

MOTIVATION - TheHCO.net Podcast 1

Introduction

Peter Allen

Hi, I'm Peter Allen. I've spent my career working in talent management, leadership and learning and development, helping both large and small companies transform and grow. I've been a professor, worked at Google, McKinsey, and Standard Chartered Bank, and most recently, an amazing company called Agoda. As the Vice President of people and organization development, I helped Agoda grow from a small company into a large global enterprise, with billions of dollars of revenue. During that period, I had the chance to work with Rob Rosenstein, who's the co-founder and chairman of Agoda.com and was its CEO for more than a decade. Rob has written and spoken extensively on best practices and entrepreneurship, management and leadership, and in particular, on motivation. One such work is the Human Centered Organization, a collection of writings that I've created with Rob. In this project, we focus on how prioritizing people data is a KPI for driving business success. Today, I'm going to chat with Rob, about that work on motivation. Let's get started. Rob, focusing on motivation. Seems kind of obvious, doesn't it?

Robert Rosenstein

Well, thanks, Peter. Yes, it is obvious every company thinks about motivation, but few do it very well. In a lot of cases, you have leaders who think they're good at motivating people, but they are really not good. And of course, if you take talented people, you can have them operate in a demotivated environment and they get very little done. Levels of attrition you're back to hiring. But in companies where you have a high level of motivation, you can get a lot done even when circumstances are difficult or when you are light on resources.

Compensation as Motivator

Peter Allen

I think that's true. But it seems to me that most companies think that the primary driver of motivation is compensation.

Robert Rosenstein

Certainly compensation gets all the attention. It takes a huge amount of time. Every year, twice a year, we're talking about compensation. Your board will have a compensation

committee, certainly not a motivation committee. So the focus of companies is on money as the primary motivator and it is probably the least effective of all the things that really drive motivation. The way I look at it, is that compensation is a constraint, not something you drive, not a Primary KPI you look to create enough compensation at the baseline level where people won't leave. And all of your focus should be on the other drivers of motivation, which we can discuss.

Motivation as a Leading Indicator

Peter Allen

One of the things that you've pointed out is that motivation is a leading indicator of business performance. That sounds really important. Can you explain a bit?

Robert Rosenstein

Sure. Thanks, Peter. The motivation of your people is something you can look at to give you an idea of where the business is headed. Many times, your financial metrics reflect past performance, but they don't reflect where the company is really going. But your people have a better sense of what the future looks like. So when things are changing in your business, if you are studying the motivation of your talented and top people, and you see that level of motivation, dropping It's a strong leading indicator that something might be amiss in your organization. This is particularly important when you are faced with big changes or restructuring, or changes in strategy. As you make these moves, you have to ask yourself, How are people feeling about it and I know it sounds squishy, but it's a very strong signal. If you took your top people and you saw they are really becoming more and more demotivated, you can ask yourself, what's really going on here? Do they buy into the strategy? Are they going to leave? because ultimately, if those people leave the company, you will have decreased business performance over time. So looking at the levels of motivation, and how they change over time is a very powerful way to understand. Is there something going on that I might not see in my financial metrics or in other data that I look at about my business?

Learning

Peter Allen

So motivation, and tracking the data on motivation is going to help businesses understand what future performance will look like. But if we've agreed that compensation isn't the best motivator, what is?

Robert Rosenstein

I think learning is probably the most important thing. When I started learning what I really mean is the feeling that employees are learning from their peers. Even more, their direct supervisors. There's an opportunity for people to grow, and to feel that they're growing when they're around people that they feel are teaching them. And to me, that is one of the great drivers of motivation. It's precisely the thing you want to know about your people. Do they feel like they're learning? If they do, that's a great thing. You want to know why and from whom, if they don't, again, you need to understand what's going wrong. So that data collecting that information to do my people feel like they're learning from those around them is an essential thing to collect. And, to me a critical part of motivation.

Peter Allen

Understood. So learning is important. Understanding if people feel they're learning is important. How can we encourage learning?

Robert Rosenstein

Well, we're in a period now, where it's quite difficult for colleagues to spend time together in person and have a meal together. You know, in a Zoom era, with online connections, things tend to be much more scripted. For me, I've always found that that extra time out of the office in more unstructured time, whether it's a lunch or after work, or dinner, or just post meeting has been a central part of sharing information with somebody, and I learned a lot from the people that I'm with during those periods. So we have to think about, how do we make up for that in a more scripted, less personal world. And my general suggestion to everybody is to try as many things as they can, and then measure to see whether that sense of learning is happening. And if it's working, repeat it, do more of it. And if it's not, then move on.

One of the problems that we have in business communication and organization communications is that everything tends to be an update. I call you Peter. I say here's my update, you ask me questions about that update. And learning in that format is not necessarily super powerful. There has to be an opportunity to, you know, share experiences, to expand into other areas and to understand more about how people think about making decisions, as opposed to just simply what those decisions are. So I think this is one of the big challenges.

Peter Allen

Okay. So I agree with you. I think these informal interactions are really important. And we have to find a way to structure in some unstructured time. What are some other good ways that people can continue to learn?

Robert Rosenstein

I found that chat groups with my colleagues where we share information, articles, news, that's a really unstructured communication platform. And there are opportunities to learn from people in that regard. I'm not a big fan of limiting meetings. Particularly when everything is remote to just an update, and you don't have time to get behind, or you can't extend the meeting to understand what people are really thinking about. So I like any way that we can have a more unstructured sharing of information. Clarifying questions are always important.

One of the challenges that companies have is hierarchy. I interact with my stakeholder, and my colleagues, and sometimes peers when I need to, but I don't get much access to my boss's boss. One of my strong suggestions for organizations is to really open that door so that people can get more access options. The chain to their boss's boss. In my experience, great learning comes from seeing role models in higher levels. So I track that. I'm always looking for companies, organizations where people feel like there's a big open door. I remember for my career, when I had access to my boss's boss, I learned a lot. And that doesn't mean being in a town hall where you're one of thousands of people listening, it means small interactions with your boss's boss, being able to drop by, being able to listen and learn, you need those role models. And we could measure that and see if people feel like they're learning and try to do more and more things that work?

Measurement

Peter Allen

Yes.. A theme that's come up again and again, in our conversations about motivation, is measurement. Tell me some more about how that works.

Robert Rosenstein

There are lots of things that we measure in an organization. Lots of financial metrics that we look at 24 hours a day. But we really don't do a good job of measuring motivation, and people data. And you and I talk about this a lot. The simplest way of looking at measurement is simply to survey your employees regularly, asking them the right questions, not too many questions and taking the results very seriously. acting on them. So my advice has always been, take that people data survey very seriously script. Be very careful what questions you ask you're not looking to ask a lot of questions, you're looking to ask questions that you can make actionable questions that are really fundamental to think about topics such as motivation, like learning, like access to your managers, manager. So we are always looking at that data. And we are asking ourselves, what does this tell us about leadership or management? What is going right? what's going wrong? What can we learn from that data? I don't think many organizations take that data as seriously as they should.

Impact and Ownership

Peter Allen

I would agree. So we've agreed on learning. You also talk a lot about impact and ownership as other keys of motivation. Let's talk about that one, those two some more.

Robert Rosenstein

Sure. I've recruited so many people. from so many terrific companies, and I'm often shocked that they're leaving these great companies to come work with me. And generally, the reason is because they don't feel like they're having an impact. consulting companies tend to hire some of the brightest, most talented people on the planet. Terrific, quantitative thinkers, analytical coming from the best schools willing to work huge hours, but many end up leaving because they feel like the ideas that they have are not are not being implemented, or they're unable to see things through to execution. They're just passing a bunch of ideas and moving on. And often those things don't happen. So I've been very fortunate in the sense of being able to recruit many of those people into my organization. And thinking about how we could create an organization where people can have more of a direct impact on what's happening. Online companies sure have a huge advantage. They're perpetually changing, changing their storefronts, running experiments, but it's really about how organizations are set up so that employees can have more impact. And that, to me starts with how we define very clear targets, both for the short term and the long term. And creating accountability is essential. So people feel like they can have an impact. You don't necessarily have to have, you know, an immediate impact overnight, but you need to understand and have consensus about where you're going and what you want to achieve. So accountability measurement, that's a big part of it, but there are others.

Organization Size

Peter Allen

Yeah. And if we think about impact, it's easy to make impact and to perceive impact in a small organization. But when the organization gets bigger, it gets harder. As you watch this organization grow, how have you had to change your ideas of impact and how it affects the motivation of employees?

Robert Rosenstein

Well, it's an interesting question. I think as companies become bigger, there is a sense of, Oh, my we need to do things very differently. We need to have a lot more delegation a lot more opportunity to manage decisions, there needs to be a lot more processes. And there are things that need to change as you get bigger. But also there are things that need to remain consistent. With a lot of new managers, a lot of people coming out of business school tend to

think, well, a good manager is really hands off. A good manager delegates a lot of work and gives a lot of ownership to his people. And that does seem to think of a way to create impact, but it's also dangerous and so it's important to give people autonomy. But it's also very important to stay involved in the details. I want people to be able to control their own destiny. But if you just let go and push people off to do their tasks without a lot of engagement, you know, you could create a big problem.

And this happens a lot as organizations get bigger. There's nothing more motivating for an employee than to do some small task that maybe nobody would notice. And the manager says, Hey, I really understand why that was important. I'm engaged in the details, I can recognize what you're doing. And I can add value. And that is also an opportunity for a manager to share his or her knowledge about that topic. And there, that's where learning takes place. So when I hear people talk about delegation or micromanagement, I tend to say, well, it's a fine line between delegation and disengagement. I tend to err on the side of an organization where people are really truly engaged in the details. I think that's motivating. But it doesn't mean that you can't set up rules and opportunities for people To have autonomy. So let's not get confused with this idea of creating impact on autonomy that it means disengagement or complete delegation. What it really is about is, it's about having people feel that they can make a difference. And that needs managers to be engaged, not disengaged.

Mergers & Acquisitions

Peter Allen

Let's move to a different topic, but one that's also related, which is mergers and acquisitions. They're obviously different ways of doing mergers and acquisitions. What have you seen that works? And what have you seen that doesn't work?

Robert Rosenstein

So there are obviously many ways to structure mergers and acquisitions that work under different circumstances. In my experience, I was fortunate enough to be acquired by a company that wanted to buy companies that would operate very independently. And that would have continuous leadership. My company was 9000 miles away from the mothership, and had expertise in a part of the world that the mothership didn't have. So in that case, it was extremely important to keep the founders motivated and engaged in the business. So for me, it was largely about structuring things so that I could have more control. And that didn't mean that I couldn't pick up the phone and get access to best practices or that I didn't feel like my stakeholders weren't engaged in the process, but I felt that I knew what the rules were and I had a lot of you know, ability to make my own decisions and explain them. So there were a lot of opportunities for learning and a lot of independence and autonomy. And I think when we think about MA, this is one of the things we really try to think about is, what does it look like post deal? Is this going to be motivating for the best people in the business that we

have acquired? And understanding what they need to be successful? How can they have a feeling that they're going to make this business great, or that this organization can be successful, and they will be driving it, but they'll also have access to engaged but not interfering stakeholders? So I think that gets to how we structure the companies that we buy. How we think about, of course, compensation comes into it, but it's not the most important thing, because the compensation has to be there. But if people feel that they really have an opportunity to have impact, have autonomy to make decisions and access to engaged and helpful stakeholders. That's the kind of environment you want, where you see great people sticking around and doing great things for your company, when you buy a company. And that's the kind of environment you want to work in when you sell your company to somebody. So I think there are different ways of structuring it. You've seen how Berkshire Hathaway has really prioritized the motivation of founders. And I think that's something that our company has done well. So, you know, this is a topic that should get a lot of conversation in the boardroom, when you're thinking about, you know, your m&a strategy, how are we going to keep people on board? How are they going to be motivated? And if you are thinking that way, I think the benefits are great for an organization engaged in M&A.

Peter Allen

So there really are lessons about motivation that can apply to almost every part of business. Thanks.

Robert Rosenstein

That's right. Let me just add that there are multiple models in M&A. Sometimes you're looking to extract synergies, you know, and get assets. And you know, you're not looking to retain, you know, leadership. And that's a very different kind of acquisition. I just think that you know, people and you know, you're missing a great opportunity to buy a business. If you can't find great people that are in that company and get them to stay working with you.

Winning

Peter Allen

Another topic, closely connected with motivation, is the importance of winning. I know you're a very competitive guy. So I think you're the perfect person to talk about why winning matters, and how you've used the idea of winning, to motivate people working in your organization, especially during difficult times.

Robert Rosenstein

Yes, my experience is that I like to have people who are competitive and want to win and I find that the most talented people I will work with are also that way they want to win. It doesn't mean that everybody has to be, you know, super Type A, but certainly a sense of an end game. You know, a way to win is important for your talented people. I feel like there needs to be a light at the end of the tunnel. And people need to know where they're heading and what victory looks like. So defining winning is very important. And giving your people in your organization a sense that you're going to get there, that you are the right person to help them get to the end of that tunnel. And if you see that employees are not feeling that way, then you know, you've got a big problem. So one of the things that we do is we survey whether or not people feel like they are on the path to winning and whether or not they feel that their managers are helping them get there. That's a very good signal of healthy leadership.

The question is how do you do this? How do you create an environment where you feel like you're winning in very difficult circumstances? Or maybe where your best outcome is just to keep your organization from falling apart during tough circumstances? How do you articulate both a wider, longer, long, longer ranging objective, but also short term paths to winning? And that's a very difficult thing to do for many companies. You know, when times are tough. So I think that this is really about defining different kinds of goals. In my view, we're always looking to create what I call horizon KPIs, or something on the horizon that is big enough to meet the aspirations of your top people, but also achievable. Not ridiculous. Not something that employees will look at and say, we're never going to get there. So this is meaningless, we're just going to fail.

So defining wider level aspirations is an essential role of leadership in terms of the path to winning. And then there are also creating clear, shorter term goals that really are celebrated as a part of winning. And having people see how their work connects to those shorter term goals and how those shorter term goals connect to the wider goal is essential in that path to winning. And if you're doing a good job of setting those goals is celebrating those successes and understanding the failures when they come. Then people in your organization will feel that they are on a path to winning. And so it's a tricky thing to do when times are tough, but you've just got to spend the time doing it.

Measuring People Data

Peter Allen

One interesting thing that has been coming up in this conversation is that you talk a lot about understanding how people are feeling. And in business environments, we often don't focus on that. I think often we don't even *like* to focus on that. It sounds squishy. It sounds subjective, it sounds too personal. It's not cut and dried. How do you reconcile a business orientation with focusing on how people are feeling?

Robert Rosenstein

Well, for me, it's quite easy. How would you like to operate an organization without having that data? It's just it's an essential part of the health of an organization. And it's a strong leading indicator as to whether people are going to stick around whether they're going to spend an extra hour in the office, come in an hour earlier. Think about winning, care about the company or the organization. How can you help operate without having that data? Because we are just incapable of operating completely on intuition, particularly when we deal with people who are different from us, who come from different cultures, different backgrounds, different countries, who work 9000 miles away from us, and we don't see every day.

How can you operate a company or an organization without having that kind of data? That kind of signal? And when I'm looking at my companies, I really need that data. I want that signal. I want that intelligence to know, is there something amiss? Or is there something really going right here? because then I can dig in and find out what it is. And that detective work of taking those higher level signals. And digging into them will tell you things that you didn't know, well, this manager who I thought was a terrific manager actually is terrible. Or this person that I had my doubts about is a really great motivator of people. Why? What are they doing right? So getting that squishy data, and playing with it, to me is an essential task that companies fail to do. It gets deprioritized, as companies worry about strategy and other problems that they have they forget to think about people data. So I'm extremely engaged in looking at those kinds of signals in my business, and in the businesses I invest in, because I believe it can tell me things that other people wouldn't discover easily about leadership and about strategy and about what's working, what's not.

Peter Allen

I think that's right. We're all human beings, we all have feelings, and feelings very much affect how we behave and the decisions we make. So what you're saying is, don't ignore that. It's information. It's *business* information. And the critical thing is to have the data there in front of you, so that you can use it to help navigate. That makes perfect sense to me. But why do some companies have an easier time focusing on this kind of data than others?

Robert Rosenstein

I think there's a lot of things that companies do wrong when it comes to capturing people data. One is that these tasks are delegated to sort of amorphous HR organizations. And they're not owned by the actual leaders in the business. That's a terrible thing. People data has to be owned by the actual leaders, who are managing and running the business. It cannot be delegated to some outsource firm or an HR organization that people don't take as seriously as they do their management. It has to be a fundamental part of management. That's one thing that I see that I really don't like. And another issue is have you ever taken a

people survey that has 500 questions in it, it's completely meaningless. Once you start answering questions that nobody is going to care about the answers to those questions, then that whole survey process becomes meaningless.

So I'm, I'm a strong believer that when you decide to collect this squishy data about people's feelings, that you're very careful to limit your questions to only a few questions that you really are going to care about. And to me, those are, am I learning from my manager or peers? Do I have access to my higher ups in the organization? Do I feel like leadership is on a path to winning and helping me get there? Do I have impact in my job and you know, the ability to make a difference? These are fundamental questions that I'm going to really look at the answers and see, oh my gosh, we have a problem here. We need to do something about this, but I'm not going to ask you know, 40 other questions that I'm not going to do anything about. It also just creates the wrong message to employees in your organization, when you ask all these questions that nobody cares about, but when they understand the things that really matter, they're going to act differently and you'll get real results.

So I think the things that make a difference between companies that really do a good job on this one, it's prioritized by leadership; two is there, they're very attentive to details about what questions they ask and what data they collect. And lastly, they are very focused on actioning the results and digging in where they see an issue.

Balance

Peter Allen

That makes a lot of sense to me. Thank you. Another topic that's come up is the idea of balance. We know that in business as in life, things don't always flow in a single direction. And we know that if you have KPIs, you have to have constraints; we know that you can delegate to a certain point. But at the same time as a manager, you have to retain control. You have to look at the big picture. But you also have to focus on detail. How have you tried as a manager to find the right sense of balance, and to move back and forth as situations change?

Robert Rosenstein

Well, I'm always looking to provide a counterpoint. When things are not going well, I'm typically looking to provide a good clear vision of the horizon, more opportunities for short term KPIs where we can win and celebrate victory. And when times are really easy and going well, I'm looking to create tougher and tougher KPIs, opportunities for failure to teach people that not everything is going to be easy, that there's always something harder out there. So I think the role of the Leadership is to create balance. You know, I'm always thirsty for data. What can I learn about my people? What can I learn about the organization? And when times are good, I also feel that organizations need to think about focus. It's very easy when there's

access to capital, and revenues are coming in to think about doing everything. So I'm looking to create balance when times are good and say, You know what, let's focus on the core of what we're trying to achieve. And when times are really bad, that is an easy time to think, well, let's just cut everything that's absolutely essential. But in times that are bad. I'm thinking about the horizon. Are there areas of innovation that we really should pursue? Even though we might be shy of resources? What could we do today in a tough period, that could make a fundamental difference in the business over the longer term because nobody else is going to be doing that. So again, I'm looking for, as a leader, to create balance to think of the other side of the coin, when everybody is thinking about one thing or another, when people are unfocused and expanding their opportunities, their markets, I'm thinking maybe we should focus down. So again, I'm trying to think about the big picture, and not get locked into a cycle, and do the same thing as everybody else. That's I think an important part of leadership and balance is always a part of leadership. You talked about delegation and control. When people say we need to delegate more. My answer is Well, sure, you can delegate more, but we also need more engagement, more, more understanding of the details. So that's I think the central thing about leadership is this notion of balance.

Peter Allen

I think that's right. And I do think that you've made a critical point here, which is, when times are bad, it's very important to create a sense of balance and to focus on how to motivate people. Both by giving them some hope, but also by thinking about the longer term.

Robert Rosenstein

That's right. And, look, I've been through some very difficult periods in my business, there was no money, there was not much we could do, we were struggling, we thought we might go under. And during those periods, it's essential to think about something to focus your attention on something bright and innovative. Even if you could only do a small portion of it, taking a part of the day, to be with your people to talk about that area of innovation. That's super motivating because people can take themselves out of their daily grind think we're going to get through this because the CEO or you know, the leader of my team, he's thinking about the next phase of this that he's thinking about where we could go and if you are not spending a portion of your day De doing that in a tough period, that you're not leading people, you're not motivating people. So, you know, that's essential. And people will also remember when things were going well, that you sat them down and said, We need to be more careful, we need to worry about the future. Because eventually the cycle will turn and they will remember that leadership and say, hey, my CEO, warned us about this and was thinking about this when times were good. That's how you get the respect. You say, I trust this person, this person is leading us to victory. So again, that sense of taking time out of your day, for things such as focusing on the future, creating balance, creating opportunities for learning, that's the essence of leadership in a highly motivating organization.

Peter Allen

That's true. And of course, those conversations are also a two way street, right? You're giving your team or your company motivation. Or excitement or a sense of, of where we all want to go together, but at the same time, you're able to collect information from them and understand what's going on at the employee level.

Robert Rosenstein

That's right. That's right. If you're sitting there and somebody comes to you and says, Hey, I'm leaving, because I'm not happy, and it's one of your best people. You've got a big problem on your hands. And you have to ask yourself, how come this came as a surprise to me? What did I not realize was going on? Is it just that this person got offered a much better job? And that does happen? Or is it that I didn't understand that we weren't able to create a highly motivating environment. You need to know what's going on. And I guess the big message that I have for leaders and people working in organizations is that it's best to have as much information about these things as you can. There are lots of ideas for stimulating motivation. And people, you could play around with compensation. Sure, that's, that can be a powerful tool. You can try to restructure your teams, or your jobs in a way that's more motivating to people. But whatever you're trying, you certainly need a framework for measuring whether that's working or not, because some of your ideas will fail, and some will succeed. So if you don't have a framework for saying, Wow, we really increased the motivation of our salesforce significantly with this change. And we also saw a business success. It's not something that is worth doing, because you don't know whether it's working or not.

Peter Allen

That's right. And as you and I both know, from experience, there is nothing more disruptive than having a critical employee leave. So any kind of indication that you can get about what's going on now that will help you prevent problems like that, in the future, is going to make a tremendous difference down the road.

Decisions

Peter Allen

Let's move on to one other critical topic, which is making decisions. When I have looked for a job, one of the things I look to understand in an organization is how are decisions made? And when we're working together we don't always agree all the time. How do you handle situations where you disagree with somebody else's decision, or where somebody disagrees

with your decision. You can't have a split organization, you, you can't move forward, if people can't find a way to work together. But at the same time, that doesn't mean everybody's going to agree all the time either. So for example, some organizations have this principle they call, disagree and commit. What do you think about that?

Robert Rosenstein

Well, one of the unfortunate parts about being a CEO or leader is you have to make decisions. And those decisions can end up wrong or right. Somebody has to make a decision. So I understand the idea that at some point people have to get on board. And that's this notion of "disagree and commit." But I think it's an overly simplistic concept. And I think it doesn't make a lot of sense and people tend to misinterpret it. I don't like disagree and commit because it says that I just simply have to disagree and commit. That is not what it's all about. If we have a conversation about a topic, and then I have to make a decision that nobody agrees with, but we're going to go ahead with it because I'm the leader and I have to make that decision.

It's more important to understand a few things one, why am I making that decision? Two: How are we going to measure the success of that decision? over the long term? Three? Is there a plan B, in case a bad decision was a mistake? And for most importantly, is there accountability for making a mistake on that decision? I think that's the, you know, answer to all of this. If I know that we're going to track this decision, I can disagree with it. And I feel I can learn from that decision, because I'm going to see the data. And I think we've discussed Plan B. If that decision doesn't work out, maybe there isn't a plan B, and sometimes there won't be. And lastly, I know that my boss or my leader is going to take accountability when that decision fails. I feel good about that. I can commit to that I can disagree and commit under those circumstances, but I cannot disagree and commit without accountability. An understanding around what we're going to learn from this decision or how we're going to measure it. And I cannot support a leader who makes multiple decisions like that, and then doesn't take accountability. And I think what you see in a lot of organizations where you have very low levels of motivation, is you see this notion of well disagree and commit, but no effort is made to discuss how we're going to measure whether we're going to learn from this and no effort down the road is taken to say, Hey, I made it we had a disagreement on this decision. But guess what, I made a mistake. I want to take public responsibility and accountability for making that mistake. And we're going to learn from that. And next time we have a conversation where we disagree and commit, I'm going to be a lot more careful. That's the kind of leadership that creates those stronger bonds when you have disagreement, and that's about creating more motivation in the organization. So disagree and commit if, if treated simplistically can lead to an unhealthy environment and a bad culture, but if it's supported by processes that involve measurement, accountability, learning and plan B, then it can really, really work and help to create a better organization.

Peter Allen

I think that's exactly right. Because what you've done is you've tied it into motivation. If disagree and commit means I disagree with you, but I have to commit to it and we move on and then it happens again and again. I'm going to be highly demotivated. But if we are committed to one another, and to a process of accountability, then it's easy for me to get on board because I know that we'll be getting to the right decision, or if we're not that we'll be responsible enough to get to the right decision next time.

Robert Rosenstein

That's right. And, you know, my overall view on motivation is that organizations tend to prioritize compensation too much. They don't think about what really drives motivation, which is impact, autonomy, learning, and leadership that makes sense. So, I am very much focused on letting people try to do different things, but also measuring to see if it's working. I believe in experiments. So when we think about jobs or structures or departments, I strongly encourage organizations to remain flexible, inflexible job titles, inflexible assignments, inflexible team structures. They lead to demotivation, and they certainly are not going to give you best practices or learning. So one of my big suggestions for organizations is when you see talented people, be willing to create a job for them, create a department for them, restructure around them. Take risks with your organizational structure and your job types. Take risks with your M&A strategies. Experiment, don't become too structured. Don't create an organizational chart, which is a bunch of boxes on a piece of paper. And then jam people into those boxes. Be willing to, you know, create circles or polygons and reorganize to support the motivation of your people. And then see if it works. If it doesn't work, you can go back to a different strategy, you can take accountability for the mistake that you made. So I worry about organizations that become overly structured and overly bureaucratic. And I strongly suggest that companies think about keeping it open and thinking about motivation, having a motivation conversation with every M&A deal with every restructuring decision. How will this impact motivation and how we track it and measure it? The first thing I'm always asking myself is how can we measure it? What will it do? Will it work? will it impact things and if you do this, you get a very strong, you know, signal of the health of a business.

Peter Allen 59:10

So, thanks, Rob. We've covered a lot of territory. But I would say, of all the things we said the most important are not overvaluing compensation; thinking about the many, many things that do motivate people; the importance of understanding what's going on and measuring at all times. I'd like to thank you for listening. This recording and other materials can be found on our website, TheHCO.net, home of the Human Centered Organization. Talk to you again soon.