

# How kindness culture can elevate your business

Successful companies all share a commitment to three principles: abundance, longterm relationships and regard for others. How well does your company encourage the growth and development of its employees, and then celebrate their accomplishments?

By William F. Baker



n Germany they have a word for everything. A longing for someplace faraway is *Fernweh*. The feeling *Geborgenheit* is the perfect blend of warmth, comfort and safety. Have you ever thought of a retort too late, or something that seemed like a good idea at the time turns out to be a bad joke in retrospect? The Germans call that *Treppenwitz*. But one of my favorites is *vergönnen*. It literally means "not to begrudge" someone of something. In other words, it's taking satisfaction in the achievements of others. There are few pleasures as rich and rewarding as the delight we feel when someone close to us succeeds.

The pace and demands of the modern workplace can prevent employees from celebrating their colleagues' growth and accomplishments. This is a shame. While there is a place for healthy competition, collaboration is where the real opportunity for innovation lies, and nothing encourages collaboration like *vergönnen*.



I've studied hundreds of companies over the course of my career, some of which are featured in my new book – *Organizations for People*, co-authored with industrial psychologist Michael O'Malley – in which we argue that cultivating an organizational culture of kindness is beneficial in creating a contented workplace and even a positive bottom line.

I've found that companies characterized by *vergönnen* all share a commitment to three principles: abundance, long-term relationships and regard for others. If a company can focus on these, they can build a workforce that finds inspiration in the success of every employee. With a culture like that, there's no upper bound to what a business can achieve.

#### Abundance

The abundance principle is best understood in terms of its opposite: scarcity. In a workplace dominated by a scarcity mindset – whether we're talking about jobs, projects or face time with a manager – employees can feel like they're trapped in a zero-sum game, which breeds an unhealthy sense of competition. With an abundance mindset, however, employees don't feel threatened by their colleagues' success. This, in turn, makes the workplace more collaborative and productive.

It's true that resources are finite. But this doesn't mean people need fear uncertainty, or that they won't have access to what they need. The key is to actively prepare employees for the next opportunity, whether it be the next big account or a promotion. One way to do this is to invest heavily in employee development. Companies that empower employees to upskill, not only on their traditional career track but in departments other than their own, expand a sense of what's possible. When people feel empowered by new skills, they're not only more useful to any company with changing needs, they're also less prone to fear-driven relationships with their colleagues. And the more knowledge that flows through an organization, the greater the sense of abundance. There's another accessible way to promote abundance: hire internally. While this may seem obvious, you'd be surprised how uncommon a practice it is. Consider that only a third of employers post job listings internally before looking for external candidates. Giving employees a first look is an easy way to let them know that you want to provide them with an abundance of opportunities. And helping them see their colleagues grow and advance sends the message that there is abundant opportunity within their organization.



### Long-term relationships

When employees sense abundance in the workplace, they can imagine a future there. This is critical for employee retention. But there's more to cultivating long-term relationships than that. Companies must also be committed to what could be called *redemption*. People who are scared to make mistakes will rarely take risks, making it difficult for them to grow and develop. But when employees feel there is a pathway back from a mistake or a risk taken unsuccessfully, they feel permission to innovate and grow within their company, to its benefit.

There are many ways to foster redemption in the workplace: mentorship, frequent performance reviews, a Slack channel. BambooHR has a practice I particularly like: an Oops Email Box where employees from every level share mistakes they've made and what they learned from them.

In addition, companies that build long-term relationships with their employees nearly always create a sense of *communion* – a shared mission or ethos that everyone can rally behind. When a brand emphasizes its values, employees can When there is a pathway back from a mistake, employees feel permission to innovate and grow within their company

identify with them and feel like a part of a team. Companies that do this tend to inspire extreme loyalty among their employees – and customers, too, for that matter.

Patagonia does this well: workers there feel deeply attached to the company's longstanding commitment to environmental justice. But you can also find many great examples in startups. The heart of many small, nascent businesses is their



employees' steadfast commitment to the company cause. When everyone shares the same mission, it's easier to share success.

## **Regard for others**

Regard for others doesn't just refer to our workplace colleagues; it includes people outside of the company as well. When we think about corporate social responsibility (CSR), we often conceive of it from a high level in terms of the company's public image with regard to global issues. But we must not overlook the overwhelmingly positive influence each one of us can have in the day to day, and dedicate ourselves to making an impact on the ground through local community service and charitable activity.

These are the facts: volunteering improves employees' mental health and job satisfaction, period. Company-sponsored volunteer opportunities reduce employee turnover by 57%, according to one recent survey that's consistent with others.

Salesforce has been an important leader here. They offer employees "seven paid days of volunteer time off (VTO) each year ... to make the world a better place in whatever way they choose." If they



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use all seven, Salesforce donates \$1,000 to a charity of their choice. It's no coincidence that Salesforce has made Fortune's list of "100 Best Companies to Work For" 11 years in a row.

It's astounding, then, that a 2017 Deloitte survey of workplace volunteering found that only "38% of respondents said their employers provided access to company-sponsored or coordinated volunteer programs." Since community service is such an easy way to build company cohesion, business leaders would do well to incorporate it into the employee experience.

As we move into the next decade, these principles of abundance, long-term relationships and regard for others are likely to become even more important. That's because the next working generation prioritizes culture and values more than any before. They don't just want a stable job; they want to see a serious commitment to the things they find important, whether that's a personal goal or a social cause. By fostering an organizational culture of *vergönnen*, businesses can provide all this and more for their employees. That's the secret to recruiting and retaining tomorrow's leaders.

READ MORE: Organizations for People: Caring Cultures, Basic Needs and Better Lives by William F. Baker and Michael O'Malley (Stanford University Press, 2019).