

The Secret to a Happy Workplace: Ron Friedman Q+A

There's a strong business case for creating a great workplace and it doesn't have to cost a lot of money.



“The secret to happy workplaces isn’t spending more money. It’s about creating the conditions that allow employees to do their best work.”

DR. RON FRIEDMAN | Author, *The Best Place to Work: The Art and Science of Creating an Extraordinary Workplace*.

Dr. Ron Friedman is an award-winning social psychologist, author and leader of [ignite80](#), an organization dedicated to helping leaders improve employee engagement in their [creative spaces](#). Friedman's book, [The Best Place to Work](#), turns thousands of academic studies into practical tips anyone can use to transform their office into a [happy workplace](#). He sat down with 360 to share what works and what doesn't when it comes to offering people a great place to work.

360: What's the connection between a great employee experience and the success of a business?

Ron Friedman: There's a business case to be made for building great workplaces. Research shows when people like their jobs they're more creative and more productive. They invest more of themselves and find the work more interesting so they get more done. You have better customer service when people are happier at their jobs. That tends to improve their customer's experience which leads them to spend more and be more loyal. You also get lower turnover and fewer sick calls. There has never been a more important time for companies to be aware of the benefits of creating a great workplace that helps translate to greater profitability.

360: What is the number one myth when it comes to creating a great employee experience?

RF: The biggest myth is that it costs a lot of money. There's been this trend by a lot of companies you recognize to invest in outlandish extravagances like swimming pools, volleyball courts and 30 restaurants and cafés. They get the impression that to be successful they're going to have to build an all-inclusive resort. Nothing could be further from the truth. At the core of a great workplace experience is the satisfaction of basic, human, psychological needs. You can satisfy those in a way that doesn't cost a lot of money.

360: What are some of the mistakes you see leaders make when they try to improve their teams' experience?

RF: There are a lot of mistakes and they're all well-intentioned. The most common ones are people thinking in order to motivate, they need to pay people a lot more. So, they implement all kinds of bonus structures that are, in fact, so motivating they work better than we anticipate. When you give people an outcome you're looking for and put money behind it, they're going to do everything they can to reach that goal even if it means bending rules or doing things that may not be in the organization's best interest.

Another mistake can be rewards. You often see companies name 'Employees of the Month.' Those tend to backfire because it turns recognition into a competition. And, even if you do win, the chances of you winning again next month are slim to none. Another thing I see is that often new managers make the mistake of rewarding an employee who's done something well with additional time off. That sends a signal that work is punishment. A far better approach is actually to reward people with additional responsibilities because that motivates people to want to do more, enhances their competence and gives them more control over their work.

360: What keeps people engaged at work?

RF: One motivator is our basic human need for competence and it's not simply doing a good job. It's also having the sense of growth as your role in the organization grows. If you can make people feel like they're growing their skills over the years, they'll be more engaged and more invested in the work they do. That doesn't require more money or a bonus. It doesn't require having a swimming pool. People just want to get the sense that they are doing a good job and growing their skills.

360: What prevents organizations from doing a good job motivating people?

RF: In many cases, managers and leaders have the goal of doing their job well. That often involves getting new clients, delivering presentations or speaking to the press. They don't have time to worry about whether every single person in their organization is feeling sufficiently motivated every single day. It's really critical to have practices in place that automate this. And, when I say automate, I don't mean having a computer program run something. I mean having it happen without you as a leader having to worry about it.

360: Can you give us examples that do work?

RF: Simple ideas don't have to cost a ton of money and can lead people to experience growth on the job on a regular basis. One idea is to provide every employee with a reading budget. Imagine if once a quarter you could buy a book that is relevant to your job. It's when we're exposed to new ideas and fresh perspectives that we feel our competence grow. When we're able to apply that to the work that we do at the office, we feel like our skills are growing. It's such a simple and basic thing and yet so few organizations actually do it.

Another idea is to start a "You Don't Have to Read the Book, Book Club." One person is charged with reading the book and sharing some concepts from the book. Then, you can have a discussion over what ideas resonate. It opens it up for conversations in a way that's not threatening. And, if everyone reads one book a year, you're not asking too much from anybody, yet everyone is still learning. If every employee comes up with one good idea per year as a function of having purchased books, the program pays for itself.

360: Beyond continuous learning, what other benefits do you see as motivators?

RF: Radio Flyer has done something that's interesting. They provide mileage reimbursement to people who ride their bikes to and from work. It's not just for people who drive their car for business. Now, if you're exercising with a bike, you can log your mileage and receive a financial incentive for having exercised at work. And, we know there's so much research showing that exercise is not just something that lowers our weight, or makes us look or feel good, it actually improves our mental acuity at work.

Another example is this growing number of companies that reward people for not working around the clock. Rand Corporation in California figured out a financial formula so that people get a set number of vacation days and when they're on vacation, they actually get paid time-and-a-half. It's a very clever approach to getting people to actually use their vacation because as we know a striking number of Americans do not. And, we know restocking our mental energy enables us to perform at a much higher level.

360: How do you encourage organizations to put permissions in place that let people take advantage of these benefits?

RF: There's no greater granting of permission than modeling the right behaviors. It doesn't matter what's in your handbook. What matters is what the people at the top are doing. We often have companies bring in all of these athletic facilities that nobody uses because it's perceived as wasting time during work hours. What we should be doing is having leaders take walking meetings. If you do that, then it encourages other people to move during the day and movement improves their stamina, mood and energy.

In the second part of our conversation "[How Is Our Work Experience Changing](#)," Friedman tells us what's changed since his book was published four years ago and what remains at the core of a great workplace experience.



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