, "There's people that are helping." Howard said immediately, "No, you'll be on our healthcare system."

It's a pretty amazing story. Now, let me put it into even clearer focus. Starbucks was losing money at the time. They had no idea they would become the iconic business they soon grew to be. Here's Howard, a young CEO in the food service industry, not really knowing whether AIDS was a contagious disease. You can work until you don't want to work anymore. And not only that, you'll be on our healthcare. What kind of message do you think that sent in the early days of the company about respect and the values of the organization?

According to Behar, who was an enormously influential figure at Starbucks, serving as president and later as a director of the company, "I realized right then that I was in the right place, because I knew that I could do anything for anybody that was in need. That's the message the encounter sent out to the whole organization."

There were a lot of things that made Starbucks successful. They were brilliant about market segmentation—setting up shops in vibrant communities and catering to discerning coffee clientele. They turned the business into a consumer experience worth paying for with friendly baristas and a warm, ambient environment. Their progressive stance on social issues, as well, appealed to customers. But above all, of course it was the culture. It was the way leaders treated employees, how employees treated each other and how they treated customers—with respect. Jim was able to go right to

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Howard Schultz to tell him the news, and Howard stepped-up with empathy without any hesitation.

Behar summed it up, "When you have that respect at the core of the company, then that's how you treat the people we call customers. But it all started with how we treated each other. We were ferocious about treating people with respect. That's exactly what drove the company."

Why Respect Connects Us

Of the five main elements of Emotional Connectedness that make up the *In Great Company* approach, respect in many ways is the linchpin that connects all the rest. (See Box.) In fact, the respondents in my study reported that they are far more willing to put in extra effort (four times more likely) when they feel genuine respect at work. My follow-up interviews revealed that people assign significant intrinsic value to respect and view it as a form of social capital. Respect is the quality that people want most. In short, it changes the game.

A number of supporting research findings corroborate my conviction that respect is the number one reason people love their workplace. For instance, in a survey of 20,000 employees around the world, people who said their leaders treated them with respect were 55% more engaged. Another survey conducted by the Society for Human Resources Management (SHRM) in 2014, demonstrated that respectful treatment of "all employees at all levels" was rated as "very important" by 72 percent of employees, making it the top overall ingredient of job satisfaction.¹ And respect not only keeps us engaged, it makes us more effective. Work by leadership and change

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expert and author John Kotter, for instance, found that respect helps us achieve buy-in for ideas, win over dissenters and enhance our credibility."

BOX: Why Respect Connects the Rest

Respect———> **Values Alignment** when mutual respect is a core value across the organization. Studies show that people who feel respected are more likely to show respect for others.

Respect———> **Collaboration** because people who respect each other work more effectively and efficiently together.

Respect———>Positive Future because respect delivers the optimism people need to innovate and feel upbeat about the future for themselves and their organization.

Respect———> **Collaboration** when respect delivers the confidence and psychological safety that helps set people up to succeed.

It makes sense that respect drives engagement and performance, but what *is* respect really? I would argue it is different for each of us. In abstract, employees want to work in an environment where they feel appreciated, trusted and listened to – a workplace that is fair, inclusive and supportive. As part of that, respect can be defined as consideration for self and of others.ⁱⁱⁱ In action, respect can be seen in things like delivering on promises, walking the talk, and treating people as you would like to be treated. For some, that means the boss keeps them in the loop, gives them credit for © Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share with an outside party without prior consent of Louis Carter. their accomplishments and doesn't micromanage. For others, it means working on a team with people who don't take your effort and expertise for granted. Still others think of respect as a high level of civility running across the organization consistently. Whatever the exact definition, respect connects us to each other and helps us work together better to achieve more.

We will look at some of the important elements of respect, and how to put them into practice in the Best Practices Playbook below, but in the meantime, it is similarly important to understand why respect is so difficult to build into the culture of an organization and hard to recapture once it is lost.

The Barriers: When Respect is Withheld

When I enter an organization to assist in a cultural intervention, I start by taking the temperature. As part of that, I meet with people at every level to ask about workplace situations that concern and irritate them. My manager cancels our performance discussions without notice...My colleague talks over me in meetings....My team members call me at home at all hours of the night. And so on. These are vastly dissimilar issues, but they all come down to respect or a lack thereof.

Respect is something we either choose to do or not do. The reason it is such a difficult issue is not because organizations are so complex, but because people themselves *are*. From my experience, the question of respect usually boils down to one of two dimensions: difference or dysfunction.

The first—difference—is not something that we can or should "solve." The accelerating pace of change and technology speeds up interactions and introduces new situations

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into the mix between diverse cultures and demographics. Even if we believe deeply in the basic tenets of respect, differences based on mindset, culture and context can drive a wedge between people or cause individuals to act in ways that others find offensive, insulting or disrespectful.

Differences in mindset, for instance, can create a dynamic whereby two people looking at the same situation reach opposite conclusions. As the famous Myers-Briggs Type Indicator (MBTI) and other personality assessments show, there are multiple ways people respond to conflict, stress, and interpersonal dynamics. Similarly, Type A and Type B personality theory, created by a pair of cardiologists in the 1950s, highlights opposing archetypes. Type As are the ambitious high achievers that the researchers associated with a "high risk of heart disease;" whereas, Type B individuals are more laidback, deliberate and even tempered.^{IV} The point is, when you put opposing personalities together at work, differences in style and thinking lead to conflicts and potentially to a lack of respect that is either real or perceived. What is important when dealing with people's difference is acknowledging the range of diversity and not excusing bad or abusive behavior based on nuances in style, behavior or mindset.

The other element that characterizes disrespect in the workplace is dysfunction. This may mean a toxic work environment where people act out, shout, intimidate or belittle each other, among other abusive power plays. This type of bad behavior decimates trust, demoralizes teams and leads to widespread burnout. Of the toxic behavior that is most insidious, bullying takes and cake because it remains in the shadows, and it disproportionately impacts minority workers.^v What's more, it can come from anywhere— bullying bosses are just as common as despicable or disrespecting colleagues.

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Workplace bullying is abusive behavior that creates an intimidating or humiliating working environment with the purpose or effect of harming others' dignity, safety, and wellbeing.^{vi} It can be a power play or any similar dynamic where the "stronger" person preys on someone physically or emotionally weaker, or it can be a group that outnumbers a minority of individuals.

Tokyo-based executive coach Philippe Grall, CEO at équilibre k.k, told me about the type of abusive behavior that is present in some Japanese corporations. According to Philippe, what we might consider bullying is widespread in the Japanese workplace (as well as Japanese schools) because the culture prizes sameness and conformity over difference and individuality. In addition, he said, weakness is "severely frowned-upon" and oftentimes it is verbally derided.^{vii}

"Bullying [in Japan] is a way to coax people into conformity, as per longstanding cultural norms," he said. "The phrase is 'Kireru', is the type of common abuse of authority that occurs when managers belittle and harshly criticize people in front of other employees."

Whether it is a culture that has come to condone bullying or a toxic workplace that tolerates harassment, this type of blatant disrespect is worth noting because it is the antithesis of what Howard Schultz and Howard Behar were trying to create at Starbucks and the opposite of the culture of connectedness that characterizes the In Great Company approach. As I will show below, creating a culture of respect includes setting rules, speaking up and setting an example that inspires engagement, empathy and inclusion.



Respect: The Best Practices Playbook

1. Make Respect Mutual

Creating a culture based on mutual respect is everyone's responsibility: founders, executives, middle managers, line workers—all of us. It needs to be intentionally orchestrated, purposefully managed and sustained through consistent actions and enforcement of cultural norms.

Wegmans, the East coast supermarket chain is an excellent example of an operation that has given its all to create and sustain a culture of respect. With 98 stores and 58,000 employees, the family-owned organization is famously people-centric and has © Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share with an outside party without prior consent of Louis Carter. landed on Fortune's annual list of 100 Best Companies to Work For every year since the list first appeared, including earning the No. 2 spot in 2018.

The first clue about how Wegmans has been able to create a culture of respect can be seen in its crystal clear corporate values. Out of five values, three are about empowering people and treating them well and one is specific to respect:

-We care about the well-being and success of every person.

- -High standards are a way of life. We pursue excellence in everything we do.
- We make a difference in every community we serve.
- We respect and listen to our people.
- We empower our people to make decisions that improve their work and benefit our customers and our company.

Wegmans' counterintuitive mantra—Employees First, Customers Second—is further proof that the organization is prepared to stake its reputation on treating people well.

"Our employees are our number one asset, period," Kevin Stickles, the company's vice-president for human resources, said in The Atlantic. "The first question you ask is: 'Is this the best thing for the employee?' That's a totally different model."^{viii}

More than just words on a page, this people-first policy is put into practice in a few ways. First, the organization earmarks millions each year (\$50 million in 2017) for employee development^{ix}, including leadership training and tuition assistance programs. According to the company, more than half of their managers have worked

with the store since high school or college and many completed their education with help from Wegmans scholarship assistance program."^x

The company also shows respect by listening to employees. They make a point to be transparent about business practices and ask employees to weigh in on improvements and new business initiatives.^{xi} (According to SHRM, when deli employees said the "cut gloves" they used with meat slicers were less than ideal, the company got further feedback and then provided custom-made glove that addressed employee concerns.) Finally, they demonstrate respect for people's personal needs by building flexibility into scheduling hours and offering people-first perks like adoption assistance.^{xii}

An institutional focus on respect has a viral effect when employees return the love. They respect the organization, each other and the customers they serve. By all indications, this is the case with Wegmans. According to a report from Temkin Group, Wegmans' customer service outranks that of any other company, regardless of industry, and a separate survey of 12,700 shoppers found that Wegmans is America's favorite grocery store, scoring 77% on its customer loyalty index.^{xiii}

"When you think about employees first, the bottom line is better," Stickles argued. "We want our employees to extend the brand to our customers.^{xiv}

This sounds a lot like what Howard Behar told me about the big benefits of respect: "Grow the people, the people grow the organization, the organization grows the business. And that's how it works," he said.

© Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 10 of 28 Listen to employees, support their development and growth, acknowledge their personal lives and personal needs—repeat. Both Wegmans and Starbucks have followed this formula. And these specific practices are a part of three larger ideals that create a culture of respect in the virtuous circle that keeps people emotionally connected:

• Pass the Trust Test. Trust is a core component of respect that is entirely worth cultivating. The payback in high-trust companies is lower stress, higher productivity, fewer sick days, elevated engagement, and greater job satisfaction.^{xv} And like respect, trust must be mutual in order to deliver on its promise to engage and connect us. Each leader, team member and individual needs to be believable, dependable and focused on common goals. In other words, people need to do what they say they will. If there is a gap between what people say and what they actually do, then trust breaks down over time and the ties between them become tenuous.

In my trust-building work within organizations I coach people to focus their efforts in a few ways. First, empower people to work in ways they want to. If people are in the right roles, they will know how to best do their job without overly tight oversight. Second, create a workplace that provides the resources and information people need to succeed. Withholding or hoarding facts, data, or even advice and coaching destroys trust and diminishes performance. Finally, take relationships seriously. Trust is a bond between and among people. The more we get to know each other, the better we understand the other's strengths and needs, and the stronger the bond between us becomes. These gestures of trust each do two important things. They demonstrate

© Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 11 of trust and elicit trust in return. With that, they help forge the mutual trust that respect requires.

• Create a Culture of Civility. One of the main reasons people provide for being rude and uncivil at work is time constraints. They are in a hurry, late, behind schedule or otherwise time starved. As a result, they exhibit rude or ill-tempered behavior that sows discord in the workplace. A second everyday reason people provide for incivility? Personal issues. They are preoccupied with life's events or problems at home and carry their stress and negativity with them into the office.

From where I stand, these common justifications for disrespect are unacceptable excuses for the garden variety incivility that, if left unchecked, can lead to more extreme bad behavior such as bullying and belittling. Before long, employees are treating customers with disrespect as well. Conversely, the workplaces that are role models of respect have a very low tolerance for incivility.

At Starbucks, for example, "...it was almost impossible to get fired for missing your numbers. But if you treated people with disrespect, we would talk to you and coach you...but if it became a pattern you were going to be gone," Behar said. "That was the quickest way out the door because that's what mattered most to us."

The best way to create a culture of civility is to model it from the top down. When leaders are even tempered and able to treat people in a polite manner, it trickles down. And 360 feedback is the best tool to hold people at all levels accountable. Basic

© Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 12 of respect matters enough to people that it will come out if you include the right questions as part of routine management assessments.

Creating a baseline of civility is so important, in part because it is simple. If it falls to the wayside, much more gets destroyed with it and suddenly incivility is simply a symptom of a much larger problem.

• <u>Put Fairness First</u>. Fairness is the third pillar of respect and it manifests in many very different ways: rewarding people justly for their accomplishments, treating them well when they are leaving or laid off, keeping an open mind and withholding blame when something goes wrong, giving them air time when a decision will impact them, holding everyone accountable for the same rules and rewarding people equally, etc.

Many times, we can insure fairness simply by putting processes in place to ensure that everyone is treated similarly and justly with transparent due process. What are the milestones for promotion? How many months' severance do people receive? What is the family leave policy? If everyone knows the rules around these and other issues and the policy is fair and just—it will cut down on people feeling they have been treated unfairly.

Acting consistently and fairly is not always the easiest or the fastest way to do things, but it is the most respectful and it will pay dividend in engagement, productivity and loyalty.

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2. Respect Differences

Inclusion is about trust, civility and fairness all rolled into one. It is arguably the single biggest facet of respect and perhaps the most important to organizational success and emotional connectedness. Inclusion, which I define as active, intentional, and ongoing engagement with diversity and the commitment to treat people fairly and value them equally regardless of their differences, has proven over and again to be good for bottom line business and great for engagement. As a recent McKinsey study shows, "Companies in the top quartile for racial and ethnic diversity are 35% more likely to have financial returns above their respective national industry medians."xvi In addition, a separate study showed that diverse companies had higher cash flow per employee over a three-year period than non-diverse companies.^{xvii} Findings like this abound.

Inclusion has worked for Wegmans, just as it has for so many other organizations. The grocer's proactive stance on diversity landed it at No. 8 on Forbes list of America's Best Employers for Diversity in 2018. XVIII

Yet, my favorite example of inclusion as a lever for emotional connectedness is The Girl Scouts of the USA under the leadership of the remarkable Francis Hesselbein. During her twenty-four-year tenure at Girl Scouts, including 14 as CEO, Hesselbein mobilized a critical turnaround for the organization. During her tenure, membership quadrupled, diversity more than tripled, and the organization was transformed into what Peter

© Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 14 of Drucker called "the best-managed organization around." Hesselbein accomplished the amazing turnaround with a paid staff of 6,000 and 730,000 volunteers.^{xix}

"To start, we studied ourselves and found that we were not nearly as representative as we needed to be," Hesselbein told me. ^{xx} She enlisted Vernon Jordan, then president of the National Urban League, and Robert Hill, the noted sociologist, researcher and advocate for African American equality and civil rights, to help identify ways the club could start to appeal to minority girls. Yet, changing a 106-year old company with a rigidly established culture and traditional values far is easier said than done. At the time, the organization was designed to draw the vast majority of its members from white middle class America.

Hesselbein said the real inaugural step was envisioning a more inclusive future. "When you have a vision designed to ignite a vast and multicultural organization, and when you have a clear, powerful statement of why you must transform, it's amazing how you can take the lead and move right into the future and give other people the courage to do the same," she said.

One of the most important, and exceedingly challenging aspects of the change process was updating the organizations powerful touchstones—the ubiquitous Girl Scout pin and the iconic Girl Scout Handbook.

About the pin, she said, "Here we had 788,000 adults in the organization and we had used this pin and this logo since 1912. How do you move into the future without

© Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 15 of 28 alienating or having people feel they're part of the past, and yet you know you have to be part of the future?"

Hesselbein acknowledged and addressed the challenge and moved ahead with resolve. About the updated pin, which depicted three diverse female faces looking out toward the future, she said: "When any little girl or young woman in the United States looks at the pin, she must find herself." And the Handbook: "If I'm a little girl on a Navaho reservation, I should be able to open my Brownie handbook and see myself there."

Hesselbein succeeded in transforming the Girl Scouts and leading the organization to a new, more diverse era of dynamic success. It was in that repetition in the storytelling, consistency of messaging, and Hesselbein's ability to envision the change that was called for that made her so powerful as a leader and change maker. She was awarded the Presidential Medal of Freedom in 1998 in part for her work in Girl Scouts.

Hesselbein's example is as instructive as it is inspiring, and hers is one of the stories that illustrates the prescriptions, below, that make inclusion a main lever for unleashing respect within organizations of any type.

 <u>Dig Deeper With Data</u>. Having a rigorous process in place to measure and monitor inclusion is a cornerstone of success. Without systematic transparency and dedicated resources and effort, inclusion can quickly fall to the wayside.

© Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 16 of 28 At the beginning of her transformation of the Girl Scouts, Francis Hesselbein used a process to measure their current level of inclusion and set an ambitious goal for the future. Many notably inclusive organizations have since taken this best practice to an even higher level. The Australian enterprise software firm Atlassian, for instance, mentioned in Chapter X, is known for its unusually in-depth analysis and reporting on inclusion and diversity within its workforce. For its part, Atlassian delivers data on inclusion not only at the aggregate, corporate level but also at the individual team level, so the organization and their stakeholders can see how inclusion plays out across all groups. This state of the art reporting sets the standard for the tech industry and creates a benchmark for Atlassian's competitors to match.xxi

Detailed transparency into diverse representation within your workforce makes it possible to get beyond generalities to measure representation on teams, in roles and around the leadership table.

• <u>View Inclusion Broadly</u>. In practice, inclusion on teams should go beyond statistical multicultural diversity. The governing norms and workplace environment needs to be such that people feel safe and able to participate and be themselves. In particular, people need to feel free to disagree and even dissent.

Dominic Barton, Global Managing Partner for McKinsey & Company, takes this idea even farther, saying, "One of our most important values is the obligation to dissent. Which means not only do you have the right to say, 'I disagree with you,' or 'I don't like that piece of thinking,' or 'I don't like the way you're approaching this or how you're talking to me,' or whatever, but you must say it. "

© Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 17 of Honest dissent and truth telling are both forms of respect in a functioning meritocracy, Barton told me.

Hesselbein put this idea into practice at the Girl Scouts as a means for engaging people in the change effort. She allowed local councils to make their own decision in the beginning about which pin and logo design to order, for example. "Doing this is a key principle in managing change and mobilizing people around it," she explains. "If you act in a dismissive way with people oppose you, they will never support the change, but if you give them time, attention and your genuine respect, it creates tremendous amount goodwill."

We get far more Emotional Connectedness from the inclusion imperative if all ideas and ways of thinking are represented and taken into account, and when people feel to authentically participate and dissent.

Make Inclusion Business Critical. Inclusion needs to be a core value in 0 organizations—thereby going beyond a Human Resources or compliance purview and making it everyone's priority. Yet, it needs to be built into the fabric of business as well. Hesselbein knew that expanding the Girl Scouts appeal beyond white middle class members to include the full range of diversity in America was the only way the organization would survive. It was a values imperative, to be sure, but it was also a business priority. The more ways we can build inclusion into all parts of organizations from culture to commerce, the faster it takes hold as a way to connect us to each other and the organization.

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3. Lead With Respect

If we look at the CEOs who have the highest Glassdoor ratings, respect comes up over and over again as one of the key factors for their success.^{xxii} Unfortunately, research also shows that 54 percent of employees say they *don't* receive the respect they need from leaders.^{xxiii}

Given the dominant workforce trends, leading with respect is especially important going forward. First, as organizations become less hierarchical, flatter and more teambased, leaders rotate in and out of roles, come into contact with many different types of people, and need to operate in a paradigm of empowerment. Respect is a key leadership trait that makes flat or matrixed organizations operate more smoothly. Next, leaders can't hide behind their mahogany desks or rely on middle managers to interact with front line employees. With social networks and myriad new channels of communication connecting us to each other, leaders are required to interact regularly and respectfully with employees as a way to engage and inspire them. Finally, it is no secret that Millennials and younger workers are looking for jobs that matters more and match their values. As part of that, they expect leaders to communicate transparently, use influence as opposed to pure authority, and act based on trust as opposed to job title. In short, respect has become a leadership imperative.

Yet, while the leadership paradigm has changed, not all leaders understand the shift. Many still operate in command and control mode where showing respect is either optional for leaders or reserved for their executive peers. The reasons are varied: Some leaders are not self-aware enough to know when they are acting with disrespect; others © Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share with an outside party without prior consent of Louis Carter. 28 are too busy to offer the recognition and appreciation that employees associate with respect; still others are the type of toxic leaders that leave people running for the exits the first chance they get.

Regardless of the reason, leaders need to see that respect matters most. Throughout this book, I take the perspective that being In Great Company is a collective effort and Emotional Connectedness matters to everyone. But the fact remains: if leaders don't exhibit respect, they won't receive it in return. When organizations operate based on fear instead of respect, people don't give their best and they withhold loyalty. Luckily, the opposite is also true. When employees respect leaders, it establishes trust and keeps people committed and connected.

As an executive coach, I work one-on-one with leaders to help them make the changes they need to be successful. In this case, helping leaders to see the powerful role respect plays in Emotional Connectedness comes down to a few actions, below, that have more to do with mindset than systems or structure.

 <u>Practice Self-Awareness</u>. Toxic leadership aside, most of us want to project Respect but we face hidden barriers within ourselves. Some of us are slightly disconnected from reality and we don't realize how others perceive our behavior.
 Others are accustomed to being treated with deference, and are thrown off when someone speaks the truth or dissents. Most often? When we act in a disrespectful manner, it is because we don't fully respect ourselves.

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The leadership psyche is complicated and most of us are clueless about the things that trigger our bad behavior. This where self-awareness comes in. In his best-selling book Emotional Intelligence, Psychologist Daniel Goleman defines self-awareness as "knowing one's internal states, preference, resources and intuitions."xxiv If that sounds esoteric and unimportant, it's not. A 2010 study by the Cornell School of Industrial and Labor Relations found self-awareness to be the strongest predictor of overall success in leaders.xxv It makes intuitive sense. Self-awareness helps us play to our strengths, understand our fatal flaws and surround ourselves with people who can fill in the gaps.

Pursuing honest self-reflection aimed at isolating our development needs is a proactive endeavor. Luckily, most companies offer multiple opportunities for executives to get to know themselves, hear the feedback they need, and begin to see what motivates their decision-making and behavior. Executive coaching is one common path to help leaders reach enlightenment. Others are 360-degree feedback and leadership assessments. The easiest way? Ask people you trust to tell you the truth about how you are perceived—and listen to them. Leaders who can get to the root cause of their problem with respect are in a position to solve it before it does irreparable damage to their reputation and relationships.

I put it this way to leaders: pursue self-awareness like your careers depend upon it, because it does.

o <u>Communicate Your Respect</u>. There are numerous ways for leaders to signal respect. As we will see in the next section, it is often the little things that mean the most to people. Making eye contact, thanking them for their help, remembering their

© Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 21 of names, and countless other intimate gestures. However, I would argue that communication in general is not a little thing, it's everything when it comes to demonstrating your respect.

Gary Ridge, CEO of WD40, is a big believer in communication as a tool to truly connect with the 450 "tribe members" at the company. In an interview, Ridge said, "Communication doesn't come in one flavor. The key to communication is the permission to communicate. There are four things that come into play here: care, candidacy, accountability and responsibility. I care about my people. I take a deep interest in who they are and what they do. I consistently take initiatives to make them feel cared for. Ultimately, communication is all about consistency."^{xxvi}

Communication means a lot to Ridge and he is an expert at engaging with his tribe in an impactful and positive way. How does Ridge let employees know that he respects them and their needs? He encourages them to reach out to him directly with concerns he responds within 24 hours.^{xxvii}

Communication is at the core of human relationships and it is the greatest tool leaders have to lead with respect and create a workplace that keeps people coming back.

4. The Small Things Are Big

Dr. Terry Jackson, noted author and executive coach, shared his experience leading the turnaround of a multi-billion-dollar business. It was a massive challenge and Jackson needed to gain as much knowledge as he could before beginning. Some leaders in his position would do a deep dive into the numbers, examine future © Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share with an outside party without prior consent of Louis Carter. 22 of 28 objectives and corporate history, and stop there. But Jackson went farther. He sat down with each employee to hear about their professional and personal goals and listened to as much as they were willing to share about themselves. He collected data on their birthdays, wedding anniversaries, the names and birthdays of their spouses and children and even the names of their pets. His approach was designed to demonstrate his genuine interest in every person, and make the emotional connection that would give them a better chance to succeed.

"The ultimate objective was to improve people's engagement and drive increased productivity, which would deliver increased sales, revenue, and profit," he said. "On a deeper level, I believed that their success was also my success. If I cleared the obstacles, they could do what they do best: close deals that generate revenue."xxviii

Using small gestures to demonstrate respect and gratitude, Jackson showed people that they mattered to the organization. For instance, for five years straight they sent congratulatory emails, birthday cards and anniversary messages to everyone in the company. Jackson himself delivered hand written messages congratulating people on personal and professional achievements.

These small gestures made all the difference. Revenue in the division tripled in less than 5 years, everyone on the team at one point made the prestigious "Century Club" (an all-expense paid company trip for top performers) and Jackson himself was named best Division Director in the organization in 2011.

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"We turned around performance and engagement," Jackson said. "Ours became the division where everyone wanted to work."

Jackson's story is unusual and inspiring but it is not necessarily surprising. Science supports that idea that small gestures are the secret sauce of respect. For example, researchers at King's College in London and the Yale Center for Emotional Intelligence used MRI's to study the effects of specific emotions on people's limbic system, a complex bundle of nerves and networks in the brain that impact mood and manage basic emotions like fear and pleasure. They found that social connectedness emerges from feelings of gratitude and appreciation—both are elements of respect.

All of this tells us that we need to see organizations for what they truly are—collections of people. People want to be understood and acknowledges. We can easily offer this to people, simply by focusing on the little things that really matter to them. These are a few of the things that add up to the respect that people want and expect:

• <u>Go Heavy on the Gratitude</u>. Saying thank you is one of the best things we can do for the people we work with and it does wonders for business. One study by Glassdoor found that 80% of employees would be willing to work harder for an appreciative boss, and 70% said they'd feel better about themselves and their efforts if their boss thanked them more regularly.^{xxix}

This simple symbol of respect has more impact than almost any other in creating emotional connectedness. Former Campbell Soup CEO Doug Conant put this practice into action starting in 2001, when he was brought on to turnaround the organization at a time when it was in decline and "reeling from a series of layoffs."^{XXX} Over the course © Louis Carter and McGraw Hill. All Rights Reserved. Do Not Distribute or share Page with an outside party without prior consent of Louis Carter. 24 of 28

of his tenure at Campbell's, Conant wrote 30,000 thank you notes to employees for everything from major accomplishments to small acts of kindness. Needless to say, Conant left the organization in far better shape than when he arrived.

This same custom worked for former Home Depot CEO Frank Blake. During his sevenyears as CEO, he set aside time every Sunday to hand-write thank you notes to employees. He estimates he wrote more than 25,000. And when Blake retired in 2017, employees returned the favor: Blake received hundreds of appreciative notes from Home Depot associates.^{xxxi}

There are limitless ways we can to express gratitude in the workplace. Some organizations have literally institutionalized gratitude by making it a stated policy thank people after particularly labor-intensive projects or accomplishments. Other companies list gratitude as part of their corporate values and make a point to build it into their business. But most companies that put gratitude to great use simply make it customary to thank each other as often as possible.

Gratitude can exist everywhere in the organization. Far from being just a job for leaders, it can come from the top down, bottom-up and everywhere else in the organization.

o <u>Consider the Human Experience</u>. Jackie Robinson put it perfectly when he said: "I'm not concerned with your liking or disliking me. All I ask is that you respect me as a human being." Part of respect is acknowledging the human condition and empathizing with what people are dealing with in their non-work lives.

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Making a habit of empathy is simple and involves some of the steps I prescribe throughout this book. First, listen to people without judging. You'll never truly empathize with anyone unless you can pause long enough to earnestly learn something about their hopes, fears and unique circumstances. Next, put yourself in their shoes. It only takes a moment to try to imagine how someone else feels. Finally, do something that shows your empathy: express interest, make a caring remark, offer an idea or share a similar story of your own.

Empathy is especially relevant when organizations act in a manner that has a positive impact on their employees' personal lives. One of the ways Wegmans takes people's lives into account is by making it easy for them to manage their work schedule in a flexible way. Their system allows workers to choose their own shifts to accommodate things like doctor's appointments, dependent sick days, and children's school breaks.

Empathetic behavior shows people that they are being heard and understood. Respecting people's lives in this way makes them feel appreciated and it brings us together around that one thing that all of us have in common-humanity.

- Clear Active Questioning...add a brief exercise?
- Many Levels of Positivity—we'll add a box to each of the core chapters that explore the dimension/element as it pertains to Leaders, Magic Middle, The Rest of Us.

Respect: Executive Summary	
Positive Best Practice:	Ground Rules:

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1. Make Respect Mutual	Pass the trust test
	Create a culture of civility
	Put fairness first
2. Respect Differences	Dig deeper with data
	View inclusion broadly
	Make inclusion business critical
3. Lead With Respect	Practice self-awareness
	Communicate your respect
4. The Small Things Are	Go heavy on gratitude
Big	Consider the human experience
Clear Active Question:	

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ⁱThis story and the quotes from Howard Beher on this chapter are from my interview with Howard, DATE. The same story is recounted from the perspective of Howard Schultz in his book, Pour Your Heart Into It: How Starbucks Built a Company One Cup at a Time By Howard Schultz (add full note.)

ⁱⁱ https://hbr.org/2011/01/show-some-respectⁱⁱ https://www.shrm.org/resourcesandtools/business-

solutions/documents/2015-job-satisfaction-and-engagement-report.pdf

iii http://www.creditworthy.com/3jm/articles/cw81706.html

^{iv} Friedman, Howard, S.; Booth-Kewley, Stephanie (1 October 1987). "Personality, Type A behaviour, and coronary heart disease: the role of emotional expression". *Journal of Personality and Social Psychology*. **53** (4): 783–792. ^v https://www.thebalancecareers.com/bullying-stories-2164317

^{vi} Add note to YouTube Bullying video

vii From my interview with Philippe Grall, DATE

viii https://www.theatlantic.com/business/archive/2012/03/the-anti-walmart-the-secret-sauce-of-wegmans-is-people/254994/

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^x https://www.forbes.com/sites/pamdanziger/2018/03/03/why-wegmans-food-markets-gets-the-love-of-customers/2/#6590283357b7

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xv https://hbr.org/2017/01/the-neuroscience-of-trust

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xx All quotes from Frances Hesselbein

xxi https://www.forbes.com/sites/gaudianohunt/2017/03/27/atlassian-diversity-reports/#40730bb45a43

xxii http://www.businessinsider.com/most-beloved-ceos-in-america-2014-3#no-7-brad-smith-14

xxiii https://hbr.org/2015/05/the-leadership-behavior-thats-most-important-to-employees

xxiv Add Goleman NOTE.

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xxvii ibid

^{xxviii}Dr. Terry Jackson is a trusted advisor and coach to C-suite executive. He is author of *Transformational Thinking: The First Toward Personal and Organizational Greatness* and COO of JCG Consulting Group. The quotes and story came to me from Jackson directly.

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xxx https://hbr.org/2017/10/the-key-to-campbell-soups-turnaround-civility

^{xxxi} https://www.inc.com/elisa-boxer/home-depots-ceo-did-this-25000-times-science-says-you-should-do-it-too.html

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