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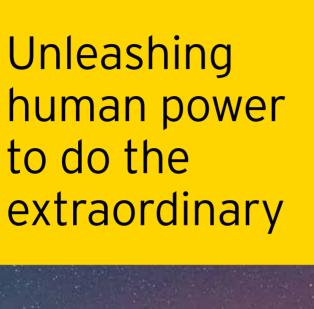


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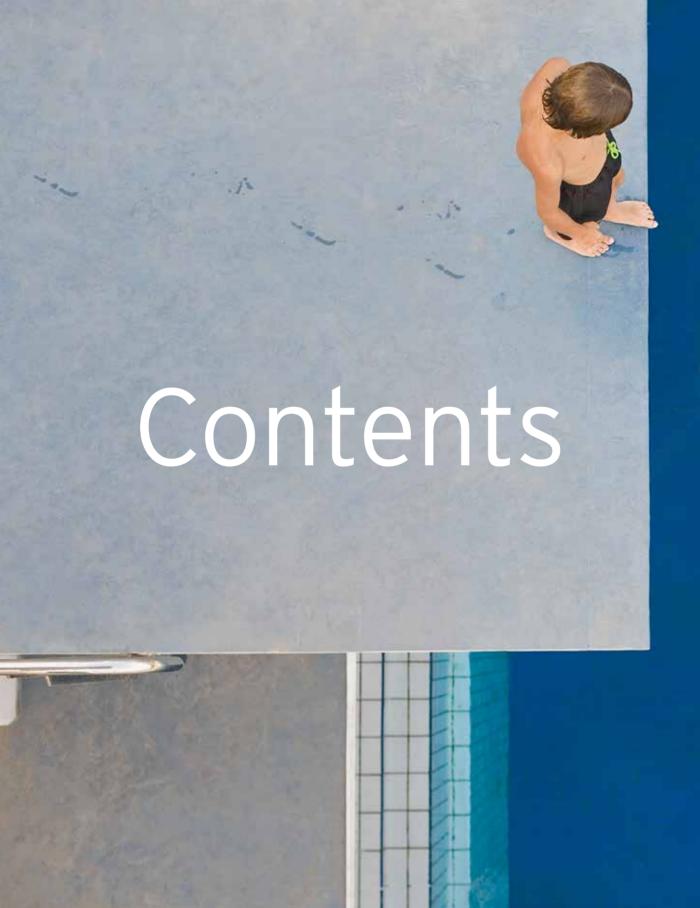
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# Foreword

Are you happy with the execution of your business strategy?

Do you suspect there are ways your organization can be more successful?

Are your systems influenced by new models or were they built for an earlier time, when people were hired for their hands rather than their brains?

I looked across industry and at what's going on for many of our clients and found that too many existing operating models belong to a time when humans were asked to perform as robots. Things have changed a lot since the industrial revolution, but our day-to-day environments may not have caught up with what can actually deliver long-term value and that ever-coveted quadruple bottom line. Most of us aren't on assembly lines anymore; we are coming to work driven by a desire to explore our humanity, grow into our potential and optimize our contribution to our organizations.

As we come to face rapidly changing realities, how do we solve for enhanced employee satisfaction, better customer experience and energetic execution of business strategy? How do we weave long-term value creation into daily operations?

### The power of a human centred strategy

The answer came to us through the fusion of numerous data points. At EY, we quickly discovered that the optimum digital strategy is a human strategy, one that uses technology to augment humans. Then, we examined what makes humans a unique species. We found that humans are singular in that we can build trust through our extraordinary communication capability. When humans establish trust, through authentic and transparent communication, collective cooperation among hundreds, thousands and potentially millions of people can emerge. Additionally, humans are the only species that can think in fiction, i.e., by means of imagination. We surmised that business strategies and customer strategies rely on these same characteristics: trust, collective cooperation (automating processes horizontally across multiple functions of a business to better serve the customer; actively involving customers in the design of products and services) and innovation, which relies on imagination. Employees have imagination; the business needs it and customers want it.

We looked at what could solve both for employees being happy with their job and customers being selective about which businesses they choose to patronize. The key question for the employee is: Are they happy with work—are they experiencing meaning and satisfaction with their career? At this point, meaningful purpose became an important component of successful business strategy. There are multiple studies concluding that meaningful purpose has an essential role in employees enthusiastically showing up to work. Likewise, we have found that the actioning of meaningful purpose has a direct correlation with improved business results; customers are now seeking to align with companies who share a purpose similar to their own.

# Uniquely human qualities

When I examined the extraordinary accomplishments of humans, we saw that they were usually framed by the following sequence:

- 1 a catalyst or shock happened,
- 2 there was a change in mindset,
- 3 this change propelled the individual or team to take action and
- 4 this action was sustained by repetitive practice.

But resistance to change can get in the way of responsive actions. The answer to why people have a hard time with change can be complicated, but we found that there are a few broad categories. First on the list would be feeling a lack of safety. Humans tend to like the status quo; it's how we feel safe. Change brings a shift that can upend the world of many, especially those who feel they know the system, one in which they feel themselves to be a central authority. These individuals, the people everyone goes to-for answers, for help in decisionmaking, for direction—are the very individuals most resistant to change. With the advent of technology, the creation of new work processes, new team environments, and the search for inclusion and diversity of background and experience, people often feel uncertain around the introduction of change. We have found that any transition to create a new operating environment requires a series of interventions that help employees become resilient in the face of change.

Our last set of data points comes to us from the mindfulness movement. We are witnessing the highest degree of mental health challenges in society today, and this carries over into, and may be a direct result of, the work environment. As we move to a baseline model of trust, collective cooperation, imagination, meaningful purpose and resilience, there is a missing component to sustainable activation. What is required to bring these qualities to life so that they have a staying presence? Companies are trying to incorporate mindfulness into their operating models, but is the act of being present enough to build trust, collective cooperation, imagination and resilience? We don't think so; but we do think it is an effective tool for developing other qualities essential to shifting an organization: compassion, happiness and repetitive practice. When mindfulness is applied to cultivating these qualities, it helps individuals make real transformation. When that happens. meaningful shift, long term value creation in an organization, can genuinely take place.

### The Great 8

The complete collection of capabilities that make us fully human comprise the Great Eight:

trust, collective cooperation, imagination, meaningful purpose, resilience, compassion, happiness and repetitive practice.

The Great Eight are interconnected and propel each other. When activated in combination, they will unleash the best of individuals and teams—and therefore unleash organizations.

Herein we share our research, references and examples that demonstrate the Great 8 are the baseline for igniting business strategies and unleashing teams and individuals to do the extraordinary.

We welcome you to join the conversation as we venture on this journey to build a better working world.



George Brooks - Global Deputy Leader, EY People Advisory Services

Chapter 1 The power of being human







Imagine one of the biggest IPOs in recent memory. The company had global reach, the CEO's language was peppered with terms that referenced authenticity, transparency and compassion. The organization favored initiatives that gave its people flexibility, so they could take care of themselves and be creative and productive. Expressing kindness, when listening and responding, was celebrated as a value. The rocket was fueled for maximum profitability, especially for shareholders, which included many employees.

Yet very little of the promise was realized.

The company began fizzling before the IPO, and a fading tech giant snapped the company up before it could go public. Many critics in the business press laid the blame at the feet of the CEO's soft approach. They took it as proof that the only way to success is to remain focused on the single bottom line and let the human issues sort themselves out.

But there is another possibility that might have been overlooked: that the values the CEO expressed publicly were not personally held and acted upon. With a little digging, the truth emerged. Interviews with employees showed that while migraine rooms and social areas were created for their benefit, there was a culture of shame around using them. Interviews with customers revealed that while their complaints to community leaders were met with expressions of regret that they were having a hard time and that it must feel terribly frustrating to have problems with the company, the remarks came across as scripted and disingenuous; and promised follow-up didn't come through.

### Another truth

When leadership doesn't walk its talk about putting human values front and center, we can't expect those values to permeate a company. If leaders do not come to their values through their own personal transformation, their own authentic understanding, and if those values don't drive their personal lives, how can they lead others through effective, human-centered transformations?

All organizations are comprised of individuals. We talk of values being transmitted through culture, but values are manifested by individuals. They come to life in a company when they catch fire in human beings. Values are powered by people.



# Change begins with the first new question.

Angela Blanchard, President Emerita, Baker Ripley, Senior Fellow, Brown University

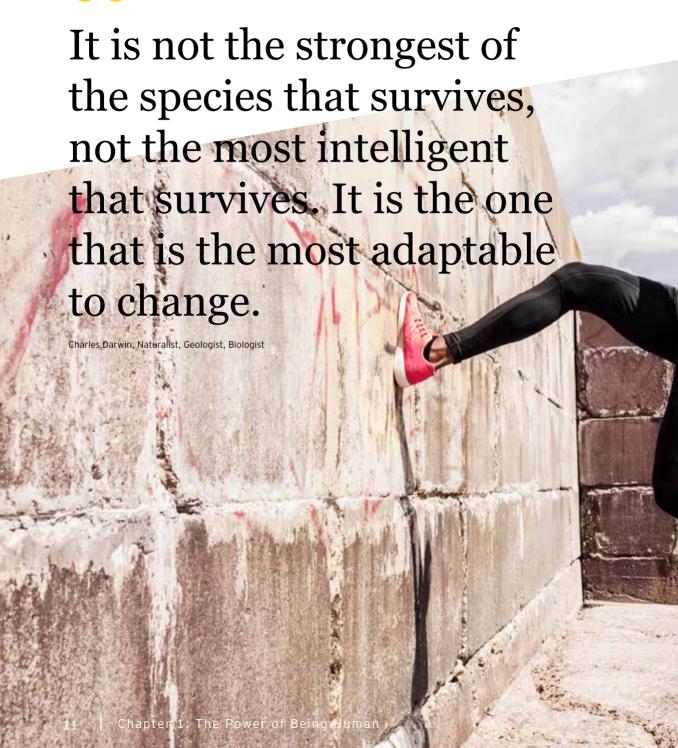
What if people mattered most?

It's a simple, almost obvious question. It may, at first glance, even seem soft. But this question can change everything: the engagement of a workforce, relationships with clients, a company's reputation in the community, and the financial bottom line.

This new question may be the key to adapting to new forces and pressures for change.









In the face of change, almost every living being responds out of a biological need for safety. When a threatening substance is introduced on a laboratory slide, bacteria go from moving freely about their environment to huddling paralyzed in a corner. Humans do the same, unless they feel emboldened to respond to a disruptive force with creativity and resourcefulness instead of fear.

How do we nurture the magic of adaptability so that our people move to develop new systems that both protect organizations and help them

new reality by moving beyond our known frameworks, beyond the narrow constraints of the single bottom line, and by focusing on our most fundamental asset: humans. All change, all productivity, all relationships begin with what individuals bring to the table. When we put people first, we can pursue strategies that yield better, longer-lasting results for the employees, the customer, and the business.

# We can develop new answers to our most pressing concerns:

How do we retain and develop our best talent? How do we create the kind of environment that allows the innovative genius of teams to emerge and flourish? How do we overcome

change resistance to meet technological advances and the shifting needs of customers? How do we serve the best interests of employees and customers, boost profitability for shareholders, and keep positive social impact in the crosshairs of our quarterly and yearly reports?

It begins when we consider a mindset shift.

To align around people as an organization's most important asset, we first consider what makes people unique. What separates us from all other species? What are the capabilities that in combination make humans truly special?

When we search across the fields of neuroscience, psychology, anthropology and

philosophy, there are certain distinguishing aspects that emerge most clearly: eight human capabilities that, when activated in combination, are most likely to unleash the best of individuals and thus organizations. We call these The Great 8.



What would happen to our change practices if we began all our work with the positive presumption that organizations, as centers of human relatedness, are alive with infinite constructive capacity?<sup>1</sup>

# Unleashing human power

To embrace and apply these qualities at every level of business—employee, customer, community, financial—is to unleash our singular qualities as humans. It is to promote real and sustainable success. It is to turn our imagination toward an exciting and equitable future, one that lights up effortless engagement and

addresses the quadruple bottom line.

The Great 8, we believe, unleash humans to do the extraordinary. And for the first time in history, we can apply these capabilities simultaneously to solve for employee needs, customer experience and modern business models. All three strategic needs are met when the Great 8 are activated.

# The great 8

Trust

Meaningful Purpose

Collective Cooperation

Imagination

Resilience

Compassion

Happiness

Transformative Practice





What is the future about? Is it about more robots or more about human beings? We're going to bet on the human beings.

The industrial revolution brought unprecedented innovation, efficiency and growth by breaking entrepreneurship into its parts: instead of one person being involved at every stage of a product, production lines placed multiple people at every stage, where they could deliver results faster and better. The system created good things—better textiles, and the first cars—but in the process, it turned humans into cogs in a machine. The burden of repetitive tasks stripped people of innovative desires, and the separation of skills created silos.

Now the advent of technology represents a new revolution: it can relieve humans of repetitive tasks, it can create new communication and connections. There is tremendous opportunity for growth and creativity if we activate technology with human values in mind.

But the approach we take to work is still stuck in the past. We get stuck in silos, we have turned humans into data input and maintenance slaves to technology, and our reward systems ensure a lack of collaboration as individuals fight for top ratings, top spots and top accounts. We resist generational demands for new ways of working. We have forgotten that we are not cogs but humans.





When we forget to support the best of what makes us human and focus primarily on internal competition, financial metrics and individual contribution, we almost instantly experience cultural challenges—such as a lack of appetite for collaboration among teams, fear that inhibits innovation or resistance to change. When we forget to support the best of what makes us human, we can lose credibility and appeal among today's independent—minded workforce, which increasingly demands cohesive values across employee and customer experience as well as social impact.

# Moving on from the past

The current structure of organizations was designed for a time when people were not front and center. What we need now is a flip, a redesign of our operating models and operating environments to align with the Great 8. A redesign that puts people first and supports them through technology.

# Are the Great 8 considered in the design of your business model?



Shifting focus to our unique human capabilities as a source of power can be the catalyst for positive, effective change. We can inspire the generations now entering the workforce with an increased sense of shared purpose and commitment to benefiting each other. We can develop talent that is productive and innovative. We can generate loyalty among clients by serving their needs creatively and collaboratively. We can earn social trust with an authentically mindful and compassionate approach to our communities. We can use technology to augment performance rather than stifle it. We can embrace the real drivers of growth and new metrics of success.

# Finding your personal purpose

How we get there is up to each of us, determined by the qualities and capabilities we choose to cultivate. This calls to mind an old Native American story. The way it goes is that one evening, a senior member of the Cherokee tribe was telling his grandson about a battle that takes place within people. He said, "My son, the battle is between two wolves inside us all. One is evil. It is anger, envy, jealousy, sorrow, regret, greed, arrogance, self-pity guilt resentment, inferiority, lies, false pride, superiority and ego. The other is good. It is joy, peace, love, hope, serenity, humility, kindness, benevolence, empathy, generosity, truth and compassion."

The grandson thought about it for a moment He then asked his grandfather, "Which wolf wins?"

The grandfather replied, "The one that you feed."

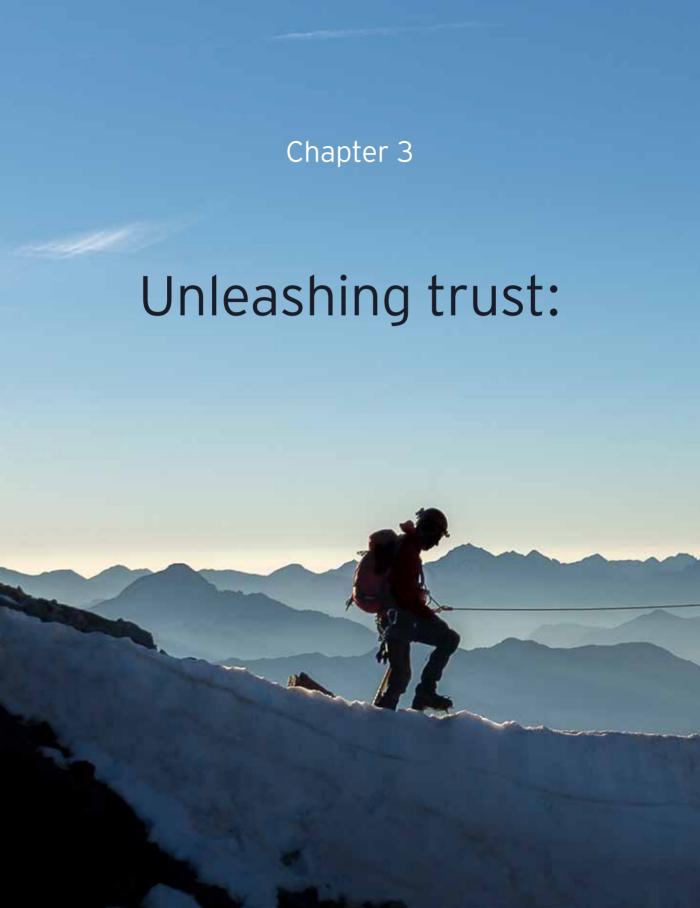
We are all responsible for the conditions that determine whether we-ourselves and others—thrive and grow. Our thoughts, our words, and our actions ripple across the circles of humans with whom we come into contact. What's in our own hearts and minds matters.

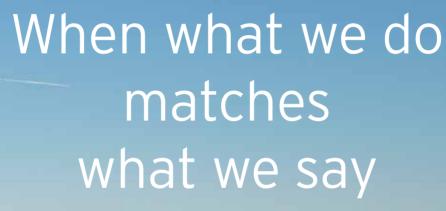
What we think, feel, express and do matters. Our organizations are made up of people. The qualities we each choose to bring forward determine whether or not our businesses thrive.

What follows is a checklist of the human-tohuman capabilities that can bring individual and collective success—with both business results and sustained well-being. As we explore each of these extraordinary human powers, consider your company and your leaders in their light. Which of your current strengths can be leveraged in service of activating the Great 8? Where are the opportunities to improve? What current practices must be rethought?

This checklist includes a series of practices for helping individuals unleash and sustain the Great 8.











I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel.





A division of a global manufacturer grew significantly over eight years without investment from its parent company, instead generating expansion from reinvesting cash flow and reaching out for local financing. While the unit carried 20 percent of global division revenue, it was contributing 60 percent to overall cash flow.

This small division became the main supplier of parts to well outside of its usual market. It became an innovation hub, while the other divisions kept with the same product. In a tight labor market, employee turnover was surprisingly low.

# How did they do it?

The CEO held monthly all-hands meetings that included shop-floor and maintenance employees. At these meetings, company results were shared openly. Market forces were discussed. Upcoming challenges were forecast, giving people a sense of whether or not layoffs could be on the horizon. The CEO also shared personal news--of his mother's illness, his father's death, his own or a child's hospitalization. Employees had the opportunity to share challenges both personal and professional, openly or privately.

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The ability to establish, grow, extend and restore trust is the key professional and personal competency of our time.

Stephen M.R. Covey, bestselling American writer

During day-to-day operations, leaders and team members at the company were entrusted and empowered to work with one another instead of relying on the CEO for direction. In fact, the only time employees came to him was if department heads were on vacation. Facilities were built for employees to use on weekends for picnics and cookouts. Employees were asked to volunteer in a multi-company effort led by the CEO to save the area's sole day care facility, so that women could keep their jobs.

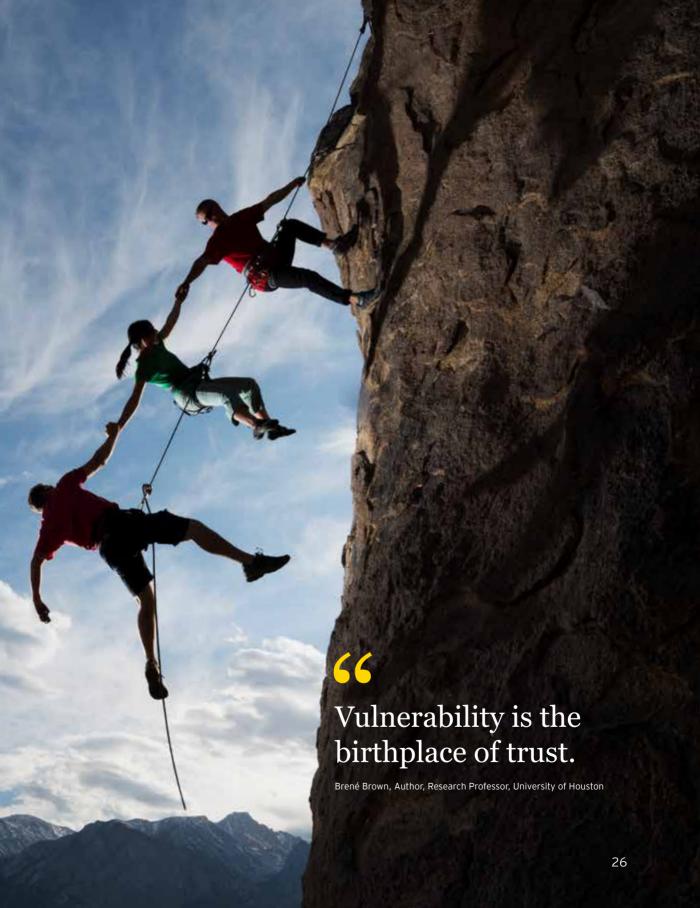
Over the course of a decade, the CEO engaged the consulting arm of a prestigious business school twice, to assess what was going right and what was going wrong. Both reports concluded that the company's bottom line was positively impacted because people felt trusted and they trusted their relationships with one another.

# Creating the right conditions

In 2012, a research project was created to study what qualities made teams flourish.<sup>3</sup> The organizers looked at teams loaded with brilliant people who were experts in diverse areas who politely took turns speaking to what they knew best. And they looked at teams whose members had a diverse array of experience and management levels in which people finished each others' sentences, frequently spoke over each other, and followed each other off the agenda as interesting tangents arose.

It was the second type of team, the messy kind, that flourished. The reason was a sense of equality and psychological safety. This is "a group culture that the Harvard Business School professor Amy Edmondson defines as a 'shared belief held by members of a team that the team is safe for interpersonal risk-taking.' Psychological safety is 'a sense of confidence that the team will not embarrass, reject or punish someone for speaking up,' Edmondson wrote in a study published in 1999. 'It describes a team climate characterized by interpersonal trust and mutual respect in which people are comfortable being themselves.' "

George Brooks, Global Deputy, EY People Advisory Services, emphasizes the importance of trust in that it is the superpower that unleashes all others. It lays the foundation for responsible risk, which we've found can lead to more-cohesive teams, greater resilience, and a strengthened bond with customers. Shared experience, created or discovered through conversation, is more important than ever in building a sense of safety. What's important for leaders, he says, "is to remember that our position doesn't mean we must display that we are the smartest person in the room. Our role as leaders is to lead other leaders, to facilitate the emergence of talent, to gather people who will challenge us, and each other, to be better. Our job is to allow diverse perspectives to arise that lead to more creative problem-solving and more innovation."







# How do we unleash trust?

We begin with honest, transparent communication and conversations, helping us to discover that what we have in common is greater than our differences. How do you know you are building trust among members of your team, within your company, with your clients, consumers and the community?

- ► Is there a gap between what you say and what you do?
- Do your decision criteria prioritize employees first, customers second and business third?
- Are leaders comfortable being vulnerable? Do they share personal struggles and hard-won insights on a daily basis?
- Do the majority of employees, including leaders, know one another's personal stories?
- Do employees feel comfortable expressing their opinion, even when it is not a common opinion?
- Is active listening part of most exchanges and meetings?
- Do all-hands meetings have productive question-andanswer sessions?
- When mistakes are made, do people circle back with one another for course correction? Do employees feel like their peers and managers have their backs?
- Is the PR team spending more time fielding calls about positive social initiatives and less time on crisis management?
- Do all HR functions have integrated methods for spotting unconscious bias?
- Do you have ways of measuring how secure people feel about their team members and managers? What methods are you using to learn whether or not people are comfortable giving honest feedback?

Chapter 4

Unleashing meaningful purpose:



Leadership at one of the world's largest health insurance companies turned to its call center employees for help in rolling out a new cost-effective measure: persuading members to sign up for breast and colon cancer screenings. Early detection of disease in their members, they reasoned, would save the company money over aggressive interventions that would be needed for more advanced disease. Since agents handled hundreds of thousands of calls every month, the company asked them to tack the screening conversation on to every phone call. The agents were given talking points and an incentive plan, but the number of screenings did not grow.<sup>4</sup>

Ted Harro, founder of NoondayVentures consulting group, writes of the turning point—the moment when a team leader within the company switched on purpose for herself and her group by telling the right story and activating the why behind the screening initiative. Instead of a story about saving money and getting bonuses, she told one about saving lives. She showed her team that for every 100 colonoscopies and every 556 mammograms, two lives would be saved—someone's daughter or son, wife or husband, sister or brother, best friend or mentor.

#### Making a difference

When the agents became motivated by preserving life, they no longer saw themselves as operators; they saw themselves "as advocates who were saving lives of their members." The call center went from generating 450 screening sign-ups per month to 38,000 monthly sign-ups. Employee engagement scores soared. Agents teared up when they talked about how many lives they were beginning to affect.<sup>4</sup>

Purpose is activated by a sense of belonging. "The need to belong, to be part of something larger, to have the feeling of protection that comes with belonging, is woven deeply into our survival instincts," says Joe Loizzo, MD, Harvard-trained psychiatrist and assistant professor at Weill Cornell Medical. When humans lived on savannas, the possibility of being left alone, isolated from the tribe, could mean death. Even now, the fear of being alone or left behind at work can activate the most primitive parts of the brain, parts that still equate isolation with death. Belonging can turn those primitive parts of the brain toward the collective good. When you belong, you have a shared story about where you're going.





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My individual purpose can be different from my organization's purpose. What matters is that I see a direct connection between what I do and what the purpose of my organization is—that the work I do is serving a purpose, and that the company wants me as a contributor.



Maya Smallwood, EY People Advisory Services - Change and People Experience Solution Leader, Principal

A group of hospital cleaners learned to view themselves not as people who scrubbed floors and emptied trash bins but as essential parts of the caring and healing process for patients and their families. One cleaner developed her own theory that moving pictures around the room might help stimulate coma patients. When asked whether moving pictures was part of her job, the cleaner responded, "No, but it is part of me."

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Purpose for me is making a difference in other people's careers. I love the underdog, the talented one whom no one can quite figure out how to help. I love acting on this.



Kate Barton, EY Global Vice Chair - Tax

Purpose is ignited when we are other-oriented rather than self-oriented. Purpose means knowing how every action benefits colleagues, the organization, customers and, whenever possible, the greater community. It means awakening our humanity and operating from a place of caring, connection and responsiveness.

If the workplace doesn't allow us to bring our hearts and minds to the table, humans disengage. Yet if it does—if we're encouraged to bring our full human power to our jobs—the joy that arises from serving a greater vision feels so good that we want to do it again.



Purpose is about the presentwhat you do today, what gives you meaning now. If you're fulfilled at work - if you have a sense of purpose - you are more engaged, and by extension, more productive.



Jeff Stier, EY Americas Advisory, Executive Director - Purpose Realized

Individual benefits of purpose abound. It improves well being, resilience, engagement, productivity and even longevity. In a recent study, researchers concluded that "finding a purpose in life lowers risk of mortality above and beyond other factors that are known to predict longevity." We can eat right, exercise and live a healthy lifestyle, but purpose will turbocharge longevity. Having a sense of purpose, the study found, can add as many as 10 years to a person's lifespan, regardless of the age when purpose is discovered. This surprised even the researchers, who assumed the younger you discover purpose, the more beneficial it is. The lesson is, it's never too late.

How do we unleash meaningful purpose?

When we help inspire the alignment of personal, team and company values.

How do you know whether you, your workforce, and your organization have unleashed meaningful purpose?

- Can you tell the story of your organization's purpose?
- Can you tell the story of your own awakening to purpose, the moment you realized how your talents intersect with the needs of the world?
- Is there a clear connection for every employee between their job, their purpose and the organization's purpose?
- Does your organization have a process in place for helping your employees grapple with aligning personal and organizational purpose?
- Are employees pulling so well in the same direction that team members often forget who is who in the hierarchy?
- Is there a purpose story that emerges from almost every meeting?
- As your company gears up for change, has the story of why been told across the organization? Is it frequently updated?
- Is your company's purpose a prominent decision criterion in day-to-day and strategic matters?





Mike Bertolino, Global People Advisory Services Leader, learned a valuable lesson very early in his career that changed his trajectory as a professional, friend, husband, father and human being. Before Mike was promoted to the rank of partner, he had been a top financial performer for 10 years. He walked into a meeting with partners sure that he was going to be told he would join their ranks. Instead, he was told he wouldn't make the cut. The partners did not share the feedback they had received from his peers and direct reports, so he had no idea what was preventing him from getting the promotion. At first, Mike decided to ignore his failure. But after a few frustrating and occasionally explosive days, he made a personal commitment to learn what he might be doing wrong. His moment of insight was that he'd been approaching his

work as a loner. Sure, he was friendly; he was a gladhander whom many found unrelentingly positive and outgoing; he had the largest book of business in the office and his go to market skills were best in class. But his focus had been solely on the

benefits to himself: his networking, his phone calls, his client visits. Mike operated as "me" versus "we."

He decided to try something different.

Mike began involving colleagues in his work, especially younger employees, inviting them to use their strengths to help with, and often take the lead on, his projects and client calls. As he and team members worked together, he shifted his focus from his career to theirs; he began to promote their work and their reputations in the company. Before long, more and more of the group's projects began to succeed. His group's earnings and his individual bottom line both grew. Mike came to understand something critical. The way he treated and involved his colleagues meant not only that they produced more as an office but also that all of them,

himself included, were happier. Within a year, he was made partner.

The famous phrase "survival of the fittest," attributed to Darwin, was actually never uttered by him. The expression was coined by philosopher Herbert Spencer, who claimed to base his conclusion on Darwin's writings. A distortion of the idea of natural selection, this phrase became the basis for Social Darwinism and rugged individualism. It celebrated the biggest, strongest, most ruthless individual in a mythology of embattled survival.

#### The power of team work

Darwin's actual breakthrough finding-that empathy, compassion and cooperation are what promote the ability of a species to thrive-

> has been overshadowed by Spencer's reductive claim. When biologists and neuroscientists speak of how nature selects for life-sustaining traits, go-it-alone ruthlessness does not top the list. Harvard biologist E. O. Wilson posits that kindness does.<sup>8</sup> Antonio

Damasio, of the Salk Institute, has pointed to camouflage, intelligence and cooperation. Natural selection does not, as Michael Le Page concludes in New Scientist, necessarily result in the dominance of a bunch of Rambos; it might more likely favor Einsteins, Gandhis, and Mother Teresas.<sup>9</sup>

Neither species nor civilizations have succeeded by being dominated by individuals who act alone. From bacteria to humans, surviving and thriving is achieved only through collective cooperation.

When scientists went looking for areas of the world where people lived beyond 100 years and maintained a good quality of life—areas referred to as "blue zones" they found that diet was only one reason for longevity. Strong social connections played an even greater role in promoting long life and well-being.

Ken Blanchard, Author, Founder, Ken Blanchard Companies



Humans, like all other mammals, are wired as social beings. Connection and belonging give the brain essential nutrients for calmness, good judgment, contentment and learning. Connection reduces stress hormones and inflammation, all of which affect the ability to learn and think clearly, and foster health and well being.

In isolation, human beings wither. The research of neuroscientist John Cacioppo at the University of Chicago shows that loneliness and isolation shorten human lifespans as dramatically as smoking and heart disease; they even impair judgment, coloring perception of others' actions as hostile, preventing people from connecting even as they reach out from isolation. If a fear-based culture makes individuals retreat from one another, the brain goes into a hypervigilant search for more signs of negative intent from others--when frightened, humans will instantaneously see social threats that aren't actually there. When employees feel they have no one to turn to, the chances of cooperation lessen with each passing day.

### Intelligent innovation

Cooperation directly impacts innovation—a fact borne out by some of the world's greatest partnerships. Together, the Wright Brothers brought us flight; James Watson and Francis Crick determined the double-helix structure for DNA; Steve Jobs and Bill Gates envisioned the personal computer; Larry Page and Sergey Brin found a way to externalize human memory with the Internet; Ben Cohen and Jerry Greenfield invented some of the world's most beloved ice cream flavors; Jenn Hyman and Jenny Fleiss changed clothing acquisition habits from owning to borrowing (Rent the Runway); Oprah Winfrey and Gayle King created their own television network (OWN); Elizabeth Cutler and Julie Rice found a way to bring spirituality to spinning class (Soul Cycle).

The traditional model of collaboration, in which team members with similar skills and backgrounds are grouped together in departments in isolation from those with different skills or tasks, has been challenged over the years, particularly by start-ups. In one innovative publishing platform, the founder decided to bake collective cooperation across silos into the DNA of the company.

Tech and content, normally separated, worked elbow to elbow at the same tables. Once the initial resistance was broken, along with the instant-messaging culture that had kept the room silent, standard publishing practices—around content, engineering, SEO, content management systems and social media—were quickly shattered. The new modes of collaboration gave rise to robust creativity and made the tech-influenced platform a gold standard of digital publishing for more than a decade.





You can't just change, say, performance measures, or hierarchy, if at the 1,000-foot level you still have silos—residual places that aren't really following through on the new change or new behavior. If you're going to change the way you do business, you have to be all-in.



Cherie Posada, EY People Advisory Services, Organization and Workforce Transformation Solution Leader, Principal

# How do we unleash collective cooperation?

Through the relentless pursuit of diversity, roles that align with purpose, and the assurance of a clear career and knowledge trajectory.

Collective cooperation is unleashed not just when we bring together people with different skill sets but also when we bring together people of diverse ages, backgrounds and mindsets. Many organizations have discovered that teams are most successful when their members are hired not just for their education or résumés but also on the basis of deeper traits, such as resilience, humility learned from early life struggle, and the ability to learn new skills. One Al hiring platform is using neuroscience to cut through the biases that can keep companies locked into outdated screening processes; it helps assemble successful teams by

engaging job candidates in neuroscience games to which there are no right answers. Employers are trained to look for specific qualities that emerge from this exercise—such as willingness to engage in responsible risk—to find the best candidates for the roles they are seeking to fill.

A common challenge to achieving the "we" mindset necessary for today's business success is that most HR models are built to reward, recognize and promote based on individual performance. How do you know if you are instead fostering a community where collective cooperation can thrive?

- Has your operating model and organizational structure been advanced to foster horizontal collaboration and teaming across the company?
- Are your performance measures hindering or promoting cross-functional collaboration?
- Do your performance management, recognition or promotion systems disproportionately recognize individual contributions vs team-based results?
- Do you measure performance by advancing your client's performance measures?
- Does your client have such a strong relationship with your organization that you cannot distinguish between client and employee?
- Do you know who your super connectors are, the leaders who are best at facilitating the growth and development of others, as well as cross-functional collaboration?
- Is there a mechanism in place to watch for bias, such as women and minorities being cut off or ignored in strategy sessions?
- Do team members get to know one another as human beings, not just professionals?
- Do you routinely hear laughter coming from team meetings?
- Are your team members diverse in skill, mindset, point of view and background?
- Are "team norms" discussed openly from the start to establish a culture of acceptable behaviors?
- Is there a culture of gratitude and generosity, where successes big and small are spontaneously acknowledged?





When an oxygen tank blew on Apollo 13 and crippled the craft, Mission Control had to solve the problem of how they would help return the astronauts to earth by using only what was undamaged and available to the crew. Everything from plastic tubes to the lunar module was repurposed to optimize survival. It seemed impossible that they would make it safely home, but they did. Under extreme pressure, imagination is at its most powerful and productive.

Imagination kicks in at the inflection point between a catalyst for change and, as PAS Principle Brian Knudson puts it, a radical

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nowhere.

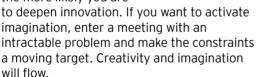
Carl Sagan, Astronomer

Imagination will often carry

were. But without it we go

us to worlds that never

acceptance that the past isn't coming back; that the only way forward is by working with the current circumstances. Knudsen argues that the more constraints you place on problem-solving. the faster you get to what's important, and the more likely you are



Imagination runs scenarios. Not all of them will work out as planned. The reason we have Post-It Notes is because 3M failed in its attempt to produce a less sticky glue. Listerine was originally developed as a surgical antiseptic and was sold as a floor cleaner in distilled form. Kleenex created its tissues for applying make-up. Viagra got its start as a treatment for heart disease. The goop used by a wallpaper-removal professional was later marketed as Play-Doh. Apple's Newton, the

precursor to the iPhone and tablet, was a failure. So were all the other tablet-like devices developed by some of the biggest electronics companies in the early 2000s. Yet all of those companies are still in the marketplace, and are still robust.

Every successful person has experienced a failure. Transparency around what it means to take an honorable risk, to support the possibility of failing, eradicates fear. If we shift our focus to process and outcome rather than just outcome, the potential for innovation grows. Establishing parameters will minimize trouble. "For example," says PAS

> principal Sonny Chheng, "we don't take risks around integrity. We must define from the beginning what are the non-negotiables. If you for something and it doesn't work out at test one, that is acceptable risk."

> are creating a prototype

Learning from failure is essential to unleashing imagination. Leaders must set the tone in cultivating a culture that embraces responsible failure.

The word "imagination" conjures flights of fancy and an impractical use of time. But what if we see imagination as the best problemsolving tool we have? "We are the only species to imagine that bad things can happen to us," Knudsen says. "If we couldn't imagine that a river would dry up or flood, we wouldn't think to move on to a place with a better source of water. Fear of worst-case scenarios can drive us to build amazing things."

Imagination is the source of our digital reality. And imagination must be deployed in shaping an ethical future in technology.





There was a hypothesis in the 1950s and 60s, sold to everyone as a truth, that AI and robotics would liberate the human mind to focus on higher things. We wouldn't have to worry about the drudgery of daily living-like cleaning our houses-but rather we would spend our time learning, creating art and pursuing answers to life's most profound questions.

But it didn't turn out that way. Instead, Al is eliminating jobs, even the promised jobs in tech manufacturing. We don't need humans to build tech or robots. Robots can already build more robots.

At the same time, Al creates new problems for knowledge workers to solve in the areas

of privacy and bias, as well as challenges in training, installation, maintenance and monitoring of every new piece of equipment or technology. Instead of tech serving people, people are serving tech.



### What is now proved was once only imagined.

William Blake, 18th century British Poet

Humans have become a service industry for AI. It's not the utopia we imagined, or are most humans, who service technology, able to deploy imagination.

The magic of embracing tech comes when people take the leap of imagination that allows us to put it into the service of human values, augmenting human experience instead of undermining it.<sup>11</sup>

A global EY audit team of more than 100 members embarked on a project of radical innovation for one of the world's largest financial service providers. They began with a pressure cooker of a two-day brainstorming meeting. They erected constraints. The results were shocking even to the team itself. The process sparked more learning. Inspired by the possibilities, they took it upon themselves

to develop competencies in automation and create new solutions, even though this went above and beyond their core responsibilities. One team member taught herself robotic automation and developed tools that the team uses today to manage testing and client requests. When the team adapted an analytics software, one of the team members began writing scripts to automate tasks for the team. He now leads his own team, which spends time writing scripts to improve different audit and administrative processes, all in addition to his day-to-day responsibilities.

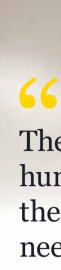
"We shouldn't view innovation or change as extracurricular, it should be embedded in all of our accounts," says the team's Digital Audit leader, Jeff Davis. He credited his

team's success by
"leveraging the diversity
of experience and ideas
that all of our people
bring to the table,
and driving a culture
where everyone feels
empowered to bring
those different ideas

and experiences."

What began as a challenge to disrupt and innovate the audit process has resulted in a team culture of innovation and continuous improvement.

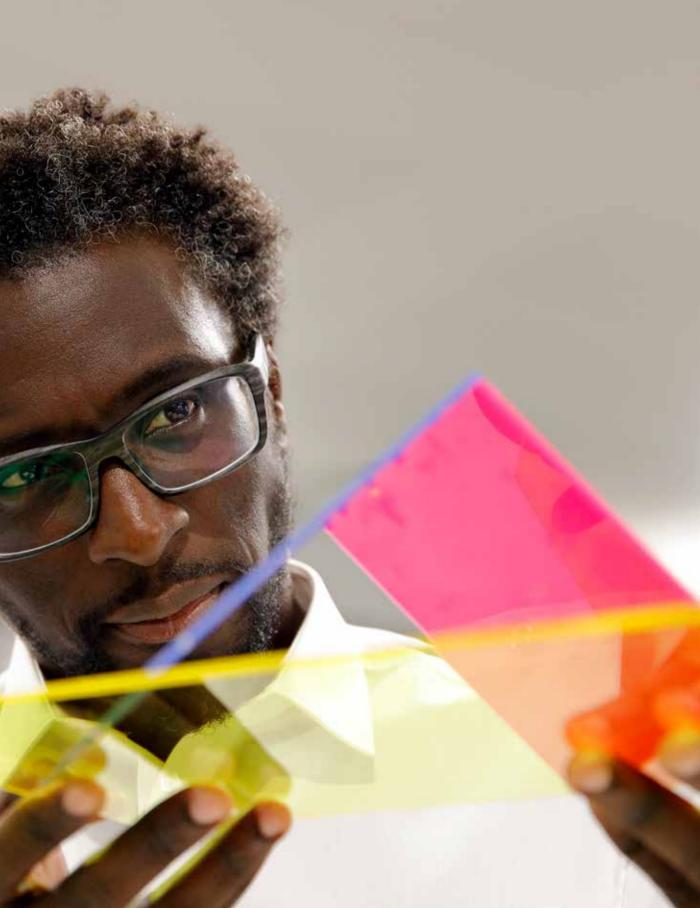
The factors that unleash imagination are natural motivators for most people. With purpose comes healthy passion. With a collective bond–shared experiences, space for individual needs and strengths, assurance that team members are invested in advancing each other–comes a deep sense of safety and trust. When people know we value them and have their backs, they are more willing to take the kinds of responsible risks that are the only path to innovation.



The factor of creativity is the human factor that will drive the way that businesses will need to compete.



Anna Kahn, EY Global Talent Development Leader



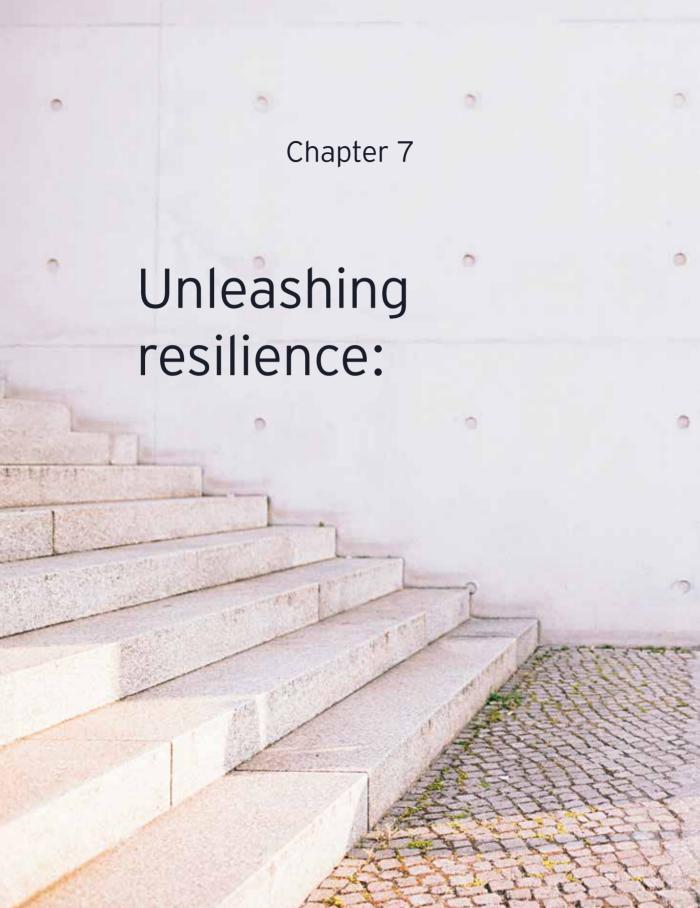
# How do we unleash imagination?

We place markers that challenge us to reach for the unimaginable; we recognize that if you try nothing extraordinary, the extraordinary will never happen; we have mandatory diversity on teams across all 13 factors of diversity; we place millennials in roles as digital mentors; we all have an equal voice and we are all asked to contribute. 12

Almost every one of the Great 8 qualities is shared with other species. But imagination, the ability to think in fiction, is the one human quality that makes each of the others distinctly ours.

Is imagination being unleashed in your organization?

- If your company relies on innovation, does your mission, vision or purpose mention or imply the need to leverage human imagination?
- How is risk-taking rewarded? Is it attached to a number?
- What mechanisms are in place to acknowledge unconventional thinking?
- Do you approach problems with questions for your team or do you come with objectives already stated?
- How much time do employees spend filling out forms?
- When is the last time you told your personal failure stories to your team?
- Are leaders in your company transparent about organizational challenges or solutions you are trying to develop? Do you have methods in place to engage employees in formulating solutions?
- Do you hire and deploy employees based on their resume and experience, or on their creativity and affinity for upcoming projects?
- For rapid innovation, do you use tech for decision theaters?
- Are there weekly ideation gatherings?
- What constraints do you introduce to help teams figure out what's important?
- Have you ever engaged kids to solve some of your biggest problems?
- Have you engaged leadership and workforce in solving for destressing?
- Does your office have a quiet creative space where people can take time to reflect?
- Do you have a way to capture and spread the best stories that come out of meetings or projects?



# When we adapt and grow





Do not judge me by my success, judge me by how many times I fell down and got back up again.

Nelson Mandela, Nobel Peace Prize winner, former president of South Africa





There's a story about Thomas Edison's process of inventing the lightbulb. He made several hundred attempts that failed before he got it right. In an interview, he was asked, "How do you feel after all of your failed attempts?" His response was, "I didn't fail. I learned hundreds of ways not to invent the lightbulb." The first four of the Great 8-trust, meaningful purpose, collective cooperation and imagination—are the basic principles that govern collective success. When these are appropriately cultivated, they unleash the individual human powers that represent the second four: resilience, compassion, happiness and transformative practice.

The human capability that powers organizational success over the long term is resilience.

Resilience is defined by how quickly something returns to a harmonic state of balance after being knocked out of shape or out of a zone of well-being. It's different from having grit or willfully muscling through difficulty; both will and muscle eventually succumb to fatigue. Resilience is characterized by strength and flexibility. It's not just about getting back up after we've been knocked down; this can be exhausting and result in burnout. Long-term fulfillment depends on how we handle being knocked down, and on the resources we have for getting back up again.



## Study after study shows that self-criticism is consistently associated with less motivation and worse self-control.

Kelly McGonigal, Stanford University lecturer in psychology, and bestselling author, The Willpower Instinct

When Mike Bertolino was told he wasn't going to make partner, he faced a choice. He could have felt slighted by the partners for not recognizing his efforts and dusted off his resume. He could have allowed anger and bitterness to set in, souring his relationships both within the company and externally with clients. Or he could have lost confidence, berating himself for not making partner and allowing depression to set in. Resilience - the belief that personal change is possible, the flexibility to absorb feedback without caving, the strength to strategize and implement a solution - kept this from happening.







When leaders lack resilience, organizational and financial chaos can be the result. An executive was recruited to run a global manufacturer and charged with growing the business by 20 percent. A high-performing division head in saw opportunities for the company to acquire raw materials in new markets that would help boost production. She knew the acquisitions were time-sensitive; she had been around long enough to know competitors were zeroing in on the same targets. She and the executive felt certain that

at least two of several acquisitions would go through, giving the parent company a competitive edge in the market.

However, it seemed that the CEO lost his nerve. He decided against the acquisitions.

When he asked for her opinion of his decision, she blurted out to him, "I think you are behaving like a scared accountant." Their competitors took the opportunities the CEO wouldn't act on, and became the source of raw materials the company would been for production. Those materials were now coming at an increased price. After two years, the executive who had been tasked with growing earnings was instead facing a 50 percent drop. Meanwhile, he had fired the African division head, stung by her criticism. Her division, which had been top-performing, was put in

the hands of a successor in Europe who never challenged the CEO; after employing 250 people, it was now on the brink of shutting down. The CEO didn't exhibit resilience, and as a result, neither did the company.

Resilience is marked by a growth mindset. As Stanford psychology professor Carol Dweck has identified, people with a growth mindset believe that success comes not from any innate skill set but from hard work, learning and perseverance. Those with a fixed

mindset, on the other hand, believe that success comes from talent, and that talent is predetermined and cannot be cultivated. They fear challenges and obstacles and worry about what others think of them.

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### Failure happens all the time in practice. What makes you better is how you react to it.

Neymar da Silva Santos Júnior, one of Brazil's most honored soccer players

People with a growth mindset do not fear criticism or failure, because they don't see either as a negative comment on their abilities. They know that with failure and criticism come learning, and with learning comes better performance. Dweck's research also concludes that those with a fixed mindset can be helped in a shift to a growth mindset. The potential to unleash resilience is latent in all human beings.

How we think about failure informs what kind of culture we create for our employees, and how our business serves clients and communities. A punitive environment can amplify self-flagellation, burnout and paralysis in the face of change. Successful people don't beat themselves up. They allow for failures—their own and those of others—and they learn and grow. Successful companies adapt to setbacks, acknowledge missteps, correct course—and come out stronger.

"Resilience," Marna Ricker, EY Americas Vice Chair of Tax, tells us, "is not an achievement or objective, it's a capacity. One that stems from great intention, preparation and discipline. A resilient organization is not one that simply recovers from a crisis, but instead leverages innate attitudes and beliefs to agilely transform itself to bravely leap forward."

Consider this: If an organization is powered by human beings, how can it be strong and flexible, i.e., resilient, if its people are not?



The most important soft skills in an organization are adaptability and resilience. You have to help people unfreeze and be willing to try something new and invest in themselves to change - to shift to a growth mindset.



Elizabeth Fealy, EY People Advisory Services, Global and Americas People Advisory Services Solutions Leader & Global Workforce Advisory Leader, Principal





### How do we unleash resilience?

It's a three-part equation including both the individual and the organization:

- 1.An optimistic or growth mindset
- 2. Engaging in healthy self-evaluation as opposed self-flagellation in the face of an obstacle
- 3. Being certain of support from the people around us, which includes the character of the people we report to, how much time we spend with them, our access to advisors and mentors [outside of HR], and our team members

If you've made it this far as a leader, you've gotten here by a degree of resilience. Questions to consider about resilience in your organization:

- How do you feel about possibility? Is the door still cracked open, or are you beginning to feel like change isn't possible?
- How are your employees feeling about the future? Do you have any way of knowing?
- Is your company agile and able to shift direction?
- If an individual or team falls short, is there a mechanism for them to avoid being defined by the failure? Is there a way for them to recover or have another opportunity to tackle a big problem or project?
- How might a punitive environment impact someone's attitude toward their shortcomings?
- If social connection is a key to resilience, does your company support gatherings or creative activities that might help foster this capability?
- If the company hits a life-shaking obstacle, is there a platform for employees to become engaged in crowd-solving for the entire organization?

Chapter 8

Unleashing compassion:

When we truly see others



For most of its existence, LinkedIn's metrics for growth were based on increasing the number of jobs posted on its site. But somewhere along the way, the company made a shift in its approach to measuring success. As Scott Shute, the company's officer of mindfulness and compassion, describes it, <sup>13</sup> tallying the number of job postings was a self-centered metric that didn't accurately reflect impact. Instead, the company decided to use an "other-centered metric," looking at how many people got jobs after interacting with the postings on the site. The company went from an inward-looking metric to one that focused on the success of others.

When health insurance call center employees<sup>14</sup> shifted their approach from an incentive-driven numbers game to being motivated by the possibility of saving lives, this new sense of purpose brought with it increased engagement and more joy to the job. When we are driven by compassion—the desire and willingness to act in helping to alleviate suffering—we feel happy; so happy that we want to do it again.

The components of compassion are awareness, empathy and responsiveness to the suffering of others. When we respond compassionately in our organizations to others individually and collectively, it powers employees in their thoughtfulness about the needs of colleagues and customers. That increased awareness and sensitivity is bound to bring with it a competitive advantage.

Compassion makes heroes out of ordinary human beings. Sonny Chheng, Principal, EY People Advisory Services, was born in Cambodia in 1975 at the very beginning of the rise of the Khmer Rouge's Pol Pot, a regime that would go on to commit genocide of its own people. Sonny was two years old when illiterate soldiers came for his father while his mother was away, working in what became known as the Killing Fields. His father was able to write a farewell note telling his wife to take the boy

and escape to a better life. Sonny remembers standing in the same place all day clutching the note until his mother got home.

For four years, they hid in the woods until they could make it to a refugee camp in Thailand and, eventually, to Boston. Sonny's mother's purpose was powered by more than just a desire for survival. It was powered by compassion for her son, whose suffering she wanted to redeem and redirect.



I tell them that it's simple. What we wanted to do at Menlo was to emancipate the heart of the engineer, which is to serve others. We engineers exist to produce something that the world will enjoy, something that will delight people. All of these things that we call Agile or Lean, or any of the other processes that have a name, that's what they are really about when they are done well: how do we serve others?<sup>15</sup>

Richard Sheridan, Menlo Innovations co-founder

Compassion toward those to whom we feel close, or recognize as part of our own tribe, comes easily. When a family member or colleague in our office suffers an obstacle or a tragedy, the urge to help probably feels natural. But what happens when we hear about the suffering of someone in an office on another continent? In a part of the world to which we have never been, for people living a life very different from our own? Can we honestly say that the same impulse to solve for their suffering also comes naturally?



The leader of the future is compassionate, driven not just by the bottom line but by serving employees, customers and the broader community. If you have compassion, you can build collective cooperation that transcends cultural and language barriers.



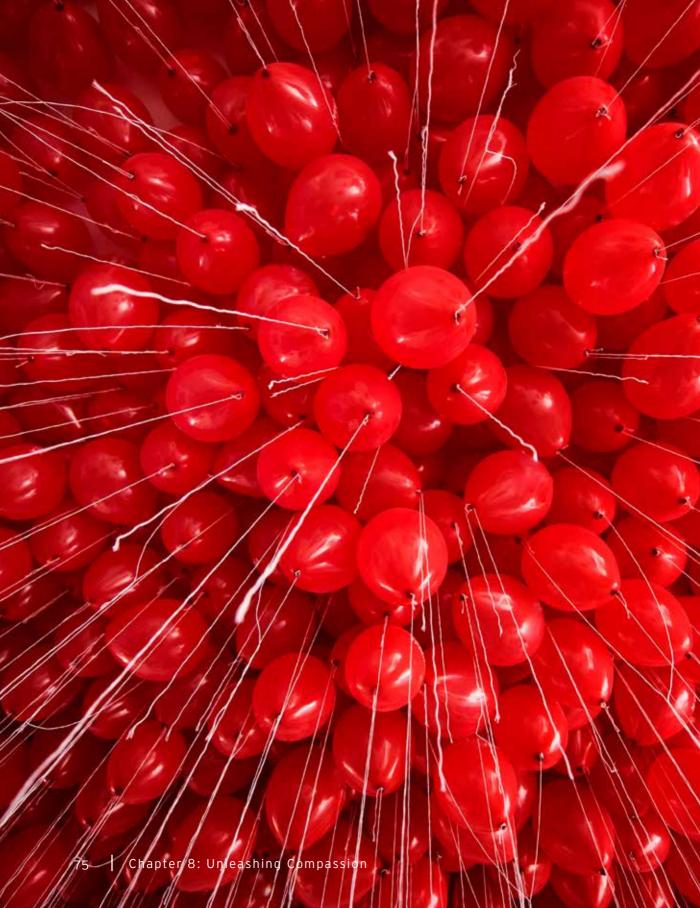
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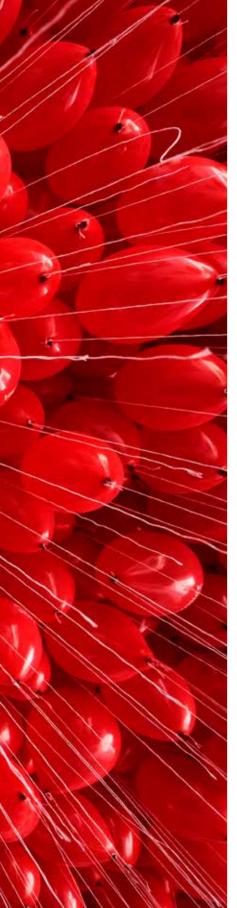
As [humans advance] in civilization, and small tribes are united into larger communities, the simplest reason will tell each individual that [they] ought to extend [their] social instincts and sympathies to all the members of the same nation, though personally unknown to [them]. This point being, once reached, there is only an artificial barrier to prevent [their] sympathies extending to [humans] of all nations and races...our sympathies becoming more tender and more widely diffused until they are extended to all sentient beings.

Charles Darwin









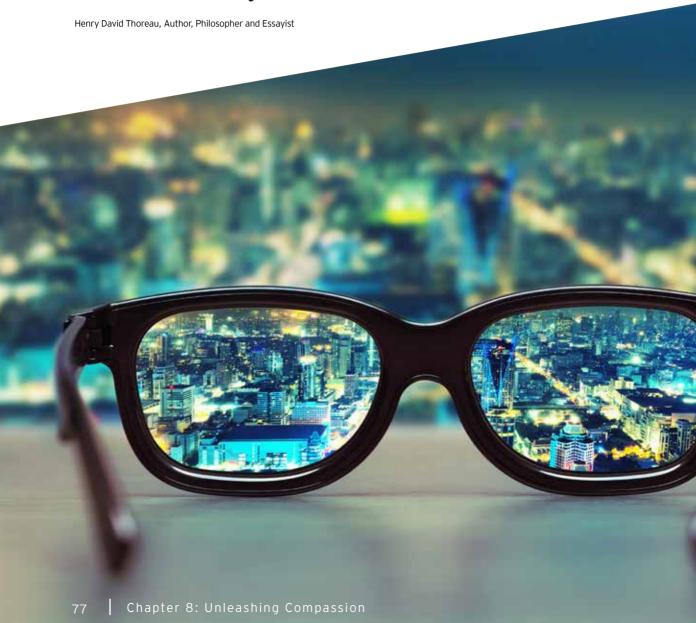
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It's human nature to gravitate toward people that are similar to us in how they look, how they act and what they believe in. That sense of affiliation creates a sense of belonging and historically helped to keep us safe and feel protected. But there's a dark downside. All these tribes spend too much time thinking about themselves, their own self-interests, and their own belief models. Technology facilitates the divide by making it easier than ever to connect to those who reinforce our own worldview. It's a vicious cycle: We don't spend enough time being open and curious about people who are different than us, which drives us even further apart. Applied to the workplace, it can create separation between companies and their customers, separation between employees. Compassion can help bridge this gap.

Scott Shute, Head of Mindfulness and Compassion Programs, LinkedIn<sup>16</sup>



Could a greater miracle take place than for us to look through each other's eyes for an instant?





Humans share the trait of compassion with animals; monkeys protect and comfort each other, even dogs and cats will reach across species to cuddle. But humans alone possess the kind of intelligence that allows us to willingly expand that sense of compassion beyond the confines of our tribe.

Compassion optimizes our ability individually and collectively to know and understand our employees and our customers—and optimizes the success of our organizations. When we bring a fully engaged, wide-open human heart to bear on our work, the social impact and the impact on the bottom line is inevitable.

Empathy, the ability to feel another's pain, "engages brain areas that are more than a hundred million years old," says primatologist Frans de Waal, in his book, *The Age of Empathy*. <sup>17</sup> For empathy to be such an old evolutionary trait means that it is a robust quality, something that human beings can depend upon and cultivate so that the compassionate response becomes our first impulse.

#### Falling back on empathy

Marna Ricker, EY Americas Vice Chair of Tax, talks about how empathy and compassion have been critically important since stepping into a new leadership role. "When someone came into my office stressed or worked up, I used to instinctively feel their emotions or match their intensity, and that meant escalation most of the time. Now I find myself falling back on empathy. It took a while to learn that it was more effective to step back and try to understand what might be going on for them. I ask myself, What are they upset about? What need is not being met? How do I help them settle? What's their trigger? These questions allow me to keep from matching their intensity, to stay in a curious, listening mode and avoid taking on their stress. When I am curious about others and their challenges, as well as problem-solving, I can feel confident and relaxed in any situation. Typically, we find a better outcome too!"

On any given day, the people in our organizations and our customers are facing multiple life challenges. At work, a person may be in conflict with a colleague, feeling disappointed over how a project turned out or frustrated about being overlooked when credit is distributed. At home, problems can range from stress in a relationship to family tragedy. In the face of these challenges, we may either find new strength and flexibility or be derailed in our development. Much of that depends on a culture of compassion.



#### Stimulating curiosity

The Cleveland Clinic has developed a video in which each person encountered during a walk through the hospital - patients, nurses, maintenance staff, doctors, administrators - carries a silent thought bubble explaining what's on their minds. The worries range from fear over a diagnosis to how they will pay for their healthcare; from keeping a job while caring for an aging parent, to worrying about how to deliver bad news to a patient's family. The video asks, "If you could stand in someone else's shoes, would you treat them differently?" The communication strategy is of course to awaken the ancient and hardwired response that makes it impossible not to answer "yes."

It's by being curious, by asking genuine questions about each other's lives, that we can begin to make room for what others are up against. Bringing that curiosity and desire to understand is the foundation for a compassionate culture that ultimately gives an organization a competitive advantage. The difference between empathy and compassion can be confusing. The way researchers have begun to define it is like this. In empathy, we feel the pain or joy of another person directly. It is unfiltered. It's an essential stage of developing compassion, but it can also derail you onto a path of feeling overwhelmed and paralyzed. Leading Primatologist Frans de Waal points out that feeling the suffering of another can sometimes be more intense than our own suffering. In fact, Functional magnetic resonance imaging or fMRIs done

Tania Singer at Germany's Max Planck Institute show that remaining in empathy lights up the pain circuits in the brain. <sup>18</sup> If we remain in empathetic distress, we are less able to help. Instead of running to move a boulder off someone, we are more likely to run away.

#### Three kinds of empathy

In his book The War for Kindness, Stanford psychology professor Jamil Zaki suggests that there are three kinds of empathy: cognitive empathy (when we engage mentally in the suffering of another), emotional empathy (when we feel the suffering of another), and motivational empathy (when we are moved to relieve the suffering of another). It's this last category that defines compassion.

Compassion is an interpersonal process involving the ability to notice another person's pain and take action - listening, remaining present, or offering a specific relevant solution - to alleviate that person's suffering. It is a cognitive shift that brings an attitude of readiness to be of help in the right moment at the right time, and pulls us out of empathetic distress. Other fMRIs have shown that when we make that shift, the brain's pleasure circuits light up, causing the release of neurochemicals and hormones that are integral to the brain's reward system. Specific protocols such as Emory University's Cognitive Based Compassion



Training (CBCT) are designed to help cultivate the compassion impulse. In studies on CBCT workshop participants at Emory Medical Center, those who practiced the CBCT protocol for 15 minutes a day over six weeks experienced clear physical benefits in their immune and stress-response systems. The effects were far greater than in those who practiced mindfulness alone.<sup>19</sup>

#### **Inward compassion**

Compassion for ourselves is just as important as compassion for others. Kristin Neff, associate professor of educational psychology at the University of Texas at Austin, has noted that those who are most successful in organizations over the long term have the greatest selfcompassion. As Dr. Lobsang Negi of Emory explains, "This means not going to the extreme of thinking we are a total loser because of one failure. It's as though we only have two options for labeling ourselves, one of being a complete winner, the other a complete failure. We have to understand a broader spectrum of possibility. When we see a toddler stumble, we don't think, Wow, that baby is a total loser. We recognize that they are simply trying to learn to

same perspective on our own shortcomings and obstacles, it leads to more joy."

#### Self-compassion makes us happier.

Marna Ricker sees her journey toward accepting failure as part of her success. She was also helped at moments in her career when mentors "held space for me during tough times." She continues. "When I had a stressful moment in a client relationship, when I was pregnant with my children, when my mom was diagnosed with cancer and it recurred multiple times—in those moments of great stress. I had mentors who supported me, who took control of the situation and guided me, told me to take the week off, and helped me learn to take care of myself. By paving the way for resilience, they allowed me to be my best. They removed barriers. They unleashed me. When I fail, I know my tribe is going to help me get back on track." Ricker also says that compassion for others, seeing how it helps them, triggers a reminder for self-care and self-compassion. "It's been an unexpected aift," she concludes.





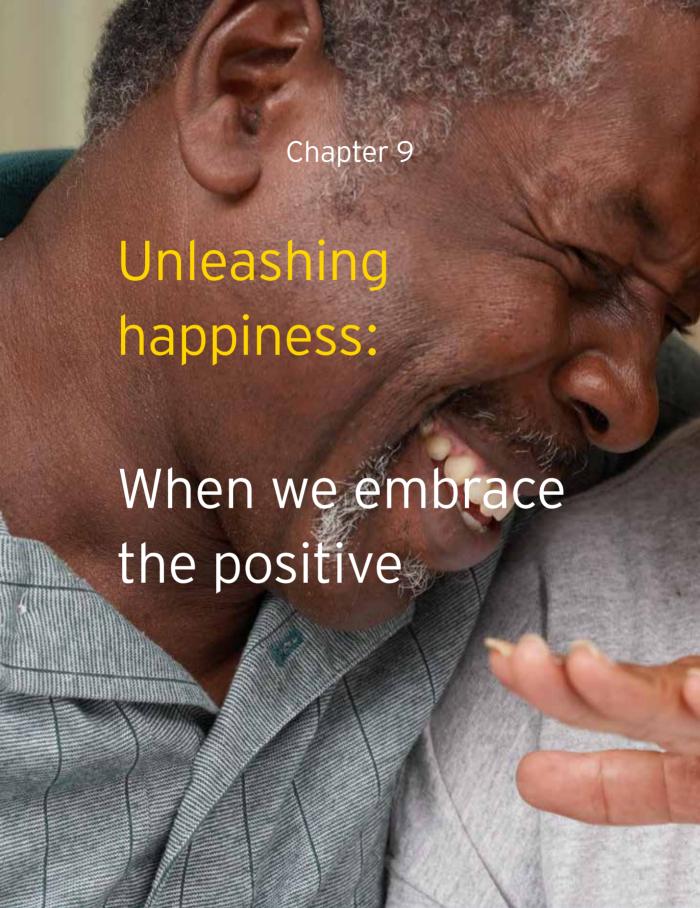


# How do we unleash compassion?

By bringing curiosity and empathy to others' life stories and challenges, holding space for them, and finding solutions.

## How do we know if compassion is being unleashed in our organizations?

- Do you proceed through your day motivated by a "we" mindset or a "me" mindset?
- Are you aware of issues your colleagues, employees and customers are facing in their daily lives?
- Have you taken note of a colleague's mental well-being in the last week or two?
- Have you ever offered to help a co-worker who is visibly struggling emotionally?
- Do you fairly regularly spot stress in an employee and make space for them to have some time to themselves without repercussion?
- Do you provide the space for forgiveness in the work setting?
- Is active listening a priority in conversation and in meetings?
- Is psychological safety a priority in team interactions?
- Is there a mechanism to handle emotion in an exchange or in a meeting?
- Is there a culture of curiosity about what might be driving another's intensity?
- Is being aware of the full human needs of customers, not just their economic needs, an important part of the client relationship?
- Do most people know and understand the background of their colleagues and customers and how it impacts their relationships?





Flamengo wasn't always Brazil's most popular soccer club. Though it was the biggest club in Rio and had lots of stars, it cultivated talent only to have it picked off by better-run European clubs. But in 2019, Flamengo brought in a revered coach from Portugal. Jorge Jesus came alone, leaving his family behind in Lisbon. Under his leadership, the club strengthened how it was organized. The coach also recruited Brazilian players back from their UK and European clubs—something no one had ever managed to do before.

In 2019, Flamengo experienced a most unusual run: It made it to the FIFA Club World Championship for the first time since 1981. This was not the unusual part, however. The team ultimately lost to Liverpool. What was different was the sense of joy the team brought to the field. It was palpable from the first touch of the ball, in the ease and fun in the players' movement and teamwork. The team is not organized around setting up for a star to score; the team is structured so that the stars benefit the collective. A premium is placed on passing to those best positioned, no matter who is nearest the goal. Celebration is spontaneous, regardless of who strikes the goal. On the field, the players were unmistakably happy. Their smiles and energy were infectious. The fans sang to the coach at every game.

The championship loss could have been the end of a magical season and the end of the story. Jorge Jesus could have returned to his family in Lisbon, and players could have gone back to lucrative contracts in Europe. But that's not what happened.

Jesus signed another two-year contract. The players signed ongoing contracts. More Brazilians have been recruited home from Europe and the UK. Flamengo may not be the world's best club; but it might be the world's happiest. And that has made all the difference.



Without exception, men and women of all ages, of all cultures, of all levels of education and of all walks of economics . . . govern their lives in no small part by the pursuit of one emotion, happiness, and the avoidance of unpleasant emotions.

Antonio Damasio, The Feeling of What Happens, professor of psychology, philosophy, and neuroscience, University of Southern California, and adjunct professor, the Salk Institute



Career development within organizations tends to focus on encouraging people to do more of what they are good at—and rewarding them accordingly, based primarily on quantitative measures like financial bonuses. The assumption is that more money and better benefits drive happiness. Research abounds to prove that this is not the case.<sup>20</sup> People who win the lottery, for example, do a temporary mood boost, but after a few months, they report returning to normal. In some cases, they are more depressed, unable to trust the motives of friends and family.

Other organizations may hold up equality as the source of happiness. Remember Gravity Payments?<sup>21</sup> In 2015, the CEO of the Seattle-based credit-card processing firm announced that he was taking a big pay cut in order to give most of his employees a raise. He'd recently realized that people making less than \$70,000 in the city would have an impossible time paying their bills. So he decided the new minimum wage at his company should be \$70,000, and he thought this would make his employees happy.

Longtime workers who were already making enough to live on didn't see much of an increase, while newer, less skilled employees received proportionately much larger raises. In response, two high-ranking employees quit. Several customers, meanwhile, became worried about costs being passed along via rate increases, and they also left. Other companies that had been strategically aligned with Gravity distanced themselves, because the new salary policy was making them look bad. The co-founder filed a lawsuit that put the company's very existence into question.

While the CEO's attempt at rescue might have seemed like a sure way to happiness, it did not leave a lot of happiness in its wake. Happiness that comes from an outside source is fragile and impermanent. It evaporates the minute something goes wrong—as something inevitably will.

Yet we know from research that happiness drives results in any organization. It attracts and retains talent; it unleashes imagination, collective collaboration, and compassion; it is built upon the foundation of trust; and it creates the momentum necessary for success.

#### But what actually makes people happy?

Israeli psychologist, happiness researcher and former Harvard professor Tal ben Shahar claims that happiness must have two factors present: meaning and positive emotion, or pleasure. Pleasure for its own sake, Shahar argues, is meaningless and not a source of real happiness. But pleasure arising from meaningful purpose and connection (collective collaboration), puts individuals and organizations on the road to happiness.<sup>22</sup> Yale School of Management professor Amy Wrzesniewski says that those who are happiest or most satisfied at work are those who have been able to connect with what they do as a calling.<sup>23</sup> For people who see their iob as a vocation, work becomes the reward. The outcome is a more sustainable happiness.

#### A sharper focus

It's much easier to remain focused when what we are doing is pleasurable. Happiness brings focus. Conversely, research conducted at Harvard University shows that a distracted mind makes us unhappy. Using data collected from 250,000 participants, psychologists Matthew A. Killingsworth and Daniel T. Gilbert concluded that we are daydreaming or distracted 47 percent of the time. Participants reported that during these moments of distraction, they were unhappy. "A human mind is a wandering mind, and a wandering mind is an unhappy mind. The ability to think about what is not happening is a cognitive achievement that comes at an emotional cost," say Killingsworth and Gilbert.<sup>24</sup>

Happy humans are present and focused; present and focused humans are happy. This is especially true in the context of strong relationships.



True happiness is loving who you are and where you are in life, living a life that's right from your soul, and emerges from your deepest good.





Happiness is unleashed when individuals, connections to others, and the organization are thriving at the same time. Happiness is unleashed when people are recognized for their efforts, knowing that each person has made a meaningful contribution to individual and collective success. Happiness is unleashed when there is a sense of belonging to a group that is thriving together, a deep feeling of community in which members celebrate each others' contributions as much as they do their own. Happiness is unleashed when a culture of jealousy is replaced by one of admiration.

If compassion is the willingness to act on separating others from their suffering, then the flip side, love, is the desire to act on helping others connect with happiness, with joy. And just as compassion lights up the brain's joy circuits, so too love. We get to happiness when we make others happy.

#### Variations of joy

The Grant Study, a longitudinal research project on adult development begun by Harvard in 1938, surveyed participants every two years on quality of life. George Vaillant, MD, who joined the team in 1966 and remained its leader until 2004, has given extensive interviews on the findings. Though it is unrealistic to think that anyone can be happy all of the time, he has noted, there are levels of joy that can permeate our lives. The key to happiness, Vaillant concluded, comes from deep connections to others. "Happiness," he says, "is love. Full stop." 25

What becomes clear is that individual and collective happiness depend upon each other. Without one, we can't have the other. Mike Bertolino points out the role of meaningful purpose: "Leaders that understand and adopt the Great 8 building blocks know that employees are the primer that activates the assets of a company, enhances the dynamic of a company product and delights the customer. Companies that solve the equation for optimizing employee experience, health, and wellness have a much better chance at optimizing customer value, which has a corresponding positive impact on company performance. There is a strong correlation between enhanced employee experience and enhanced customer experience--happy employees usually create happy customers, which leads to enhanced company brand and performance. Further, when there is purpose and happiness in the office," he says, "it's also a pay-forward situation. You generate more ideas and produce more, which in turn enhances how you feel when you go home. You bring home less stress and pressure. That makes your family happy, their happiness enhances the happiness of who they meet throughout the day and you are happier when you return to work. This holistic sense of happiness allows you to be a better human wherever you are. Unleashing the power of the human to accomplish the extraordinary is an important key to unlocking long term value and inclusive growth."





# How do we unleash happiness?

By committing to its Great 8 building blocks: meaningful purpose, imagination, resilience and collective cooperation.

### How is the foundation for happiness being laid in your organization?

- Are there a lot of cliques in your organization?
- Do you find the same people together on company trips or in social occasions?
- Does your company rely on large teams, or smaller ones in which people can develop more meaningful relationships?
- How much consideration is given to seating arrangements at meetings so that colleagues and clients can develop new relationships?
- How important is it to you that teams have a diversity of skills, age, gender and background?
- Are there venues for celebration of individual and collective achievements?
- Are you aware of people who are consistently left out of celebrations?
- Are there birthday parties and baby showers?





When we embody lasting change

66

## To make anything part of our DNA takes practice.



Susan Rajhel, EY People Advisory Services, Purpose Realized, Executive Director

Steve was frustrated at his job. He knew his impatience had been making his team uncomfortable, and he decided to do something about it. He spent a weekend at a mindfulness intensive retreat and started practicing every day for a few minutes. A month later, he blew up again. "This stuff just doesn't work," he concluded. "People don't change."

#### Natural development

The study of neuroplasticity—the ability of the brain to change—would prove Steve wrong. There is an abundance of evidence from fMRIs conducted at the finest research institutes around the world. We can change. But it takes practice.

It took practice as children to get math tables right. It took repetition of drills to become proficient at a sport. It took dedication to daily rehearsal to learn to play a musical instrument and to improve. It took diligence to change our habits from sedentary to active, from an unhealthy diet to a healthy one.

Think about what's being rehearsed and exercised in order to improve: sustained attention, the awareness to notice when our attention has wandered or become fuzzy, leading us to make mistakes, and the strength to bring our attention back to where we want to place it.

Strength is an important word when it comes to the mind. We have so many methods for strengthening the body, for training, sculpting, shaping, conditioning. And we know it takes repetition to make a muscle strong, stable, and resilient. It doesn't happen overnight. But how do we strengthen, stabilize, and make the mind flexible? And do we need to?



Pain is inevitable. Suffering is optional. Say you're running and you think, 'Man, this hurts, I can't take it anymore. The 'hurt' part is an unavoidable reality, but whether or not you can stand anymore is up to the runner himself.

Haruki Murakami, Award-winning and internationally bestselling author

Think about where suffering actually begins. Is it the comment a colleague made demeaning our efforts, or is it the reaction that comes afterward, the story we tell ourselves about what it means for our future and the fear that is awakened? In the midst of an emotional storm, we need a strong platform for healthy reaction and decision-making.

Training the mind through meditation helps us find that stability.

Expectations might be the biggest block to meditation. The majority of those who are new

to it immediately report being unable to remain focused on the breath or another object of concentration. But think about this objection in relationship to strength training. If we've never run a marathon, we

know we won't make it to the end without years of conditioning. Most of us have gone our entire lives without the strengthening practice of mindfulness.

Many teachers of meditation recommend that we shift our emphasis away from the concern over how long we can focus to simply returning our focus, over and over, to the present. Losing focus is natural for an untrained mind, just as escaping the arms of a child and running around to explore new surroundings is natural

to a puppy. Strength comes as we improve our awareness of when our attention has wandered or become fuzzy. We build strength by returning the mind to an object of focus, such as the breath. The practice becomes sustainable when we develop a sense of kindness and compassion toward the natural unruliness of our own minds.

Bringing the mind back to the present brings us to the gateway of implementing real change. By strengthening the mind through awareness and focus, we can consider how what we focus on shapes the mind.

Mindfulness of the present has been held as a panacea for stress, health issues and for developing compassion and happiness. But neuroscientist Tania Singer<sup>26</sup> has conducted

extensive research at Germany's Max Planck Institute demonstrating that what we concentrate on determines what qualities we develop. The conclusion of the research showed that if people meditate on the present, they become a bit calmer. But it's only when the mind is placed on compassion or love that people become more compassionate and more loving. It's the meditative equivalent of data in, data out.



### The quality of our lives often depends on the quality of our habits.

James Clear, author of Atomic Habits







#### What if we brought mindfulness to the Great 8?

"Repetition amplified by positive result meant that empathy became a habit for me," says Marna Ricker. "It worked so many times that now it is my natural response in stressful situations. Empathy has replaced my fight reaction on most occasions. I never thought my fight reaction was something I could change. And now I can see it could be changed. I had to change it, given my new role. And I did." Through practice, Ricker has cultivated the qualities of resilience and compassion. Because of that, she has an opportunity to engender trust. Once trust is unleashed, imagination, meaningful purpose and collective collaboration inevitably follow.



#### Inspiration without action is daydreaming.

ProHabits, microactions for high performing teams

The Center for Contemplative Science and Compassion-Based Ethics at Emory University has developed a three-step learning model that helps us understand how this kind of mindfulness can be applied.

- Gathering information and analysis
- Personalizing the results through focused attention until reaching an a-ha moment of understanding
- 3. Rehearsing the insight until it becomes natural

Marna Ricker's story of cultivating compassion has all three elements: remaining open and curious about how compassion can help; seeing how compassion can de-escalate a tense situation for a better outcome; practicing compassion until it becomes a new habit, until it is unleashed.

To manifest the Great 8 takes practice. Think back to the Cherokee story about the battle of the two wolves. One is full of negative qualities, and perhaps the other carries the seeds of the Great 8. The wolf that wins the battle is the one we feed, the one whose qualities we unleash through our thoughts, words and actions.

The choice is ours to make.





# How do we unleash transformative practice?

Through a forgiving response toward others and ourselves as we make attempts at cultivating the Great 8.

How do you know if transformative practice is being unleashed in your organization?

- Are habit-changing tools widely available, and do people feel free to use them without judgment?
- Are restorative facilities like migraine rooms and quiet spaces available for use without judgment?
- Are meditative or personal growth retreats treated by payroll as vacation or as continuing education?
- Are there approved offsite programs for personal development that employees can attend without impacting their number of sick or vacation days?
- Is it easy to find tools that help minimize distraction?
- Are employee schedules too full to give time for reflection?

## Chapter 11

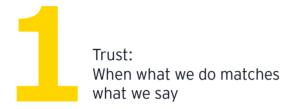
# Committing to unleashing The Great 8

We are each built on the Great 8. These qualities are what make us unique and successful.

Do you see a connection between focusing on your people and creating results for your company? Where can the Great 8 take you with your customers, your employees, your suppliers and your shareholders? How do they impact your business model?

We want to know what you think. We want to start a conversation about a future at work that is less repetitive, less robotic and more fully human.

# The Great 8 quick takes



Trust is the superpower that lays the foundation for the other seven to emerge. To establish trust, leaders need to create a culture that values transparency, authenticity and the courage to fail.

We build trust through a pattern of selfless acts—giving our time, attention and resources to others without the expectation of material return. Selfless acts, such as extending unexpected rewards or offering additional support during heightened times of stress, tighten our human bonds, strengthen our psychological safety and help make our sense of fear more manageable.

Trust creates a sense of shared mission, unleashing meaningful purpose.

Trust creates a feeling of security, unleashing resilience and collective cooperation.

Trust facilitates healthy risk-taking and activates a growth mindset, unleashing imagination.

Trust helps us connect as individuals, unleashing happiness and compassion.

Trust opens the door to possibility, unleashing transformative practice.

#### Sign of success:

Employees feel free to make independent decisions









2

Meaningful purpose: When we know and understand why

Humans may be the only species capable of asking for meaning. We ask why, we're engaged by the search and we're motivated by the answers.

When an organization has a clearly defined purpose, individuals can more easily align with it. A sense of belonging, built on trust, creates a shared story that allows meaning to emerge.

#### Signs of success:

- It's easy to tell the story of your organization's purpose
- You remember when you first recognized your individual sense of purpose, when you realized how you could use your talents to build a better working world

Collective cooperation: When our shared intelligence emerges

From our days as members of small communities to the formation of cities and states, to the creation of a global community, human achievement is the result of our ability to develop networks. Powered by trust and purpose, groups can combine their strength and intelligence to solve problems.

#### Sign of success:

Team members have many ways to get to know one another







#### Imagination: When we envision a new way

Humans are the only species whose response to problems is to imagine scenarios, play them out and envision possible outcomes. Imagination and innovation emerge when trust, purpose and collective cooperation are activated, and when failure is a viable option.

#### Sian of success:

Responsible risk is encouraged in your organization

At this point in history, human beings spend a tremendous amount of time serving technology. But technology is the product of human imagination, and perhaps we might consider that artificial intelligence is here to augment-not supplant- human intelligence.

#### Sign of success:

 A core value is reducing the amount of time your workforce spends maintaining and feeding information to technology

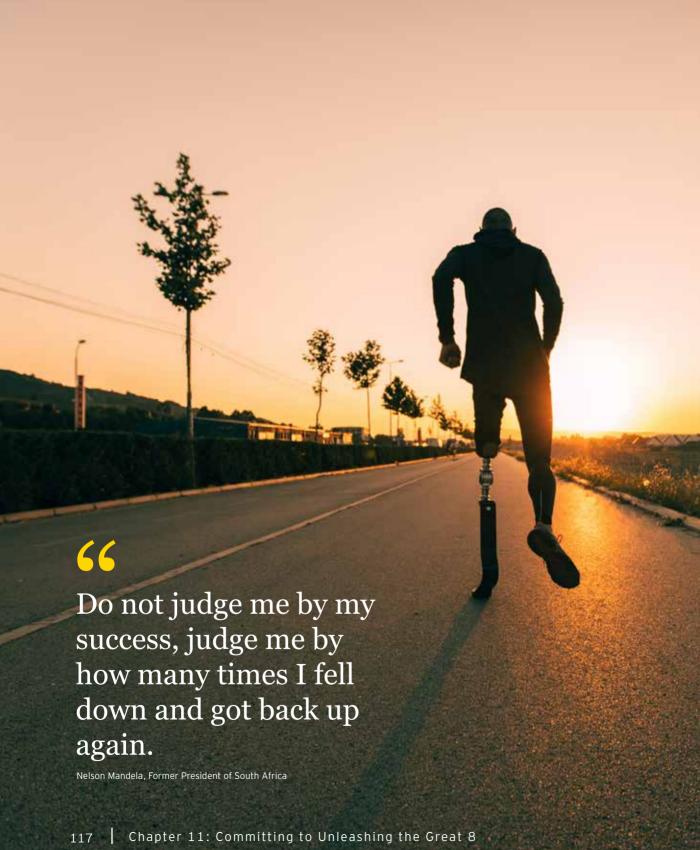


One of the fundamental misunderstandings around AI is that we view it as potentially human. But it is actually a form of alien intelligence that will never be human.

Nova Spivack, Futurist









# 5

#### Resilience: When we grow and adapt

Every living thing has a zone of well-being, and every living thing will sometimes get knocked out of that zone. How quickly we return to balance is how we describe resilience. If trust, meaningful purpose, collective cooperation and imagination are activated, bouncing back becomes easier, and organizations will be equipped to take on change.

#### Sign of success:

 Members of your workforce have trusted sources to turn to in moments of difficulty



#### Compassion: When we truly see others

Humans are one of the few species that can consider another's perspective and feel another's pain. What makes compassion especially human is our willingness to help rather than turn away, and through our intelligence, to extend compassion to everyone - not just to those in our group.



#### Empathy is at the heart of what we do.

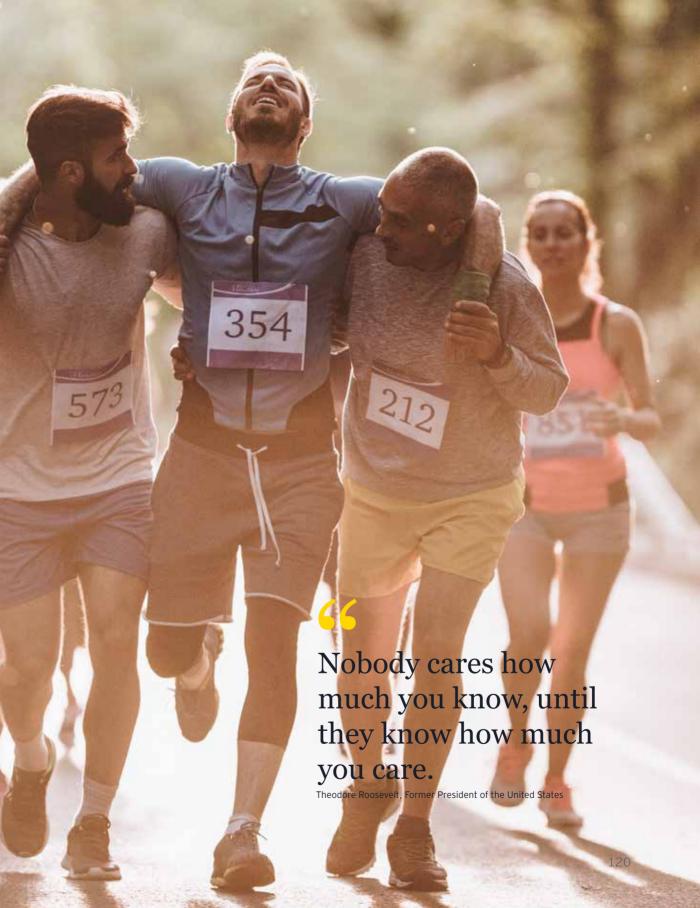
Kate Barton, EY Global Vice Chair Tax

Compassion engenders loyalty and connection. When we feel understood and cared for, we are motivated to stick with others for the long-term and seek their success.

#### Sign of success:

 People are comfortable speaking about personal challenges at work







#### Happiness: When we embrace the positive

By nature's design, the human mind is more easily overtaken by worry than it is by joy. But what happens when we make the decision to pay as much attention to what is going right? When we pay attention to what brings us joy? Purpose and connection fuel happiness—and when people are happy, they take pride in and ownership of their work.

They are unleashed to imagine great things and serve others.

#### Sign of success:

 Your organization has ways to measure the happiness of your workforce



Positive emotions don't make us blind to life's hardships. They are the fuel which enable us to go out and do good in the world.

Tal Ben-Shahar, Author, Lecturer and Consultant







Watch your thoughts, for they will become actions. Watch your actions, for they'll become... habits. Watch your habits, for they will forge your character. Watch your character, for it will make your destiny.

Margaret Thatcher, Former Prime Minister of Great Britain





# Transformative Practice: When we embody lasting change

Humans don't just have the ability to adapt. They have the power to assess, process, grow. Flourishing in the face of change requires mutual trust, a mindset open to possibility and ongoing practice—both on the individual and corporate level.

Genuine transformation comes in three stages\*:

**Learning:** Gathering information through reading and/or listening.

**Personalizing:** Thinking about how the knowledge applies to your own life and recognizing it in an "a-ha" moment.

**Meditating or practicing:** Rehearsing the insight until it becomes a part of who you are, until it changes the way you think and behave.

#### Signs of success:

- Key leaders authentically believe lasting change in the individual is possible and have a clear sense of how their organization encourages a culture of growth
- During times of struggle or rapid change, both individuals and the collective workforce show increasing resilience

#### Foreword by George Brooks, Global Deputy Leader, EY People Advisory Services

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