Grateful Leadership
Using the Power of Acknowledgment to Engage All Your People and Achieve Superior Results
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THE SUMMARY

Part 1: Acknowledgement: Next to Survival, the Greatest Human Need

I’ve seen how acknowledgement changes the level of employee engagement, and I’ve heard about how it affects the bottom line, with the capability of turning average organizations into world-class companies. And I know that leaders who are bold enough, daring enough, self-confident enough to be, of all things, grateful to those they lead will have a profoundly positive impact on their teams, on their divisions, on their organizations, and on what they can achieve. And miraculously, this capability is available to all of us, all the time. So for those leaders who want to practice the truest and the most gratifying kind of leadership available – Grateful Leadership – and who want to reap the rewards, let’s get busy! But first you may ask, “What is Grateful Leadership?”

By my definition, Grateful Leaders are those who see, recognize, and express appreciation and gratitude for their employees’ and other stakeholders’ contributions and for their passionate engagement, on an ongoing basis. Once these leaders allow themselves to feel and express their gratitude, they typically take action to acknowledge, support, and engage their people profoundly, and positive outcomes are then achieved. These leaders really want to...
know their employees and other stakeholders as people.

By creating a culture of appreciation through their organization, in which people truly feel valued, these leaders motivate their followers to strive for continuous improvement and always greater results. This, in turn, promotes a positive environment and the overall well-being of both the leaders and their followers. In such cultures, employees and other stakeholders feel valued and appreciated, and they want to stay. Talk about customer loyalty! Retention of your best people – those you invest in, train, and give knowledge to – is not an unreachable goal. It is a natural outgrowth and outcome of Grateful Leadership. Your best people – from employees to customers and even to the suppliers that want to give you their best products and services as a result of the way you show your gratitude toward them – simply won’t want to leave this exciting, nurturing environment in which they can thrive.

Many highly motivated and well-intentioned leaders, who care about their people and how their people feel at and about their work, still have a thought buried deep within their corporate psyches that the people who work for them should be grateful to them and to their companies for giving them their livelihood. Of course, we as workers should not take our jobs for granted, and we should allow ourselves to have a sense of gratitude for the opportunity to make a contribution to our companies.

But as leaders, you have an opportunity that I believe is unique to our times. First and foremost, it is to be deeply grateful for the opportunity you have to lead. You find yourself in a leadership position. You have most likely worked extremely hard to get to this point. You have faced many challenges and you have made sacrifices along the way, and you want to achieve the best results possible. You want to establish an atmosphere in which the people you lead can thrive, and not just survive. This leadership role is both an honor and a privilege. Not to take this for granted is a challenge, but you must tell yourself every day that this is an “awe-some” task. That is, it is a task of which you can and should continually remain in awe. Acknowledging your people is a sure way of building genuine trust and a culture of appreciation that can help people give their best efforts.

Of course, outstanding leaders motivate others by developing broad goals and missions that others support and endorse, and by which they are inspired. But in addition to that, how you value, appreciate, and express gratitude for their contributions on a daily basis will set the tone of their work experience. Acknowledgement of who your people are and who your stakeholders are, and the contributions those stakeholders make to your organization, is a key tool for Grateful Leaders. The ability to acknowledge others is a critical skill that is not often considered in the usual list of outstanding leader characteristics such as business acumen, technical expertise, communication abilities, and vision. However, skill in authentically acknowledging others may prove to be the true differentiator among leaders – that is, between those who do not inspire their employees and those who do. The choice of which kind of leader you are is yours to make.

If you want to engage, motivate, inspire, and keep your best employees – while having
them achieve superior results – let them know through your sincere acknowledgement that their worth and importance to the organization are inestimable. Show your gratitude for their efforts and enthusiasm. You will see that this makes the difference between having workers who are unengaged, uncommitted and lacking passion for what they do and those who are motivated, passionate, high performers.

A Society for Human Resource Management (SHRM) study on retaining talent tells the same and dramatic story this way: Employee departures cost a company time, money, and other resources. Research suggests that direct replacement costs can reach as high as 50 to 60 percent of an employee’s annual salary, with total costs associated with turnover ranging from 90 to 200 percent of annual salary. Examples include turnover costs of $102,000 for a journeyman machinist, $133,000 for an HR manager at an automotive manufacturer, and $150,000 for an accounting professional.

No matter what you are starting with, you can create a corporate culture of appreciation and acknowledgement – right here, right now! As Stephen R. Covey says, “One person can be a change catalyst, a ‘transformer,’ in any situation, any organization. Such an individual is yeast that can leaven an entire loaf. It requires vision, initiative, patience, respect, persistence, courage, and faith to be a transforming leader.” Using the power of acknowledgement, you can be the “yeast”! Be that transforming leader that Covey describes.

You simply cannot be an effective leader without the ability to deliver profound, generous, heartfelt, and authentic acknowledgement to those who deserve them. Period! And you also need to be a Grateful Leader: when you show gratitude toward your people for their contributions, this will make a huge difference in your workplace. Yes, there are other ways to lead. Steve Jobs was noted for being remarkably difficult, and yet produced great results. You can get things done while not practicing Grateful Leadership and by being rough on your people, but the path is a lot smoother and your people will be a lot happier when you practice it. Still, while Jobs may have been hard on his people, they received acknowledgement from the global market knowing that they had a role in producing such “cool” and successful products.

To make it easier and more immediate to create or enhance a culture of appreciation and acknowledgement right here, right now, I have created a framework and a foundation of this work for you that I call the “5 Cs.” Understanding the 5 Cs will bring a new consciousness and awareness to you; a consciousness of both the benefits and the obstacles you experience to acknowledging people fully, generously, and profoundly in ways that directly affect your organization’s position in the marketplace and your bottom line. Acknowledgement, by my definition, is the heartfelt and authentic communication that lets people know their value to their organization or to their team and the importance of the contribution they make. I have identified the foundation and underpinnings for acknowledgement as the 5 Cs.

The first C is Consciousness. Most people are simply not aware of the frequent acknowledgements that inhabit their minds – they take note of them in a way similar to watching pretty colored tropical fish swim by in a tank. But that tank is your brain, and if
you watch the acknowledgements “swim by,” you will not “catch” and then deliver them unless you take the next step. Reading about the 5 Cs will be exactly what you need to lay the foundation for actionable and grateful acknowledgement. You can start becoming conscious of the overwhelming and overflowing gratitude you feel – yes, it is true, when your people perform with excellence and agility, it’s almost as if you are a proud parent. But do you “speak” that gratitude? Usually not, and so it dissipates and dissolves.

The next C is for **Choice**. You can always choose not to deliver the acknowledgements to the people you work with – but at a cost. The fact that you appear ungrateful and unable to even thank people has a high price tag, and the price is steep. The cost to you and to your organization is what you lose: their engagement, their loyalty, and their desire to please you and to make you proud of their accomplishments. So I always urge you to make your Choice a yes whenever possible. When you spot something worthy of acknowledgement, when you are touched, moved, or inspires by a person’s actions or abilities, you can and should make yes your choice.

The third C is for **Courage**. You may think I am exaggerating when I say it takes Courage to give someone a heartfelt, generous, and grateful acknowledgement. But trust me: it takes real, gut-gripping nerve and confidence to tell people how much they mean to you and to your organization. And you will know if they are indeed getting it by what happens when they do. It is as if you are turning a light switch on – they appear to “light up,” they stand taller, even seeming to grow a few inches, their eyes open wider, and their features become softer.

The fourth C is more straightforward than the others: **Communication**. You have to tailor your acknowledgement to the individual – some people will respond as if it is the highest form of praise if you make a public declaration of their excellence and accomplishments. Others will roll over and faint from embarrassment if you convey it in any way other than a one-on-one conversation or a private e-mail or text message. Discovering the best means of communicating your grateful acknowledgement is up to you.

And that brings us to the fifth C – which is for **Commitment**. Once you see the effects of this magnificent catalyst on your people and the results they produce, you will ask yourself how you ever tolerated a corporate culture without appreciation, acknowledgement, praise, recognition, and validation – and without your expressed gratitude – as the foundation for your organization’s true mission, goals, and purpose. You will immediately want to make the change, and that change will generate real and unpredictable positive results in everything from the fewer number of sick days your people take, to the higher amount of dollars they bring in, to the number of years they stay with you in a devoted, engaged, and inspired way.

Now that you have the underlying foundation for bringing acknowledgement to the people you lead, let’s make sure you have the specific principles that will make it (almost) effortless to launch and use the Grateful Leadership Acknowledgement Program on a regular basis, so you can immediately start seeing results.
Part 2: Mastering the 7 Principles of Acknowledgment for “High-Interest” Benefits

Principle #1: Acknowledgment is deserved by many, but received by few.

It will be easier to acknowledge those you lead if you start by practicing your acknowledgement skills on people in your organization you don’t know very well, or even know personally at all. Then you will begin making your organization and all of its stakeholders happier, healthier, and more productive.

Each day you encounter workers whose names you don’t know, who go above and beyond, performing their work behind the scenes – the woman ladling soup in the cafeteria, the maintenance worker who arrives with his bucket and broom moments after there’s a mishap, the elderly woman who cleans the bathrooms. Most of these people are not only unacknowledged but are barely seen. Start by practicing acknowledgement skills on those in your workplace whom you don’t know well or even at all – relative strangers who surpass your expectations. As you practice these skills, you will begin making the workplace a happier, more productive environment. Look carefully and you will find these unsung people who deserve acknowledgement.

But why focus on relative strangers or people we see from time to time at work but don’t know well? Because doing a good job of delivering a whole-hearted acknowledgement of someone can be harder than it sounds. It makes sense to try it out on people whoaren’t as close to you as the people you work side by side with. Relative strangers will be pleasantly surprised, and they are not likely to waste time worrying about your motives. And when you make someone’s day, you make your own, and everyone benefits.

I maintain that much of the world’s pain comes from people feeling that they are not good enough, smart enough, or rich enough. They believe they can never get enough of whatever it is they think they need in order to feel good about themselves. These negative feelings are what drive them to do things that make the world seem “broken.” Changing just this one aspect of human behavior on a colossal scale might solve many problems.

Acknowledgements are contagious – your letting people know that you value them will set the example and lead the way for them to acknowledge those with whom they work. Not all of your workers are great at everything they do, but when you acknowledge them for what they are good at, they will want to do more of those kinds of things and to get better at what they do. Enhanced performance is a natural outgrowth of feeling valued and appreciated. And within the culture of appreciation that you are creating, people will be open and eager to improve what they may not be so good at.

Principle #2: Acknowledgement builds trust and creates powerful interactions.

Acknowledge the people around you directly and fully, especially those with whom you are in a close working relationship. What is it about your executive assistant, your team leader, your boss, your mentor, your oldest colleague, or your subordinate that you want
to acknowledge? Look for ways to say how much you value them, and then be prepared for miracles! Show your profound, heartfelt gratitude and appreciation on a regular basis.

An acknowledgement is a way to cement your bond with a worker or coworker; it’s different from simple thanks. A thank-you is a social custom, an act that’s expected. You don’t acknowledge a worker for giving you a holiday present; you thank him. But an acknowledgment is frequently unexpected, which gives it even more power. Because it’s often spontaneous, it is an act that has the potential to make you see someone in a different way.

According to a study by the Society for Human Resource Management (SHRM), the number one reason people give for leaving their jobs is that they “do not feel appreciated.” As a leader you need to look for ways to say how much you value your employees. If you succeed you can expect amazing things to happen. Your gratitude, something basically unheard of in the workplace, is a vital gift to them and one that engages them powerfully if the gratitude is followed and expressed by an act of acknowledgement.

Sometimes leaders think they are acknowledging people when they are actually recognizing them. Recognition, like a thank-you for a job well done, is valuable and valid, but it is not the same as acknowledgement. Simple thanks and the very varied and worthwhile forms of recognition that exist in companies today are extremely valuable. However, these are not the same as acknowledgment and they don’t take its place. Many come to the conclusion that as positive as they are with their people, they have never ever acknowledged anyone for anything. When I trained 20 military officers, they realized with a kind of dismay that propelled them to action, that although they were decorated (that is, recognized) frequently for their achievements, they were never acknowledged, and they never acknowledged anyone.

Recognition is appreciation for an action by a person such as:

- What they do to help meet a deadline.
- The quality of their work.
- Their responsiveness.
- Their commitment.

Acknowledgement expresses appreciation of a person for who they are. It may include:

- What you admire and what inspires you about them,
- What you see in them that they may not even see in themselves.
- Their value to the team and to the organization.

When you acknowledge someone, you are articulating what it is about this person
that you appreciate, admire, like, are inspired by, etc. In recognition, you are showing appreciation for an action. When you acknowledge someone, you are showing appreciation for who they are and how they are behaving. That is the big difference between an acknowledgement and recognition. Many people give recognition well, and very few offer acknowledgements well.

If you start putting acknowledgement, as well as recognition into practice as a Grateful Leader, the results will be outstanding; both for you and your recipients.

**Principle #3: Acknowledgement can help diffuse jealousy and envy.**

Acknowledge those you are jealous of, for the very attributes you envy. Watch your resentment diminish and the relationship grows stronger as you grow to accept valuable input from the person you were envying. As a Grateful Leader, you can set the example and model this behavior for others.

When you acknowledge people of whom you’re envious, resentful, or jealous, these negative emotions diminish, and you experience the humbling awareness that we are all, in essence, the same. This in turn alters your relationship with these people, and it opens you up to accept their value and input.

Jealousy speaks to our deepest fears – that we aren’t good enough. Ignoring it won’t make it go away, but it can poison your relationship with a particular person, or with many people. However, if you know how to use them in concert, acknowledgement and jealousy can be powerful partners for good. Yes, you can actually use acknowledgement – when delivered freely and truthfully – to reduce or even eliminate this disturbing, negative emotion.

How could that be? While envy or jealousy makes us withhold anything that could cause the envied person to seem better or stronger, the act of consciously acknowledging that person for those qualities actually shifts reality. You can feel the jealousy evaporate in the face of your acknowledgement. You feel it in your gut, you hear it in your voice, and you see it in the other person’s face.

**Principle #4: Acknowledgement energizes people – lack of acknowledgement diminishes them.**

Recognize and acknowledge good work whenever you find it. It’s not true that people only work hard if they worry whether you value them - quite the opposite. As a Grateful Leader, your gratitude and appreciation motivate and inspire them to go beyond what they perceive as their limits. They will want to give you their best performance and will do whatever it takes.

Sometimes bosses are reluctant to use acknowledgement because they haven’t experienced it themselves, or because they’re worried about how it will make them appear to their workers. Women leaders, in particular, worry about this one. Some feel that as they step into power and struggle with holding people accountable, it could be detrimental to them to look like they are ignoring potentially negative things, to appear
soft and easygoing. Well, you never have to “easy go.” Hold on to your standards, while allowing your softness and humanity to emerge at the same time.

In the 2008 Towers Watson global recognition study, it was found that recognition of employee performance by managers significantly increases engagement. Other research on the effects of managerial behavior showed that people feel higher respect and admiration for managers who “consistently provide uplifts for them through the day.” Employees who hear a word of praise say they are “motivated to work harder and are more likely to go out of their way to help their peers or to take actions that support the organization.”

**Principle #5: Acknowledgement can make a profound difference in a person’s life and work.**

We have no way of predicting the profound positive impact acknowledgement can have upon a person, a team, a company, or a community. Only by delivering them gratefully, spontaneously, and in a heartfelt way can you know and truly understand the remarkable difference they can make.

There is no substitute for validation and appreciation. I have heard so many times that without it, people are not only sad, lacking passion for their jobs, and uninspired; they are also confused! They think they are doing a great job, the right thing, putting themselves out and going beyond what they think is expected of them, and yet they receive no positive feedback. Does that mean they were mistaken, they wonder? Did they really not do such a good job after all? They desperately crave this positive feedback to confirm their self-evaluations, among other more obvious reasons and needs.

There are whole companies in which acknowledgement is completely unheard of – and not only companies, maybe even some countries. However, acknowledgement and gratitude are human emotions that know no boundaries or nationalities. It doesn’t matter if you’ve never heard of acknowledgement or if you’ve never been the beneficiary of it in your life. You respond positively when it’s given to you.

A Grateful Leader is focused on others. Gratitude implies appreciation, and to fully appreciate others one must be genuinely interested in people. It means having trust in the competence of others along with an honest assessment of one’s own strengths and weaknesses. I believe Grateful Leaders have a low sense of entitlement and a high sense of personal accountability.

People may well believe that too much acknowledgement cheapens its intent and devalues its meaning. But I believe that the way to prevent this outcome is to both acknowledge quality work freely and generously, and be (almost) equally forthright about giving constructive criticism. It is the balance and, above all, the truthfulness that gives your acknowledgement power. Effective leaders know how to hold people accountable by setting clear and ambitious goals that people are proud to accomplish. When a culture of acknowledgement and appreciation exists, your helpful assessment of
potential areas of growth will be valued.

Acknowledgement and striving go together. When people feel validated through acknowledgement, they can’t be stopped. They will bend over backward, working massive amounts of overtime or going to great lengths if necessary to get the job done the best they possibly can. When we push past our limits, we make a profound impact in other people’s lives. Ultimately, life and work are all about our actions and how they are received. Acknowledgements make us thrive – they give life to our spirit. There can never be too many of them if they are authentic and deserved. And you, as a Grateful Leader, can find those opportunities to generously deliver them every day.

**Principle #6: Acknowledgement improves physical and emotional well being.**

There is much scientific evidence that gratitude improves overall well-being, alertness, energy, and diminishes stress and negativity, thus boosting the immune system. This causes us to believe that when Grateful Leaders acknowledge others, it has similar effects on them, and greatly improves their well being and sense of purpose. It also improves your own health and well-being to lead in this way.

Being recognized and acknowledged for my capabilities, rather than chastised for my imperfections, encourages me. This cheerleading capacity is a critical one for leaders at all levels. It speaks to the ability to motivate and influence others. Often leaders have difficulty knowing how to motivate and influence those with whom they have to work and who are necessary for getting a project accomplished, but over whom they wield no authority. This capacity to identify opportunities for acknowledgement, to make the Choice and engage in communication to acknowledge, can be a powerful tool in these kinds of instances.

Grateful Leaders who practice authentic acknowledgement, like caring and positive medical professionals, can make people feel and act and perhaps even be a lot healthier, more inspired, and certainly courageous. It is now known that recognition and acknowledgement release dopamine in the brain, a powerful, feel-good chemical that creates pleasure and a desire to repeat the experience. When a manager surprises an employee – and her peers – with unanticipated recognition, the emotional power increases significantly. Dopamine, and the positive mood it creates, contributes to innovative thinking and creative problem solving, both important contributors to high performance. High performance, in turn, produces the next round of reward and recognition, which gives rise to encouragement and innovative solutions to problems, and the circle continues.

Many leaders find it easy to cite negative results achieved by their workers and to judge them accordingly, but few are able to shift into that state of gratitude and appreciation that not only energizes and lights up their workers but also gives these leaders a sense of wellbeing and fulfillment. All leaders seeking to maximize performance, retain their best employees, and increase the bottom line should be aware of this: stress emotions (such as those that are created when people feel deserving of praise from their leader but never get it) produce an excess of a neurotransmitter called epinephrine.
Research in the field of psychoneuro-immunology has indicated that an excess of epinephrine causes a chemical breakdown, resulting in the weakening of the immune system and an increased potential for disease. Wouldn’t any concerned and caring leader think a dose of gratitude resulting in praise and appreciation of the employee was worth it if deserved?

**Principle #7: Acknowledgement needs to be practiced in different ways.**

Develop an acknowledgement repertoire that will help you reach out to the people you lead in the different ways that will be the most meaningful to each person individually. Your gratitude creates the context in which all of this can occur most powerfully.

Acknowledgement needs to be practiced in different ways, depending on the needs of the recipient. That’s why it’s important to develop an acknowledgement repertoire that will give you the tools to reach out to people in your organization or on your team, and to other stakeholders, in the unique ways that will be the most meaningful to each situation and person.

You have the power to enliven, engage, inspire, motivate, and keep your best people by acknowledging them for who they are and what they contribute to your organization. Your gratitude, if authentic and heartfelt, will reach into the deepest places in your people as well as in your own soul. They will know it in an instant, if you truly feel it and want to communicate to them. Don’t worry about embarrassment or about discomfort – yours or theirs. And don’t worry about whether they might think you are trying to get something from them.

One of the most important things I’ve learned is that different people respond to different types of acknowledgement. I tailor the way I show my appreciation for employees based on who they are and what’s important to them. For example, I might take one person out to lunch and we’ll chat about work, maybe even about things going on in our personal lives. Other employees might not desire or value that kind of interaction, so instead I might send a short e-mail letting them know that I appreciate how much of themselves they put into their work. Other people respond well to gaining new responsibilities or more visibility to other departments or leaders. However you do it, the most important thing is to let them know that they are special and valued.

You have unlimited opportunities on a day-to-day basis to share your gratitude with your people for who they are, what they contribute, and for the fact that they have chosen to work with you and your company. Don’t worry about showing too much gratitude. If it’s real, it’s perfect and can never do any harm. I don’t say that this state of gratitude comes naturally to all leaders. You may need to access it and remind yourself that your people can choose to work anywhere. It is an honor that they have chosen to work with you. Your letting them know that in a variety of ways will make them want to stay there forever and keep contributing, in bigger and better ways. And don’t forget the high cost of losing employees and having to replace them.
You, as Grateful Leaders, can truly have an impact on the health, well being, and capabilities of hundreds, thousands, even millions of people. What you bring forth in a state of gratitude will touch not just the people who work for you, but also the people they touch – their families, their friends, their communities. Your gratitude makes a huge difference to people. They will feel known, valued, and appreciated for your acknowledgement of who they are and what they contribute. I wish you a wonderful, gratifying and enlivening journey, and I acknowledge you for reading a book on such a groundbreaking subject as Grateful Leadership.

The Pastor’s Perspective

I had an interesting reaction as I read through Grateful Leadership. On the one hand, part of me thought “this is nothing new. I know all this.” On the other hand, I stopped at one point to list the people I had intentionally acknowledged or communicated my appreciation to in the last week…couple weeks…month…and discovered it was a much smaller list than I expected.

That was eye-opening to me, as I consider myself an encourager. But when I got specific I had to eat a little humble pie.

And that made me wonder—how often do we take it for granted that we are doing the things we know, but aren’t really? I think it is easy for me to think of the church as a place of encouragement, but now I think we can often deceive ourselves (at least I can). I came away with a new commitment to being intentional about acknowledging those around me.

I also made note of her distinction between acknowledgement and other types of appreciation, acknowledgement being more focused on who the person is than what they have done. I can attest to the power of that! I have seen it often, and while I wouldn’t want to minimize the importance of other types of affirmation, I do think that when we focus on the person more than the task that there is tremendous power in it.

Finally, I never thought about the link between acknowledgement and jealousy or envy. It makes sense that one of the ways we can combat those ugly attitudes is to adopt and express an opposite spirit. I wonder if it would also work in addressing those qualities that other people have that are good, but that bug us. I’m not an administrator, and sometimes the approach or comments of those who are bother me. I suspect learning to express my appreciation for gifts that I know are important, and that I’m actually glad that others have, will also help me not be bothered when they are expressed.