



Business on Planet Earth, No Longer as We Know It

We have seen the end of business as usual. Simply put, the way we've been running our companies and managing our employees is no more. The atrocities of September 11, 2001 accelerated an unprecedented shift in how we do business and, more importantly, how we manage, care for, and treat the people who work for us.

Business is still about providing great customer service, making a superior product, and producing a healthy return on investment for shareholders. However, to do that and succeed, managers also have to be concerned about their employees and their work environment. They need to know what's involved in creating a high morale workplace where people actually love to go to work, really enjoy their jobs, savor the experiences they have in those jobs, and feel pride, enthusiasm, self-confidence, and a strong motivation to succeed in every project and team effort.

Manager's Challenge

Many managers know the importance of delving into the deeper meaning of their organizations and their work. Business is not just about numbers; it's about people. Managers are realizing, now more than ever, how much it matters for managers to be sensitive to the people who work with them and promote a feeling of community and caring. Today's managers and supervisors have the greatest challenge of their careers before them.

So what is that challenge? I would argue that it's building and boosting and, more specifically, sustaining morale in a workplace that's enveloped by anxieties over change, reorganization, loss of job security, and technology, not to mention the stress and strain of always having to do more with less.

So this is the challenge. It's real and it's here. Are you up for it?

As a leader in your organization, the choices you face are pretty clear. If you want to get the most from your employees (and yourself), you need to make high morale a high priority. It's a competitive necessity.

You need to start creating with your employees the ideal workplace. I like to think of it as the high morale workplace of the 21st century, a workplace that you and your fellow managers and employees, all collaborating, can make happen.

A *high morale workplace* is an environment that engenders




Morale How an individual feels about his or her work and the organization. If morale is low, participation is likely to be limited to doing what's required or otherwise expected. Conversely, high morale suggests that individuals will participate with enthusiasm and a sense of commitment.

excellence and fosters collaboration and a desire to contribute, where employees feel motivated to work hard and smart. Such environments are shaped by intelligent managers who recognize the psychological and business pay-offs of high morale.

Co-Creating a High-Performing Workplace

If you and your employees are going to co-create a high morale workplace, then you must have esprit de corps, because morale can exist only when people feel special. American Express has used this strategy quite successfully with its popular slogan, “Membership has its privileges.” One of your first steps in co-creating a high morale environment is to establish group

identity. Whenever you create a group identity that makes all employees feel good about themselves, you’re also creating esprit de corps. So begin by establishing a sense of pride and belonging among the members of your team. Building group morale and building a high morale workplace go hand in hand.



Esprit de corps French term for a sense of unity and common purpose among members of a group. With esprit de corps, people feel special, sharing in something important. What high morale is to individuals, esprit de corps is to the group. They really reinforce one another.

Another way to bring about high morale in an organization is to make sure employees are sufficiently trained, so they can be confident about doing their jobs well. Be sure employees get ongoing opportunities for training and self-directed learning whenever possible, such as recommended reading lists, seminars, group discussions, or brown-bag lunches where employees get together informally and discuss issues and solutions for improvement within the organization or department.

Another way to build morale and promote esprit de corps is through sharing positive experiences and feelings. One thing you can do is initiate a voluntary “good news hour” once a week before work begins, to allow time for employees to share all of the good things that have happened to them on the job in the past week.

Because you’re the manager, you significantly and directly influence the level of morale in your organization and department. Pay attention to your employees, show them that you



Home Depot—A Wildly Successful, High-Performing Organization

Five-time recipient of *Fortune* magazine's America's Most Admired Retailer award, Home Depot is considered to be a wildly successful and high-performing organization—a company that's enjoyed year after year of record-breaking profits and has been touted as the largest home improvement company in the nation.

But above all, Home Depot is recognized for its positive corporate culture, a culture that inspires employee commitment and unrelenting morale and enthusiasm. Home Depot operates on the belief that a company that wants to inspire a passionate commitment to taking care of its customers must first show a passionate commitment to taking care of its people. In other words, if you take care of the internal, the external will take care of itself.

The success of Home Depot's positive corporate culture rests on three important points: 1) to treat employees right at all times, 2) to maintain a high morale atmosphere where every employee is an "owner" in the company, not just an employee, and 3) to build a feeling of family, not just among employees but throughout the community. Home Depot shows how it cares about its people with adoption assistance, ethics workshops, a fund that matches dollar-for-dollar employee donations to charities, programs that inspire a diverse workforce, and unpaid leave for up to six months for employees with serious family problems.

Home Depot's credo: live the passion and success follows.

care about them, listen to what they have to say, and discover how quickly you'll be able to create an atmosphere that's capable of surviving continuous change, stress, and fear of the unknown. Start now and watch your environment become wildly successful.

What Are You Doing to Build Morale?

The impact of morale is wide and varied. Morale directly affects the motivation of employees and can greatly influence their ability to perform. The attitude of your employees toward you and the organization can make all the difference. Answer these questions to see if you and your organization are demonstrating

the key characteristics and behaviors necessary to build morale:

- Are managers rewarding workers for exceeding the expectations of their jobs? Remember the famous words of Dallas cosmetics mogul, the late Mary Kay Ash: “The two things that people want more than sex or money are recognition and praise.” What have you done lately for employees who contribute regularly to product and service improvements or help reduce the costs of operation without sacrificing quality?
- * Are you really empowering your people? Or are you just giving them responsibility and then telling them how to do the job? How often do you grant workers more responsibility for achieving greater performance and productivity in their jobs? Are you giving them the authority to use company assets to quickly satisfy customer needs?
- What do you do so employees feel safe about expressing their differences without fear of management reprisal? Do you review and seriously consider their grievances on a timely basis? To maintain high morale, deal with differences as quickly as possible. The faster you settle a grievance, the lower the levels of disruption and the higher the levels of morale and employee satisfaction.

It’s been proven over and over again that the environment

Putting on the Ritz for Greater Morale

How can a company empower its employees? Take a look at the Ritz-Carlton hotels—twice the recipient of the prestigious Malcolm Baldrige National Quality Award. Ritz Carlton authorizes its employees to spend up to \$2,000 to fix any customer’s problem—right on the spot, with no questions asked. We’re not just talking about managers or supervisors here. We’re talking about every single Ritz Carlton employee, from bellhop to front desk clerk, from housekeeper to gift shop worker. The Ritz Carlton has successfully created an exemplary model for trusting employees and empowering them to do the right thing, which is also a great way to build their self-esteem and morale.



must be right for morale to flourish. There are no set rules or particular management styles that will transform your environment. Just know that you can't do it alone.

Discuss with your employees ways to co-create the ideal environment, a place where you all will feel great about working together. Then take it upon yourself to experiment, try out new ideas, and build on the successes of your team. Encourage your employees to do the same.

Each of the following morale boosters relates to a particular management style that any caring and spirited manager or supervisor can put into action for his or her employees.

Five Steps to Create High-Spirited Morale Boosters

There are five steps you can take to create high-spirited morale boosters. Let's review those now.



Smart
Managing

Step 1. Become a Genuine and Authentic Manager

Authentic Genuine and honest in dealing with other people, yet also considerate of their feelings. Employees know where an authentic manager stands on any issue that arises. Employees respect an authentic manager and know they have his or her respect as well.

Authentic managers care a great deal about their people and make them feel special and valued. Their compliments are real and from the heart, not phony and manipulative. Authentic leaders sustain morale by taking the time

to listen to their workers, to understand their emotional needs, and to support those needs by asking questions and demonstrating genuine concern.

Step 2. Tune into the Emotional Needs of Your Employees

It's critical that you have a basic understanding of the emotional needs of your workers:

- Praise and recognition
- Achievement and advancement
- Sense of belonging

- Pride and confidence
- Challenge and excitement
- Love and support

Try using this emotional needs checklist as a way of staying in tune with employees and making sure that their inner most needs and desires are being met. In addition, you can use this list to match jobs and assignments with individuals according to their strongest emotional need. By doing so, you can expect greater enthusiasm and commitment. In other words, this is a guaranteed morale booster!

Step 3. Generate a Spirit of Gratitude

It's all summed up in two little words: thank you! If you want to be a manager who creates high morale, then instill the spirit of gratitude on a daily basis and set the example. A pat on the back, a short thank-you note, an e-mail of appreciation, or a jubilant voice mail from you can do wonders to charge up an employee. As a leader in your organization, it's your responsibility to spread the spirit of gratitude. When you do, watch the level of motivation, morale, and pride rise significantly.

Here's a suggestion. Ask for volunteers with a

Questions to Sustain Morale



How do managers start down the road to sustain morale? They ask questions like these:

- What matters most to you about the outcome of this situation?
- How are you feeling about this?
- Help me understand. Can you tell me more?"
- What concerns you most?"
- How would you handle this?"

What Do They Need?



Ask your employees to review the list of emotional needs and select the areas most important to satisfying those needs. Then discuss with each employee ways in which they can tie their specific needs to the specific tasks and functions required of them on the job. When your employees are meeting their emotional needs and those needs are in alignment with their talents and job responsibilities, you have an unbeatable formula for success!



Say Thank You

At Lands' End they've created small cards with special meanings to thank one another internally and to boost daily morale. It's an easy way to encourage employees and managers to express their appreciation.

passion for the positive and then start your own "gratitude team" or "just because committee." Have the teams come up with ways to encourage daily affirmations throughout the organization. It's a great way to involve employees

in building morale.

Step 4. Spread Contagious Enthusiasm Wherever You Go



Keeping Their Respect

You're the manager. You set the tone. Never ask employees to do anything you wouldn't do yourself. Be enthusiastic. Show employees by your example that if you act enthusiastic, you will be enthusiastic! And remember: your behavior is the role model for your employees—for better or worse.

If it's high performance that you want, then it's important that you, too, maintain high performance goals and contagious enthusiasm for your work. Remember that high morale starts with you, so be careful to practice what you preach if you are to maintain credibility among your workers. Then spread the word about how

important everyone's job is to the overall success of the company and provide workers with examples about how much they are valued.

Step 5. Treat Employees as Humans, Not Just Workers

Boost morale by acknowledging the human side of doing business and nurturing an atmosphere of high self-esteem by treating people like ... people. Humanness and humanity are the cornerstones of self-esteem and high morale. Start by creating a "whole-person database." Show that you appreciate your employees and that you're interested in what interests them.

Take time to ask them about their hobbies, musical instruments they play, foreign countries they've visited, and so on. Who's a professional singer? Who's a gourmet chef? Who's an equestrian? Enjoy your employees. Help them to be humans, not just workers.

Go Beyond Job Descriptions

Don't let your employees get stuck on job descriptions. Instead, point out the value and importance of each individual's job. Also, recognize what each can contribute: it's a good way to build morale and esprit de corps as well as to discover skills and talents that may not show in the usual tasks and assignments.



These are just some of the many ways you as a manager can work with your employees to create spirited morale boosters. Remember: employees need and want managers who can empathize with their needs and who genuinely try to co-create with them an environment in which everyone feels valued and respected, no matter what's going on around them or what changes they may be facing.

Whole-Person Database

Collect information from willing employees about themselves. What are their special talents? Their interests? Their exceptional accomplishments? Their favorite movies, songs, sports, and hobbies? Who's a pilot? Who collects porcelain dolls? Who's a stand-up comedian? Such information becomes a fantastic way to network internally and build ongoing morale and pride.

Appoint a team to acquire and build on the information as a networking tool and valuable company resource. Who knows what could develop? Maybe some employees will form after-work pottery or cooking classes, support groups, travel clubs, skydiving teams, or maybe even a company choir or band! As you build your whole-person database, you'll discover untapped and invaluable resources within your department. And, best of all, your employees will feel that you value and care for them as whole persons, not just employees.



Make Your Company More of a Community, Less of a Corporation

Thirty years ago, if you'd asked the typical manager in an organization for a definition of morale in the workplace, the answer may have been something like "Morale is a commitment to the company's objectives, controlling bottom-line expenses, and annihilating the competition." Pose that same question to a manager today and you'll likely get answers like the following:

- "Morale is the lifeblood of our organization and gives us meaningful purpose."
- "The level of morale in our organization tells us how successful we really are."
- "Morale is an attitude. It represents our determination and fortitude."
- "Our company's morale tells the world who we are and what we are all about—people!"

Obviously, different decades have different ideas about morale in the workplace. And, as the famous author and poet Maya Angelou says, "When you know better, you do better." In other words, managers today can no longer hide behind the excuse, "We just didn't know any better," because we certainly do know better.

We know that if high morale in the workplace is to survive and thrive and if managers are going to focus on creating a better future for their employees and their organizations, then it's time that managers at all levels concern themselves with nurturing a stronger sense of community within the organization. Morale partly involves the feeling of community that you build as a manager. It means taking your organization's culture to the next level and bringing lots of positive energy to the workplace.

Cultivating Community

There are several keys to cultivating community within an organization:

- **Be a manager who promotes the organization’s culture, values, and mission.** Model and encourage loyalty and fierce commitment to a better workplace for all.
- **Hire the people who are the right fit with your organization’s community and culture.** Try using Nordstrom’s rule of thumb for hiring: Hire for attitude and train for skill.
- **Coach and mentor people to their highest potential.** Recognize and reward results with fanfare and facilitate each and every employee’s success and career growth whenever possible.
- **Integrate new hires so that they feel welcome.** Eliminate the corporate generation gap by doing away with employee numbers that correspond with dates of hire. Make new employees feel like they’ve been part of the community in your organization since the beginning.
- **Be an organization everyone wants to work for.** Build a community reputation that goes beyond culture and tradition. Exclaim to the world that your organization is the “employer of choice,” both internally and externally. Tell the world that this is a place where people are valued, treated with respect, and honored for their differences. Southwest Airlines has been doing this with great success for more than 30 years. The result? There’s never a shortage of applicants or hopeful new hires beating down their door.



A Feeling of Belonging

Managers working in high morale firms are using an effective technique to create a community feeling for new employees. They don't play by the numbers.

Too many companies assign their employees numbers that correspond to their dates of hire, thereby turning numbers into badges of pride and dividing employees. But managers seeking to create a feeling of belonging among employees can easily avoid falling into this corporate generation gap by not telling employees their hir-



The Intangible Proof of Morale: Can You Feel It?

When you come in contact with an organization where morale is high, you can sense it immediately. Here are some of the characteristics of such organizations:

- esprit de corps
- positive attitude
- cheerfulness
- confidence
- generosity
- hope
- high self-esteem
- determination
- meaningful purpose
- mutual support
- loyalty

It All Adds Up to the Intangible

It's no secret that businesses with exceptional morale have a very real competitive edge. It's not just about having a superior product or service, or about fancy offices in a high-rise building, or about lower prices than the competition. It's not even related to material things. It's about the intangible, the feelings that are transmitted from one employee to another and then on to the customer—feelings like esprit de corps, a can-do state of mind, and a positive attitude. Morale is about creating an environment that conveys these feelings. As this transformation takes place, you will feel that your organization is behaving less like a corporation and more like a community.

Rally to a Higher Purpose

As a manager, it's your job to foster a sense of community and teamwork any way you can. Keep in mind that today many people are looking for ways to rally around a larger purpose—a purpose that goes beyond the corporate mantra and the bottom line. Acknowledge this need for a higher purpose by helping to create a true feeling of community among your employees. Let that feeling start within the organization and then grow outward. Here are a few ways to do this:

- Employees participating in relief efforts
- Donating holiday party funds to charitable causes
- Building a playground for disadvantage kids, like Ben &

Jerry's franchise operators did in Key West, Florida during one of their annual retreats.

Creating a sense of internal and external community will build morale and bring people together. As a manager, it's your responsibility to be a key player in that effort.

How Best-Run Companies Keep Their People Pumped Up

Are you looking for examples of how to fire up your people—regardless of the work they do or where they do it? Here are a few classic morale-boosting examples of what some companies and their leaders are doing or have done to set a different pace and build communities bursting with morale and hope.

Case Study: Kryptonite—Tough on Crime, Gentle on People

Some people might consider working at a company that makes locks for bicycles, recreational gear, and laptops kind of boring. Not here. And not under the leadership of Gary Furst, CEO of Kryptonite, a Boston-area firm.

According to Furst, if your only way of trying to boost morale is with money, then you can forget it. There's always going to be another company out there with a bigger carrot to dangle. So Kryptonite execs take a more creative approach to keeping morale high and pumping up their people on a regular basis.

The leaders meet a couple of times a month outside of their offices to come up with ways to keep employees motivated and committed to attaining company goals. One of their favorite strategies includes wearing costumes. Once, for example, Furst dressed in a kilt and face paint like Scotsman William Wallace from the Oscar-winning movie *Braveheart* and, accompanied by a bagpiper, he passed out bonus checks to his employees.

Kryptonite boasts it is a different kind of place to work and here are some examples of what sets this company apart:

- The edgy lock-maker describes its people this way:
“Passionate, fanatical, driven, consumed. Perhaps we're

the one's who should be locked up.” How's that for company morale?

- To celebrate five years of no lost time due to accidents, the company held a steak and lobster feast for its employees.
- Furst and other company leaders have dressed up as women, dyed their hair green, and hired magicians, musicians, and comedians to entertain their employees at company events and various other activities.
- Kryptonite kids get to attend holiday parties and Easter egg hunts.
- Instead of holding the typical company picnic, the firm creates teams that lead fierce but fun competitive events and games for all ages.
- Barbecues are held every other Friday during the summer months.

Furst believes that managers have to find innovative, provocative, fun ways to boost employee morale and motivation. He stands firm on his belief: “Work can either be a drag or a lot of fun.” It's clear that working at Kryptonite is no drag!



Senior Managers Wash Employees' Cars

While employees of lock-maker Kryptonite were celebrating a record month of business with a barbecue and ice cream, the senior management team washed everyone's cars. According to CEO Gary Furst, managers have to do stuff that's not expected and constantly keep people guessing. It's got to be interesting!

Case Study: Land O' Lakes—Leader in Making People Feel Special

“Building on our best” has long been the tradition at Land O' Lakes, a long-time leader and innovator of dairy foods and agricultural services headquartered in Arden Hills, Minnesota. So

when Dan Hanson was named president of the Fluid-Dairy Division, he quickly became frustrated with what seemed to be going on. As Hanson put it, “People didn't seem to be finding

meaning in work, they didn't seem to be shining, and there was an energy missing."

So Hanson took on something of a personal crusade for developing the essence of caring and community in the workplace. Hanson had battled cancer and that experience became the catalyst for building a more caring and people-oriented work environment for his employees. "It gave me a sense of urgency," says Hanson. "I knew I had to rediscover the meaning of my work." Hanson took his philosophies even further and wrote two books on the subject: *A Place to Shine: Emerging from the Shadows at Work* (Butterworth-Heinemann, 1996), and *Cultivating Common Ground: Releasing the Power of Relationships at Work* (Butterworth-Heinemann, 1997).

Hanson knows that when employees don't find meaningful purpose or meaningful relationships in their work, it's not their fault. The problem isn't with the people, he contends. It's with an oppressive work environment that stifles morale and creativity. Hanson says that managers who want to foster internal communities must restructure their organizations and change how employees interrelate. His philosophy: "Feeling connected to your work brings energy to the workplace."

Hanson then initiated this four-step action plan to prop up morale and turn things around in his division:

- 1. Find out why people feel alienated.** Hanson decided to address both the organizational and the personal workplace problems. His belief is that the organization cannot grow in a positive and healthy direction unless it first treats its employees like people.
- 2. Identify pockets of wellness and cultivate a feeling of community among employees.** To foster the feeling of internal community at Land O'Lakes, Hanson identified what he calls "pockets of wellness." In other words, even if the organization's system is sick and dysfunctional to some degree, there are always people within the system who are doing things right, employees who feel connected to their work and create positive energy and high morale. Uncovering

these pockets is essential, according to Hanson.

3. **Understand that community starts at the grassroots, not at the top.** Hanson says that people feel much better about themselves when the organization succeeds because of them and not because management deemed that the company was going to roll out some program that employees would execute to management's liking. For example, when Grand Forks, North Dakota, was flooded in 1997, the Land O' Lakes team in that city pulled together to control the damage. That experience became the model for the kind of exceptional action a community-oriented team can make possible.
4. **Tell your employees when they've succeeded.** Hanson

says you have to tell your employees when they've made major strides and accomplishments, because people want to feel appreciated, to feel special.

Since making his mark at Land O' Lakes and publishing his successful management philosophies, Hanson accepted an early retirement from the firm and is now a full-time professor of communications at Augsburg College in

Minneapolis, where he continues to share with his students his vision of happiness and fulfillment in the workplace.

Case Study: Craigslist—Boosting the Morale of an Entire City

If you're in the San Francisco Bay area, just ask around and you'll find someone who's participated in Craigslist (www.craigslist.com). It's the plugged-in place to be if you're



Creating More Meaning

Professor Dan Hanson, former president of Land O' Lakes Fluid-Dairy Division, suggests that managers start by discussing the undiscussable with their employees. Ask employees what's getting in the way of relationships. Clear out all assumptions. Get to the heart of the matter and find out which processes are working and which ones aren't. His personal philosophy: "Feeling connected to your work brings energy to the workplace."

looking for a roommate, a dog walker, a career makeover, software, a new car, or a travel companion.

In today's cyberspace world, we seem to be losing contact with our neighbors. Heck, we don't even know who our neighbors are any more. Yet, we crave contact with them. It's the same thing in most companies today. Throughout virtual workplaces everywhere, employees crave contact with fellow workers and their managers. That's the human condition.

And that's where Craigslist comes in. Founder and CEO Craig Newmark knows about community and he also knows how to bolster pride, enthusiasm, and excitement among millions of people with his virtual community bulletin board for the Bay Area. A day doesn't go by when an online visitor isn't screaming, "Hey, why isn't there a craigslist in my city?!"

So now you're thinking, "You've got to be kidding. I'm having a hard enough time creating high morale in my own organization, let alone try to boost the good feelings of an entire city of online followers. How does he do it?"

Newmark says that his intent is inclusive, to humanize and democratize the Internet. He created Craigslist to give people a voice and a sense of belonging. That's what creates high morale among community members and that's what creates high morale among your employees.

The right kind of forum connects people to each other, building a community. That forum doesn't have to be on the Internet, of course: that's just a medium.

Newmark suggests considering the structure of a large organization—corporate, government, or other. Over time, people on the frontline start to feel stifled and unappreciated because they don't feel like anyone is listening to them or they have a voice. That's when morale takes a dive and people give up trying. To counteract this tendency, a manager can take steps to ensure that employees have a voice.

That's what Newmark has done with Craigslist. Every person can be heard in a particular forum. The Craigslist community is about people helping one another and caring about one



Whole Human Beings

It's *as* for a manager to focus on the work and neglect the workers, especially as we're all trying to do more with less—and faster. But when we do, we miss something vital.

Craig Newmark once commented about the people in his Craigslist community: "These people are like me; they spend a lot of time on their computers and rarely get to know the neighbors. Deep down inside of us, we have a need to know people around us, to connect." What about your employees? Do they focus on their jobs and their separate responsibilities to the detriment of their sense of community and their connections with others?

another. In that sense, it's just like any other organization, except that it's in cyberspace rather than bricks and mortar.

Fans seek out Newmark to tell him how Craigslist has transformed their lives by helping them connect: a musician's got a gig that jump-started his career, an adopted son was reunited with his birth mother, a roommate became a spouse. Newmark is a hero to hundreds and hundreds of strangers, because he created a community where people can connect.

What Newmark did for strangers with his Web site you can do for your employees with the resources at your disposal. Just take a few moments and think about the ways in which you can help your employees build a sense of community.

A Better Workplace Starts Here, Right Now, with You

The beginning of this chapter revealed the great changes that each one of us is facing as managers. But that is an understatement. Not only is business "not as usual" anymore, but we as managers are "not as usual" anymore either. Corporate largesse must be backed by every manager's personal commitment to developing the excellence and potential within each and every employee, an undeniable spirit of caring, love and trust in the people, contagious enthusiasm and real excitement, and a genuine belief in a better tomorrow. This is what creating a high morale workplace is all about. Let this first chapter mark the start of a new beginning for you as a manager and your quest to create a high-performing, high morale workplace.

Manager's Checklist for Chapter 1

- Create esprit de corps among your employees, because morale can be high only when people feel special.
- Pay attention to your employees. Show them that you care about them. Listen to what they have to say—and then take action.
- Reward workers for exceeding the expectations of their jobs. Acknowledge employees who contribute regularly to product and service improvements or help reduce the costs of operation without sacrificing quality.
- To keep morale high, review employee grievances promptly and settle them quickly.
- Tune into the emotional needs of your employees and match those needs to their jobs.
- Generate the spirit of gratitude and spread enthusiasm.
- Nurture an atmosphere of high self-esteem. Treat people like whole persons. Start a whole-person database.
- Make your company more of a community, less of a corporation.
- Create a feeling of belonging for new hires. Eliminate employee numbers that correspond with dates of hire.