

the white space

Issue No. 2



the monthly newsletter of
momentum

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welcome!

Happy Thanksgiving and welcome to my second newsletter. The feature article which is cowritten by Alejandro Levins, a friend who is a successful serial entrepreneur and business thinker, is about appreciation and its relation to profitability. I have added a quote this month from the editor of Fast Company magazine which also reflects appreciatively. Speaking of APPRECIATION, I appreciate your feedback, reactions and stories that you share with me. Please send them along after you read what we've wrote. Until the next time that we talk please be safe and full of gratitude.

For all those joining this newsletter for the first time, you have received this issue because you are a part of my database. If you wish to continue receiving it, you do not need to do a thing—an issue will arrive in your inbox every month. If at any time you wish to be removed from my list permanently, please click on the **SafeUnsubscribe™** link at the bottom of this email.

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feature article

Appreciate and Profit...More in the White Space

By Paul Cooperstein & Alejandro Levins

ap·pre·ci·a·tion (ə-prĕishĕ-ā·shən) *n.*

1. Recognition of the quality, value, significance, or magnitude of people and things.

Who wouldn't want to hear the following words from an employee?

"It's more than just a job to me. I REALLY like working here. The people I work for are great, all the people here are great and my boss takes care of me."

We all want our employees to feel that way about us, our team and our company. But many leaders and managers are not clear on how to generate such a level of commitment and satisfaction in their employees. In this issue of "The White Space," we will discuss the often-overlooked subject of appreciation—a simple but powerful tool that GENERATES PROFIT.

Compensation is not appreciation

While it's easy to assume that paying people well will translate to low turnover and high loyalty, research shows that people leave their jobs more often because of lack of appreciation than for lack of compensation. Can it be that in our haste to make a profit, finish a project and satisfy our boss, customer or board, we have lost touch with the value of something less tangible?

As managers, we need to understand that compensation is what we give to our employees by obligation, for doing the job that they were hired to do. Appreciation, on the other hand, is what we give to our employees by choice, to let them *know that they are valued*. **Active appreciation of employees should be a continuous management practice**—a running dialogue. It is the key to keeping people motivated, loyal and productive, and enhances the overall health of your business.

Cultures of Appreciation: Appreciated People = Appreciating Profits

There exist countless companies whose staff feel abused, whose management feel neglected and whose leadership feels isolated and overwhelmed. The culture in these companies is one of enmity and distrust. Turnover is high and it would be no surprise if profits are under pressure.

On the other hand, we've all run across "great" companies where the energy is high and people are truly excited about what they do. I see the insides of a lot of companies in my work, and when I find myself in one of these "great" ones, the difference is palpable. There is a noticeable level of comfort and ease among the staff members, who exhibit an implicit commitment to the leadership, the business or both. Likewise, the leadership in "great" companies understands the ambitions and concerns of staff members, and works hard to create opportunities for them to grow and thrive. In addition to all of this, people in "great" companies are vocal about their appreciation of one another.

A few weeks ago I was talking with an acquaintance who holds a PhD, and

had run a department for the Commonwealth of Massachusetts. This man had worked for the federal government before that, and now works for a city in a neighboring state. I asked him how he liked his new job and he said he loved it. When I asked him why, he said, “Because I feel so appreciated. I know that when I leave at the end of the day, my boss wants to make sure that I am coming back tomorrow.”

The place where my acquaintance works is an example of an organization that has a culture of appreciation. Appreciation is a crucial element that can make the difference between a plain old job and a dream job; between a resilient company able to withstand traumas, unexpected shocks and economic changes, and one that must struggle to stay afloat.

As Carly Fiorina, CEO of Hewlett Packard said,

“As leaders, we can never forget that people want to do a good job. They want to be treated with consideration and respect. They want to feel a real sense of accomplishment in their work, to have their ideas considered and their achievements recognized. People want to feel like they’re part of something larger than themselves—to be part of a larger vision, the direction and the goals that an organization is working toward.”

Most Valuable Asset

Cultures of appreciation contribute to cultures of power, passion and profitability because in such cultures, people know they matter! Appreciation is part of the vitality of relationships, and vital relationships are what produce the best that our companies have to offer. Sure, most of us understand that it’s essential to respect and treat our customers well. But how many of us understand that it’s at least equally important to our business success that we extend this same courtesy to our employees?

Scores of mission statements talk about appreciating both customers and employees, but how many businesses that you deal with regularly make you think, “Wow, I was really taken care of by them, Wow they really take great care of their people, that’s a great place to work.”

The message of appreciation may sound a bit “touchy-feely” or intangible to you, but remember: there are real costs and benefits to your business at stake. Research shows that **the cost of replacing an employee is equal to about one third of their annual salary**. Seen in that light, anything you can do to reduce turnover and increase employee longevity goes directly to the bottom line.

Active appreciation of employees is a simple but powerful tool that is a key component to creating a culture of responsibility, creativity, loyalty and profitable growth. As Ivan Meisner, Founder of BNI said; “People don’t care how much you know until they know how much you care”.

Ten Rules of Appreciation

Or, *“How to treat your employees, customers, partners, associates and vendors as though they were your most valuable asset (instead of just saying you do).”*

1. **Be specific.** Saying, “Thanks Bob” does not have as much impact as “Bob: Thanks for your work today. I know you put a lot of effort into that project and it shows. The product is something we can all be proud of.” Think about how the person you appreciate makes your life easier, what your job would be like if they were not there. For instance, “I was thinking today about how glad I am that you’re involved in this deal. It gives me a sense of confidence to know you’re on my team, because I can concentrate on my part and trust that the rest will be taken care of.” Being specific adds weight and power to your statement.
 2. **Catch people doing something right.** When was the last time *you* received acknowledgment that really touched you and made you feel sincerely appreciated? Do you remember how that felt? Do you remember the impact, the energy that it gave you? Make a habit of pointing out the contributions of others. Catch people doing something right and let them know about it as many times a day as possible. The more you express your gratitude in small and simple ways, the more it will become second nature to recognize and acknowledge the contributions of others.
 3. **Keep it simple.** Showing appreciation doesn’t have to be a big production. “That’s a great idea!” sounds simple, but when said in the presence of others, these few words show that you took notice and gave credit where credit was due. I suggest looking for three things a day to acknowledge about those with whom you work most closely.
 4. **Reward good performance.** Design reward programs to acknowledge company and personal achievements. This will help influence staff members to develop their potential both as contributing team members and as powerful people in their own right.
 5. **Keep it light.** Use humorous certificates of appreciation to acknowledge individual achievements. Give your receptionist petty cash to use for stocking the front desk with yo-yos, candy and toys. Give ABCD (Above and Beyond the Call of Duty) awards. Organize group activities, such as sporting or cultural events. Consider giving rewards to your clients, too.
 6. **Pay attention to your compensation programs .** Make sure that your programs reward specific behaviors or performance goals that are important to the company and the team. Make sure these standards have been clearly communicated to all, and are reviewed on an annual basis for relevance to the challenges and goals that your people face currently.
 7. **Celebrate your successes.** Take time regularly throughout the year (or at the end of an especially difficult day) to celebrate the achievement of a person or department. Make sure everyone knows
-

- when his or her efforts have paid off.
8. **Acknowledge your failures.** This may sound counter-intuitive, but just because you didn't win a new client or hit a target doesn't mean your people didn't put their hearts and souls into trying. I'm not suggesting that you focus on the negative, but do let people hear that you know they tried.
 9. **Listen to everyone.** Part of appreciation is appreciating the point of view of others. Create and regularly update suggestion programs and encourage all employees and clients – whether they have a big or small impact on the organization – to contribute their ideas and experiences. People at all levels should have the freedom and opportunity to regularly express their disappointments and suggestions in constructive ways.
 10. **Provide what it takes to get the job done.** Make sure that your people have good equipment, furniture and overall working conditions. Work environments that are pleasantly appointed, functional, comfortable and well-equipped enhance employee satisfaction and productivity, leading to greater profits down the road for you.

question of the month

Thank you to everyone who sent me an email congratulating me on the launch of ***The White Space***. Thank you all very much!

From last month's request for people to share their planning techniques, I received several responses. They included companies that had weekly meetings with their management team and monthly meetings with their executive teams, another company reported that they had a monthly all hands meeting where accomplishments and disappointments were invited from the staff and a 2 week response time was promised by management. Yet another client reported on meetings that begin with deliberately creating a leadership vision that people can align with and "will" strengthening exercises before a difficult meeting, presentation or decision. There is a rich diversity in these responses. Thanks to everyone who contributed ...

This month's question is:

What practices of appreciation do you engage in?

What practices will you engage in now that you have read this article?

Please let us hear from you so that we can share them with our readers. As always, I welcome your thoughts and comments on this and any subject of interest to you. Please feel free to contact me at paul@businessmomentum.org or call me at 617.328.7333.

quote of the month

“The Brand Called You, as if I have to remind any of our readers, remains an essential career survival skill.

But in the past few months, I’ve learned something else: The Brand Called Us – the relationships and mission we share with other human beings – is just as important.”

- John A. Byrne, Editor in Chief, Fast Company Magazine

When he was faced with laying people off for economic reasons, many staff members made selfless gestures including volunteering to cut back hours, go freelance, and volunteer to be laid off at the magazine.

Please share your experiences of people sacrificing their own interests to help others for our next newsletter by sending an email to paul@businessmomentum.org.

personal notes

Congratulations to Evan and Valerie McSorley on the birth of their first child Jack Spencer... Valerie is a marketing genius who has been an invaluable support in the growth of my business this year.

upcoming workshops

How to Have Your Best Year Yet

Join us on Tuesday, December 14, at Marina Bay for a special Lunch & Learn Presentation presented by Paul Cooperstein of MOMENTUM: **How to Have Your Best Year Yet**. In this luncheon seminar you will learn to identify what you really want to accomplish over the next twelve months, and begin to create a path for achieving those goals.

Best Year Yet is an annual planning and implementation system that produces RESULTS year after year. The *Best Year Yet* system teaches companies and the people within them to generate their best year yet, year after year. We create an atmosphere where each member of the team is encouraged to participate in an environment of open, honest cooperation and communication. Together we develop a plan, which is original and personally crafted by your employees; and we work together to bring the plan to life over the next twelve months. Clearly stated, we work together to accomplish all of the goals the group sets for the forthcoming year. Get ready for your Best Year Yet!

REGISTRATION INFORMATION

The workshop will begin promptly at 12:30 pm. There is a \$25 charge to

attend, and lunch will be served. MOMENTUM is located at Marina Bay, 500 Victory Road, 2nd floor, North Quincy, MA 02171. Upon arrival, please check-in on the second floor at the Amity Insurance reception area. Parking is available onsite at no cost. Please RSVP to Valerie McSorley at Avant Garde Events at 617.935.9040 or via e-mail at Valerie@AvantGardEvents.com.

momentum services

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Our Corporate headquarters are located at Marina Bay, 500 Victory Road, Quincy, MA. 02171. For additional information call 617.328.7333, email paul@businessmomentum.org, or visit our Web site at www.businessmomentum.org.

next month

Next month, I'll be writing about practicing safe stress, and in January, I'll be reviewing a few business books of great interest. Until then, Happy Thanksgiving to all...

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