

The Accidental Creative

Ron Friedman on the Best Places to Work

Todd Henry: Well, hi, friends. Welcome to *The Accidental Creative Podcast*. My name is Todd Henry. I'm the founder of *Accidental Creative*, author of the books *The Accidental Creative*, *Die Empty*, and soon-to-be *Louder Than Words*, available August 11th, 2015. Very, very excited about that. If you want to know more about *Louder Than Words*, we have a bunch of pre-order goodies that we're offering, including I'm going to be spending hours and hours with people who pre-order the book through the book club that we're creating, also via some live events that I'm doing for people. I'm going to be doing things like How to Gain Focus, How to Write a Book, which is a question I get pretty often. I'm going to be spending time with people teaching them how to write a book online. Also things like How to Develop a Study Plan and How to Take Better Notes. I'm creating all of these custom modules—live events for people who pre-order *Louder Than Words*, only available to them. So if you want to learn more, if you want to pre-order *Louder Than Words* and register your pre-order, visit toddhenry.com/louderthanwords, and there you can pre-order and also register your pre-order so you're qualified for all of the pre-order goodies, okay?

Today, on the podcast, we have Ron Friedman. Ron is the author of a book called *The Best Place to Work*. One of the most common questions that I get via the website and in here on the podcast is about how to deal with an environment at work that is—let's just call it challenging, right? An environment in which people are less than hospitable to dangerous ideas, or where efficiency is championed over effectiveness, or where we're being asked to do more with less. And Ron is going to help us understand what some of the best workplaces do. So if you're a manager, if you're a leader, you need to listen up today, and if you're somebody who works in an environment where you aspire to be eventually a leader or a manager, or if you just want to have a better sense of how to create a workplace environment that will lead to success, you need to listen to what Ron has to say.

Before we dive into the interview, I want to let you know today's episode is brought to you by Mailchimp. I've been using Mailchimp for many, many years. It's how we send out our Friday email newsletter to all of our subscribers. More than 8 million businesses around the world use Mailchimp for email newsletters and marketing automation. With Mailchimp you can target your email using segmentation. You can improve your campaigns with A/B testing, which means you can test different messages to different groups and see which one works better, and measure your performance with advanced analytics. Mailchimp: send better email. Visit Mailchimp.com to learn more.

Okay, Dr. Ron Friedman is the author of *The Best Place to Work*, which talks about what great organizations do to make their work environment thrive. It's been called "stunning" by Seth Godin, "a contemporary classic" by Marshall Goldsmith, and I asked Ron to begin by telling us a little about who he is and what he does.

Ron Friedman: I'm a social psychologist. I specialize in human motivation and I spent many years as an academic studying this stuff in a lab, teaching it at colleges and universities, and then, you know, I got this position as a full-time professor and I realized, "You know what? I want another big challenge." So, as someone who goes into academics you're really interested

in learning new things, and then as a professor you realize that it's really kind of just repeating the same thing again and again in every class.

So learning new things is what I'm passionate about, so I decided I'm going to go off into the corporate world. And so I got a job as a pollster. My job was to figure out public opinion, what people thought, and how to influence those opinions. But the real discovery for me was realizing that there's a massive divide between what happens in the modern workplace and what psychologists know. So I wrote *The Best Place to Work* as a means of taking all of the research and helping make it actionable, both for managers and employees alike.

TH: That is one of the things that I loved about this book. You know, it's a privilege to have a chance to read it before it came out and to write a little endorsement for it. And, you know, I get lots of books to endorse and I endorse very few of them, because I've sort of taken the stance—some people say, “I'm going to endorse anything that comes across my desk,” right? Because it's good to get your name on books. And I've taken the opposite approach, which is I endorse actually relatively few books, but the ones that I do are ones that I absolutely love, and what I really loved about this book, Ron, is that it is very rooted in practice. You know, it's not a book of theory; it's a book where you take theory and you apply it to what you have learned from being in the marketplace and the workplace. And I think it's—in that way, anybody who reads this is going to get some immediately actionable stuff out of it. What's also interesting to me about this book is that it's very—some of it is very counterintuitive, right? Some of the things that you say—and early in the book you make a pretty bold statement that success is overrated. And you actually use this story from my hometown, Cincinnati, [laughs] to help make that point, which is great. But what do you mean by “success is overrated”?

RF: Well, if you look at the factors that help us grow and become successful over the long term, it's actually risk-taking, and so, well, how we learn new things is by trying to do something that's just beyond our current level of ability and then utilizing that feedback to improve our performance the next time. And so if you look at people who are tremendously successful, for example in the domain of sports, Babe Ruth for example had more career strikeouts than any player, Kobe Bryant has missed more shots than any player in basketball history, Brett Favre is the leader in most interceptions. And it's by taking those risks, of trying new things, and putting yourself out there, that then allows you to master some other things. So Babe Ruth for example makes the point of saying that “I would never have been able to have that home run title had I been trying to hit singles.” And I think it speaks to something that you actually refer to often in the podcast, which is that “Cover bands don't change the world,” right? That's one of the things that you say that I really love, and the idea is that if you want to be successful over the long run, you really do need to put yourself out there and try new things.

So, how do we apply that in the organizational perspective? And really that this is what the book is about, so this is what I think *The Accidental Creative* is a podcast is fantastic at helping individuals motivate themselves to try new things and reach for some high level of achievement. What this book is about is what do you do if you're growing an organization and you want others to do that on a regular basis? How do you get people who you work with motivated to try new things? And so I give some of the examples of companies that actually reward failure, like, for example, Merck and Co., which is a pharmaceutical organization and a drug manufacturer. And what they do is they actually reward scientists whose trials fail by giving them additional stock options. Now, on the surface, that sounds crazy. Why would you want to

reward people for not being successful at their drug trial? And the reason is because if scientists are not facing up to the fact that their drug trials aren't working, and they're actually going to—what they're going to do is they're going to actually cover up, they're going to want to do another trial, and another trial, because they're going to be afraid of losing their job unless they admit that failure, and so what ends up happening is not only are people in your organization, if they're not told that taking risks is valued, not only are they not going to do the things necessary to grow their skill set, but they're actually going to be rewarded for covering up when mistakes happen.

TH: And you know, what's interesting is that—I hear many people talk about this principle of rewarding failure and yet so few companies actually implement this. I've just had a conversation, I was in an event yesterday, speaking in an event; the gentleman said, "Our company is so entrenched in the way it's always been, and so afraid of failure, so afraid of trying to take new ground, and it's really difficult to influence leadership, to do something else." How would you recommend somebody in that situation where their organization's stuck, they're entrenched, they're not taking risks, leadership has become very conservative—how would you encourage someone to begin to introduce this ethic to that organization when everyone else around them is paralyzed with fear?

RF: That's a great question, and I think the key to remember here—the key thing to keep in mind is that companies are a lot more effective when they make improvement their goal, not perfection. And so the idea is "We're going to try to continue to get better on a consistent basis." And so the Merck and Co. example is pretty extreme, right? Not every company's going to have stock options to offer, nor would they necessarily want to make that available to people who are failing on a regular basis. So first I would say is what you want to do when failure happens is to differentiate between mistakes that are caused by incompetence versus mistakes that are caused by intelligent risk-taking and experimentation. And it's that latter category that you actually want to reward. So when a mistake happens, you want to take a second to think about why it happened before flying off the handle and acting out on a mistake that perhaps you hadn't expected or you're not happy about.

The second thing I would say is you could use the example of HCL Technologies, which is a company—an IT solutions provider that has an internal leadership program and if you want to apply for HCL Technologies leadership program, what you have to do is you have to provide a failure CV, which is essentially you put together almost like a resume of all the mistakes you've made while you've worked at that company. And the idea is you have to not just identify the mistakes that you've made, but you have to talk about what you've learned from each of those mistakes. And that simple practice doesn't cost very much, right? It just requires the time, people putting it together, and others reviewing it, but it sends the message that if you want to be a leader in this company, you have to take risks, and then when failure happens, you have to learn from that failure. So that's one simple practice that you can use if you're looking to change the mindset.

Another—and this is a very simple thing that just about any manager can do—is to model the behavior, in other words talk about some of the mistakes that you've made and what you've learned from them. Oftentimes there's this implicit pressure on managers to appear perfect, and while that may appear as if that's helpful to others, right? Because it builds confidence in the leader's ability, what it also does is it creates a false sense of pressure that "I

need to be perfect too,” and if I feel like I need to be perfect then that actually prevents me from taking those important risks.

TH: You know, so much of this applies—and then we’re talking about the organizations, but so much of this applies also just to our social world, and especially the online social world where everybody’s job seems perfect, everybody’s life seems perfect, we’re travelling, we’re sharing all these great things that are happening to us, we’re sort of humble-bragging [laughs] I think more than ever. And it does create this kind of—this baked-in pressure. I mean, I know you and I both—you know, as authors we write books, and we sort of see what our peers are doing and, you know, you only see the milestones, the high points, and you don’t see the hours of slogging through research and pulling your hair out and feeling like it’s the worst thing you’ve ever written or the worst thing you’ve ever made. You know, you don’t see that very often and within organizations, I know the same thing is true. We only show the best side of ourselves to other people because of the politics involved. And that kind of vulnerability is another kind of risk, right? To be willing to do that, I think.

RF: Hm. That’s a very interesting point. You know, I think that you’re absolutely right about the way that social media has skewed our perspective about what real life is like. So, for example, I’ve written this book; it took me years. If I were to show you all of the drafts that did not make it, that would be really, really depressing. I know it was for me. [laughs] So—

TH: Right.

RF: —but, you know, outlining the process, is so critical if you’re going to be an effective leader, talking about some of those mistakes you made, demonstrating that you’re human and that you’re willing to continue to try new things despite the fact that you failed in the past. And I think if you’re looking to create an organizational culture that’s going to succeed in the long term, you have to sacrifice some of that short-term satisfaction of appearing infallible.

TH: Mm. So you know, speaking of that sort of short-term satisfaction versus long-term result, you talk about the design of the workplace. And we often think the design of the workplace in terms of physical environment and convenience and those kinds of things, the interaction, but you talk about the importance of designing for psychological comfort. What does that mean?

RF: Well, when we work in an organization and a workspace that allows us to feel comfortable, that gives us a sense of confidence and a sense of control. And so I talk in the book about this idea of providing employees with a small budget for customizing their workspace when they first arrive. And it’s not just a theoretical practice, it’s actually something that’s being put to use by companies like Etsy and DreamWorks, where an employee first arrives at their organization they get a small—I think it might be a hundred dollars at Etsy—to customize the workspace. And I think that does a couple of things. One is that it encourages people to think about the space as their own, and that, you know, we’re a territorial animal, the more we feel like we have personal control over our space, the more cognitive resources we have to devote to actually doing our work.

The other thing it does is it sends a signal to people that you should think about ways that you can make yourself more comfortable, and—you know, we often are put in a space at

our organizations, and we just kind of take it for granted that the—our manager or the owner of the organization has given some thought to providing us with the best possible workspace. That's not always the case, and in fact, I talk in the book about studies showing that when people are encouraged to customize their workspace, their performance actually jumps by 32%; 32% better performance when people are allowed to customize their work space versus a control group that is simply put in a space and told to work as hard as they can. And I think that if we start thinking about these things, not just from the perspective of what's going to make employees happier, but what's going to make our organizations more successful, what we often find is that those two things are not in conflict with one another, and that in fact when you allow people to feel comfortable in their work, when you allow them to have psychologically fulfilling experiences, they tend to perform at a higher level.

TH: So is there anything that we do as organizations that actually create psychological discomfort? We think it's actually improving productivity but it's creating discomfort for employees.

RF: Oh my God, how much time do you have, Todd? [RF and TH laugh] Well, I mean, just from the perspective of physical environment, if you think about how most organizations operate, they tend to have a cubicle, right? They have a series of cubicles that people could work in, and cubicles are terrible, because they don't provide acoustic privacy, they have a high level of distractions, which elevates our anxiety, and a lot of times, having—hearing someone and not being able to see them is actually more distracting than being able to do both.

On the other end of the extreme there's the open-space office, which again, not just has distractions but then this time also lacks privacy, and, you know, I think we create these spaces in part because we think they're helpful to people. We want to give them privacy but we also want them to collaborate, but in fact we do so in a way that doesn't position them to do their best work, so what often happens is that people end up having to either come in early or go home late or work over the weekend, because it's the only opportunity for them to actually do their job effectively.

And so, in *The Best Place to Work*, I argue about creating a workspace that mimics the college campus. And if you think about how college campuses operate, they provide students with a range of different environments that they can choose that, you know, go from having the privacy of their dorm room to a collaborative space in the cafe, to an area where they could do focus work in the form of a library. And what that does is it sends, first of all, a message that says to people, "If you want to succeed here, your success is up to you, and it's really—the learning that you do is self-directed." You have to figure out what environment is going to work best for you to perform at a high level. And I think we can learn from that on the organizational level by creating designated spaces, so that might involve giving people a space that they can personalize but then offering them a room that they can go to do some focused work, and another room where they can go to get some of their creative inspiration, and then another room that allows them to collaborate with others that doesn't require reserving a conference room on Outlook. Those are the types of environments that position us to succeed, when we're allowed to find locations that position us to do our work more effectively.

TH: So one of the other things that you talk about is this principle that—I'm going to dub it "unnecessary creating," because that's kind of the language I think that our community would

gather—would latch onto, but you talk about how companies allow time for people to engage, experiment, try things that, you know, are potentially not going to pay off but could in the long run create tremendous value. How are you seeing companies do this, apply this principle, you know, and what advice would you have to someone maybe who wants to do that but they're hearing from the people above them, this isn't practical, this isn't efficient, you know, how are you seeing companies deal with that, that paradox?

RF: Well, the—I think the prototypical example is 20% time at Google, and I don't think that that's necessarily the best solution or a valuable solution for every type of business. But I think that what we need to recognize is that play, more than anything else, is a mindset. It's not a particular activity; it's not about taking four o'clock on Wednesdays and having everyone do yoga together.

TH: Right.

RF: It really is an approach to doing the work, an approach that rewards people for being curious, for taking time out to explore new ideas and thinking about ways of connecting that to the business. And so one easy example is to provide employees with a reading budget. Imagine if, in your organization, once a quarter or once a month you are empowered to go out to Barnes & Noble or to Amazon or whatever it is, and pick out some type of book that is in some way related to the work that you do.

And I think that as entrepreneurs you and I know this, where I know that you start your day by reading something that perhaps doesn't have anything to do with your work but gives you that level of learning that then inspires you for the rest of the day, and I think as organizations we need to start recognizing that some of these practices can be incorporated on a company-wide level. And, you know, I think this podcast does a great job of inspiring people to go out and do some of these things on their own, but as a manager or as a leader, it's really up to you to share some of that responsibility in empowering people to apply some of these practices. And so I think giving people a reading budget is one option.

Another is to invite them to read industry blogs during the day, right? So perhaps when you're settling in after lunch, you shouldn't have to feel guilty about looking at what other people and the industry are talking about, because that's going to fuel some of your ideas, and so I think setting out as an example for a leader to model some of these things, to talk about these practices, and—you know, another idea that I think is worth mentioning is inviting your team for an employee-nominated TED Talk once a month. That's another way of introducing some new ideas and getting people thinking, because, you know, ultimately I think what it comes down to is if you want people to be creative, you need to ensure that they're consuming new ideas on a regular basis.

TH: Well, there are so many amazing ideas in this book. We don't really have time to talk about everything in here but I can't—if you're a manager, if you lead an organization, if you want your organization to be better, I can't recommend *The Best Place to Work* enough. It really is a superb, superb book. Is there anything, Ron, that you discovered in the course of your research that surprised you as you were writing this book?

RF: You know, there was a great deal, actually, and perhaps one of the most surprising elements was this idea that being close to the outdoors, being around nature, fuels our performance, and so you can actually predict how engaged a team is by the amount of sunlight that enters the workspace. And it's because sunlight affects our mood in ways that aren't necessarily conscious. When we're around sunlight, it lowers our blood pressure, gets our brain producing more serotonin, which puts us in a better mood, and it gets our bodies producing more melatonin, which allows us to sleep better at night. And so when you're designing a workspace, you want to think about not just the amount of room you have but also how many windows, how close people are to the windows around the office space.

And if you don't have that option, and I think in a lot of cities, managers just don't have that option of providing a workspace with a lot of sunlight, is—you know, promote this idea of taking walking meetings. Encourage your employees to go out, take their ideas on the road and, you know—one opportunity for capturing notes when you're outside is to actually record voice notes. And so as ideas are coming to you, take them down, not physically, but using, you know, your iPhone or another type of tool like that, so that you're being just as productive as you would be in a conference room if not more so because you're exposed to sunlight and you're doing something active, which gets the ideas flowing.

TH: Well, many, many thanks to Ron Friedman for sharing his insights from *The Best Place to Work*. Absolutely fantastic book; check it out wherever books are sold. Also, my new book, *Louder Than Words*, launches August 11th. I can't wait. Visit toddhendry.com/louderthanwords to learn more about how you can pre-order and take advantage of all the pre-order goodies that I'm offering.

Remember, friends, cover bands don't change the world. Don't be a cover band. You need to find your unique voice if you want to thrive. We'll see you next time.