

Unlocking Employee Potential for EXTRAORDINARY RESULTS

BY DAVID HASSELL

Happy and fulfilled employees deliver the best products and services, and the best leaders know how to create and maintain an environment in which each individual can thrive.

Over the years, various management and leadership theories about creating an environment of empowered employees have germinated. One debate I often hear among Silicon Valley leaders is whether their organizations are a sports team or a family. For example, Netflix's Reed Hastings often speaks about how his company made a conscious decision that they function like a sports team. In general, the family tends to prioritize relationships over results, and vice versa for the sports team.

Personally, I don't think we need to choose. I believe there is a

way for organizations to compassionately care for their people while simultaneously measuring performance and results.

Over the past several years, my colleagues and I have proven out a concept whereby we create the healthiest, most nurturing environment for employees, resulting in extraordinary performance company-wide.

The methodology I am referencing is called Best-Self Management. And it works. We implemented it first at 15Five, where I am a co-founder and CEO. Even in the typically high-turnover, low-loyalty tech industry of Silicon

Valley, our company has seen only three teammates voluntarily leave since our founding in 2011. I think the results speak for themselves. If we measure ourselves based on the benchmark of revenue per employee developed by Tomasz Tunguz at Redpoint, we were recently producing approximately twice the average revenue per employee of companies at a similar size and stage, and in 2018, our team nearly doubled our annual recurring revenue while burning very little cash.

So, what is best-self management? What modern organizations need most from their people is completely aligned with what those same people want for themselves. That is, an opportunity to work in an environment where they can truly thrive and put their unique strengths and talents to work in the service of a mission they believe in. Think of it like the way a plant or tree will naturally grow into its full potential, if it is only given the right conditions for its unique nature (such as soil, altitude, air, water, sunlight, etc.).

THE FIVE PILLARS OF BEST-SELF MANAGEMENT

While we've engineered and integrated many cultural touchstones over the years, there are five key practices I'd like to speak to that truly support best-self management:

Growth mindset. There are two mindsets in humans, a growth mindset and a fixed mindset, according to the book *Mindset: The New Psychology of Success* (Ballantine Books, 2006) by Carol Dweck, a Stanford psychologist studying behaviors. Individuals with a fixed mindset believe that all traits are fixed, including skills, personality, intelligence, and work ethic. Conversely, those with a growth mindset believe traits are malleable and can be improved or evolved over time.

Dweck's studies show that individuals exhibiting a growth mindset are more resilient and open to challenge and aren't afraid of failure. Alternatively, those with a fixed mindset are more likely to avoid challenges that might reveal their inadequacy.

In the workplace, managers need to understand which one of these buckets their people fall into. For instance, if you take a growth approach with a fixed person, this could be counterproductive because it may be seen as an attack on his or her performance. Best-self managers preempt this by orienting their teams toward a collective growth mindset as the foundation.

Managing strengths. In his book *The Big Leap: Conquer Your Hidden Fear and Take Life to the Next Level* (HarperOne, 2010), Gay Hendricks says we all fall into four zones of doing—the Zone of Incompetence, the Zone of Competence, the Zone of Excellence, and the Zone of Genius. While the Zone of Excellence and Genius can be easily confused when seen from the outside, the difference between the two is passion.

In the Zone of Excellence lie skills that we've likely honed because of social recognition and monetary rewards, or

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because we've been asked to contribute in that way. However, tasks that fall into this zone could actually be draining over time and do not necessarily fulfill us. In the Zone of Genius, we have an even greater potential to make our biggest impact, and where we have a sense of passion, we gain fulfillment and positive energy.

Here's an example: A couple of years ago, I asked our head of marketing to list all of her responsibilities and mark which ones gave her energy and which ones drained her. She was so good at everything she did that I was shocked to see that she considered nearly 50% of her activities as draining and work she'd prefer not to be doing!

She admitted that it had been weighing on her and that she'd been having thoughts of possibly looking for another job. We hired a marketing coordinator whose Zone of Genius accommodated for the very things she found draining. By offloading those tasks, we now had two employees spending most of their time in their Zone of Genius and stepping up into the next level of performance and contribution.

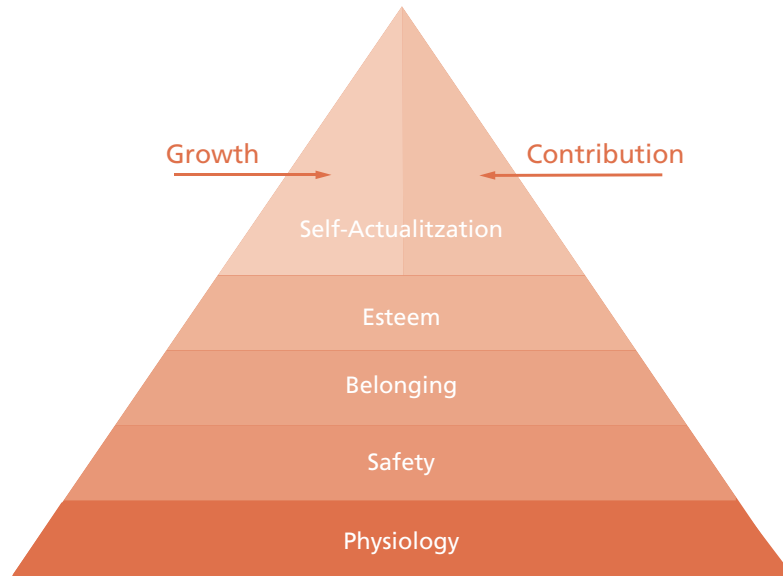
Psychological safety. Decades ago, psychologist Abraham Maslow observed that humans are naturally wired to become their best selves when fundamental needs are met. But when lower needs are threatened, all our attention goes there.

In the organizational setting, managers need to be mostly concerned with Safety, Belonging, and Esteem in the pyramid on page 38. Unfortunately, most organizations inadvertently create a feeling of threat and insecurity for their people, where they don't feel safe or don't feel they belong.

This is significant because it corresponds directly with our brain states—survival state (brain stem), emotional state (limbic system), and executive state (prefrontal lobes).

When confronted with a stimulus, the first two “brains” ask the questions *Am I safe? Am I accepted/loved?* If the answer to either of them is no, then an employee will exhibit defensive behaviors and is more likely to act in ways that seem to protect than to be open, curious, and fully contributing. This ultimately breeds gossip, internal politics, lack of

Maslow's Hierarchy



trust, withholding of information, and other toxic workplace behaviors.

However, if the needs of safety and belonging are met, they give rise to a state of psychological safety. When people feel both respected and accepted, they are naturally inclined to thrive through challenge, creativity, passion, and intuition. This is where employees make their greatest contributions.

A critical element of best-self management is designing cultures that meet the needs of safety and belonging to create psychological safety, and to allow people to work in their Zone of Genius.

Intrinsic motivation. When employees wake up each day and are intrinsically motivated to do great work and bring their best, the quality of their contributions far exceeds anything motivated through mere external factors. Leaders can pinpoint which tasks motivate their employees most and offer more opportunities in those roles.

Intrinsic motivation results from having a connection to others, working autonomously, continuing to get better at the job, and gaining a connection to something greater than ourselves that offers a deep sense of purpose.

Positive psychology. While the majority of traditional psychology focuses on illness, positive psychology is all about happiness, well-being, and the factors that contribute to a fulfilling life. If you're interested in learning more about this field, Shawn Achor gives a wonderful and hilarious overview of positive psychology in his TED talk, "The Happy Secret to Better Work."

The basic thesis is that our brains are by default wired to survive and not to thrive. In the workplace, people who feel threatened in any way are not able to access their highest and unique levels of creativity. However, we can retrain our brains to be more positively oriented by doing things such as meditation and mental exercises focusing on gratitude. When people are retrained to have a positive outlook and given time to reflect, that transformation can be greatly beneficial to overall business results.

PUTTING BEST-SELF MANAGEMENT INTO ACTION IN YOUR OWN ORGANIZATION

Leaders can create cultures that result in better business results and personal fulfillment by integrating the following five practices into their organizations:

Best-self discovery. Managers need to initiate a best-self discovery process with each of their direct reports. This helps employees self-reflect and get feedback from peers and other assessments to better understand what drives them and what their strengths are, and then clarify this into a statement for themselves around their potential unique ability or Zone of Genius. This is a process that should be returned to and refined periodically as people grow and develop.

Weekly check-ins. Check-ins shouldn't be reserved for only once a month or once a quarter. Weekly check-ins can be done asynchronously and in a lightweight manner. Employees need a place to regularly share their successes, challenges, progress on goals/objectives and key results

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(OKRs), weekly priorities, and peer appreciation, and receive coaching and feedback along the way.

Via these check-ins, managers can gauge how their direct reports are doing at work and in their personal lives.

Personal objectives. Set personal training plans for employees that focus on the skills they are great at and where they can improve. Training plans should be a living document and reflect progress.

Managers need to support each employee in setting at least one personal development objective alongside his or her OKRs during each quarter or other period of time for which you set goals. Learning and growth never end, and everyone should be focused on their next phase of growth.

Regular 1-on-1s. Managers should conduct regular 1-on-1s, ideally done in person, or via video for distributed teams, to go deeper on key issues that are surfaced through the weekly check-ins. These regular coaching sessions should be scheduled as frequently as you see fit.

I personally like a cadence of every other week, but these 1-on-1s can range from as frequently as weekly to as infrequently as once per month.

Best-self reviews. This is an opportunity to reframe the outdated and reviled annual performance review—which research suggests does not even work at evaluating performance, let alone improving it—to support someone in being and becoming their best self, where high performance is the natural by-product. Managers can open dialogues

where employees feel comfortable coming forward and sharing aspects of their role that make coming into work each day fulfilling. In doing so, managers can support employees in driving them toward doing tasks that help them reach their best-self.

We put a high degree of attention on helping to reflect and refine people’s strengths, plan out their personal development objectives, and continue to focus them on their own personal growth and development journey. The process is much more lightweight than a typical performance review and can be done as frequently as once per quarter, but ideally no less than twice per year to keep this time focused on larger personal development roles.

To achieve any measure of success, organizations today need people who are passionate, committed to the mission, and loyal. I believe that the Best-Self Management methodology is a win-win for people, organizations, management, and leadership. It can truly help organizations and leaders address the hidden factors that stimulate sustainable growth and development in each employee.

One thing to keep in mind is that for it to work successfully, you as leaders need to genuinely and authentically care about your people. If you do this, you will be able to create an empowered environment where your people can produce extraordinary results. [AQ](#)

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