# THRIVING LEADERSHIP

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MAXIMUS

### INTRODUCTION

This paper debunks the myth that to thrive as individuals and leaders, we must work less and relax more. Instead, we show that far from being bad for us, work, if well designed, can help individuals and teams to lead meaningful, energised, and healthy lives. It is time to not only be healthy around our work, but also be healthy while we work.

#### New trends in work, wellbeing, and thriving

Over recent years wellbeing has attracted increasing attention and investment. This has been driven by several factors including societal attention on mental health and the growing understanding that organisations have a duty to improve health and wellbeing, not just mitigate risks. This is even reinforced by changes in Occupational Health and Safety Legislation<sup>1</sup>.

Simultaneously, trends such as an increasingly global and competitive market, ageing population and rapidly changing technology, provide great opportunities to the way we work, but also significant threats to our wellbeing<sup>2,3</sup>. The increasing pressure placed on organisations naturally flows through to employees who experience increasing demands such as job insecurity, longer working hours, more challenging work and greater overlap between the person's working and non-working life<sup>1</sup>.



#### The business imperative

Far from just being a nice to have, there is now a huge body of research demonstrating the business imperative to support the wellbeing of employees. For instance, PricewaterhouseCooper released a report 'In Creating a Mentally Healthy Workplace: Return on Investment Analysis' which estimated the investment in wellbeing initiatives provides a \$2.30 return for every \$1 spent.

While estimating ROI is useful, this only shows a glimpse of what wellbeing can achieve for organisations. There has been some fantastic progress in the support of wellbeing for employees, particularly in the mitigation and prevention of mental illness. This includes programs such as 'go home on time day', return-to-work programs, wellbeing checks or health screenings and training programs for self-help strategies such as resilience or mindfulness.

A huge opportunity now exists to build on this important work and support employees to not only be free from mental illness, but also to experience positive states of mental health and wellbeing through a concept we call 'thriving'. It is time for leaders to harness the power of wellbeing and lead the way to thriving people and organisations.

This paper provides insights into how leaders cultivate thriving, as well as showing why organisations need to design work that allows employees to thrive if they wish to stay globally competitive.

#### **Thriving**

Mental health is not only the absence of mental illness, but also includes positive states of thinking, feeling and functioning<sup>4</sup>. Mental health is important because it is synonymous with sustainable high performance. Evidence clearly demonstrates that when employees experience positive states of mental health they are more intrinsically motivated, feel more confident and energised, perform better, bounce back from challenges and recover quicker from demands at work<sup>5</sup>.

When employees thrive, they are much less likely to develop mental or physical illness, and they enjoy happier and socially active lives. When the mind is active and healthy like this, employees respond better to change, go above and beyond for the organisation and their colleagues, are creative and proactive, safer and more committed to the organisation. There are also proven benefits for the organisation in greater customer satisfaction or loyalty, safety performance, productivity, profitability and overall revenue generation, as well as reduced turnover, absenteeism and presenteeism.

As many of the consequences of thriving employees have a direct impact on an organisation's bottom line, we argue that organisations cannot afford to remain complacent in the areas of well-being, thriving, and sustainable performance. Holistic strategies targeting individuals, leaders, teams and organisations as a system need to be put in place. And as it turns out, investing in thriving and healthy organisations pays forward: research shows that thriving employees do not just drive business performance; they allow thriving to trickle through the organisation, which becomes self-perpetuating. A similar flow on effect is experienced in the larger communities and the families which surround organisations: People who thrive at work go home happier, engage in healthy activities outside of work and have children who sleep better at night, which affects the overall health of communities.

### A MODEL OF THRIVING FOR SUSTAINABLE HIGH PERFORMANCE

So how does thriving work? At a basic level, thriving at work can be achieved when a person has optimal levels of thinking, feeling and functioning while they work, manages their energy effectively and integrates their working- and non-working lives in a healthy and effective way.

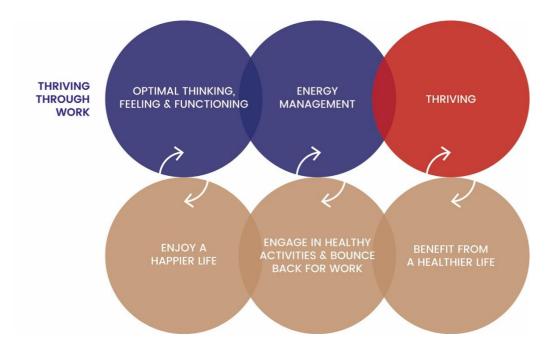
#### Thriving through work

Thriving individuals:

- Feel a sense of control while they work (e.g. autonomy)<sup>6</sup>
- Are driven by a sense of purpose and meaning<sup>7</sup>
- Identify with the organisation's goals and values
- Feel confident in themselves and have the competence to back it up<sup>8</sup>
- Are continually growing<sup>5,7</sup>
- Remain optimistic about the future<sup>9</sup>
- And, persevere when they experience adversity<sup>9</sup>

If these conditions are met, work is far from bad for us and something that we must do less of. Work becomes far more than just another demand that competes for our time and energy. We must remember that work can also be interesting, inspiring and fulfilling. Think of those days when you become so fully immersed in your work that 'time flies'. Those tasks that pull you in and engage you in such a way that your mind becomes more and more focused as you go on. When you look back on that experience, did you feel good? Did you feel mentally healthy? The answer is likely to be a resounding 'yes'.

This feeling of absorption is due to the healthy way you are thinking, feeling and functioning while you work. Think of this like intrinsic motivation that engages your mind in a healthy and productive way. The positive experience of absorption combined with the sense of accomplishment at the end gives your mind an energy boost. Managing your energy effectively through this process as you work is a key indicator of thriving and protects against stress and burnout.



Of course, we're not here to advocate on behalf of total devotion to work. While work can be energising, energy itself is always limited for the mind and following periods of work the mind needs to replenish its resources. Thriving is about being absorbed and energised during periods of work to be healthy and productive, then recovering effectively during periods of non-work to bounce back quickly. The good news is though, enhancing your ability to thrive at work means you are then more likely to engage in positive recovery activities when not working, such as exercising or learning. Other benefits to the nonworking life from thriving at work include greater overall wellbeing and physical health. This improvement to general wellbeing then feeds back into the working-life leading to even better thinking, feeling, functioning and energy management during work.

So, in short, it's time to start paying attention to creating work that allows employees to thrive, not merely survive. Work can lead to thriving experiences if employees are provided with autonomy, if they can connect to a sense of purpose and meaning, if there is alignment between individual and organisational goals, if confidence is matched with competence, and if there are continual growth opportunities. If these conditions are met, work stops being something that is bad for us, and becomes a generator of healthy individuals, families, and communities, while providing concrete business benefits for those organisations who invest in thriving. Once you have started creating the conditions that allow yourself to thrive, you can focus outward by leading in such a way that others thrive. Next, we offer simple and practical steps for leaders to follow if they wish to encourage their teams to thrive in their work, rather than merely survive.

#### Leading sustainable high performance

Leaders at all levels within organisations have the biggest role to play in developing thriving organisations. There are four levels leaders can target to help their people thrive:

- Connect with the person | building strong relationships with the people around them, helping individuals connect their work to the vision and goals, and developing each person.
- Redesign the work | changing the way work is done by individuals and teams.
- Change the climate | make immediate changes to the current climate by focusing on psychological safety and performance driven by healthy and functioning minds.
- Embed a thriving culture | create the conditions that enable the cultivation of thriving over time by developing and implementing the organisation's values, policies, support services and other initiatives.

All leaders can influence these levels, although the focus will vary (see diagram) We provide some evidence-based suggestions for all leaders to develop a thriving organisation.



## **CONNECT WITH THE PERSON**

#### Be authentic

Leaders of thriving people build strong relationships with each individual in their team to connect the individual's needs and motivations with the team and organisation's vision and shared team goals<sup>10</sup>. They do this by encouraging authenticity and genuine interest in understanding each individual. They find ways to ensure each team member is optimally challenged by their work and provide individualised support<sup>11</sup>. This form of transformational leadership has been consistently demonstrated as a pathway to thriving across multiple countries<sup>12</sup>.

#### **Build trust**

Build trust with each of your team members to help them thrive. A proven method to build trust is ethical leadership which is about being honest, showing you can be trusted and making ethical decisions<sup>13</sup>. In being ethical, not just trustworthy, you are demonstrating an even greater level of integrity which enhances trust further. The little behaviours also count, such as simply thanking employees, praising them for good job performance, cheering them up and going above and beyond to help them<sup>14</sup>.

#### Develop the person through coaching

Again, these positive leadership behaviours described above do not work in isolation, but they must be combined with other important leadership behaviours such as feedback, coaching and providing fair rewards<sup>15</sup>. Developing each team member is important for thriving, and requires effective and constructive feedback which may sometimes be challenging. Be open, honest and constructive in communication with people while promoting learning and development<sup>11</sup>.



### **REDESIGN THE WORK**

Leaders at all levels can lead work redesign for their teams, if the organisational culture and policies allow this (see 'embedding a thriving culture'). Aspects that can be redesigned to enable thriving include the tasks, activities, relationships and responsibilities<sup>16</sup>.

The most important factor in work redesign is involving the employee themselves, as well as anyone else impacted. Evidence shows that employees who feel they have redesigned their own work report enhanced thriving, whereas those who have work redesign imposed on them are negatively impacted, even if the final design of the work looks the same<sup>1</sup>.

Some aspects of work design to consider include:

- Feedback<sup>17</sup> | While feedback is most commonly used to recognise good performance and improve underperformance, feedback also ensures employees know the work they are doing is important to the organisation. This could include feedback from the leader, other employees impacted, business results or feedback from stakeholders.
- Autonomy<sup>18</sup> | Scope to structure tasks, change the way tasks are performed, and make decisions enables feelings of control.
- Leader support<sup>19</sup> | There is an optimal level of support required to have the greatest impact on employee wellbeing by ensuring employees do not feel micro-managed while also ensuring they have help when they require it.
- Role structure<sup>19</sup> | Endless autonomy can have negative consequences. There needs to be structure and clarity of expectations as well. The flipside is role ambiguity which reduces thriving and increases stress.
- Optimal challenge<sup>1</sup> | Set the challenge at the right level to motivate the employee while not overwhelming them and reduce repetition in the work.
- Task completion<sup>17</sup> | Ensure there is enough time and resources for the employee to complete work tasks during work time, aiming to reduce the number of tasks carrying over from one work day to the next.
- Social characteristics<sup>1</sup> | Working collaboratively with other colleagues and engaging in positive interactions.

#### Give a little gain a lot

When leaders provide the optimal level of autonomy, challenge and support, the employee builds confidence by taking on new challenges and building their knowledge and skills. This increased confidence encourages further proactivity, which if allowed enough autonomy, they can use to recraft their work further<sup>20,21</sup>. Work design is facilitated by the leader but the ultimate goal in a thriving organisation is that employees continually redesign their work to enable thriving for themselves, their team and the organisation.

# **CHANGE THE CLIMATE**

While culture change is a slow process, leaders can take immediate action to develop a climate of psychological safety. Psychological safety provides an environment where individuals can experiment and learn, expressing themselves without fear of negative consequences to self-image, status or careeer<sup>7</sup>. This climate also builds agility, resilience and creates the conditions for the team to thrive in change<sup>19</sup>.

Psychological safety can be enhanced by encouraging innovative thinking and risk taking, reframing mistakes as learning opportunities and threats to egos as opportunities for development (i.e. developing a 'growth mindset'). Leaders can also show an eagerness to learn by calling out their own mistakes and learning opportunities, conducting meetings that focus on learning, and encouraging and rewarding expression of ideas even if they challenge the status quo (or themselves as the leader).

Leaders can create a psychological safety climate by showing authenticity themselves. This drives an authentic climate where there is a shared perception of being valued and accepted<sup>22</sup>. The result is a team that work better and more productively together<sup>22</sup>.

Leaders also create a thriving climate by leading the way. When leaders achieve optimal states of thinking, feeling, functioning and energy management at work they engage effectively with those around them who are then more likely to thrive as a result<sup>14</sup>.

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### **EMBED A THRIVING CULTURE**

A culture that supports thriving is perceived as being fair<sup>23</sup> and empowering, enabling people at all levels to make decisions, contributions and changes to the way they work<sup>1</sup>. When employees feel trusted and supported by the culture they are more likely to connect with others, driving a social culture which supports further thriving<sup>24</sup>.

A culture that supports thriving can only be achieved when there is alignment between what the organisation says and what leaders do. It is crucial the organisation has values, policies, services, career pathways and leadership development programs that support thriving<sup>25</sup>. However, leaders must espouse the structural support in their everyday behaviour to embed thriving in the culture.

For example, having a great career pathway system has no benefit to thriving if each individual leader is protective about keeping their talent within their team. Team members should be able to utilise the system effectively to fulfil their growth needs and leaders must facilitate this process.

Flexible working policies are another example of supportive structures that can only cultivate thriving among people through the behaviour and capability of leaders. Evidence shows that flexible working increases thriving, but only under certain conditions<sup>26</sup>. For flexible working polices to lead to thriving, leaders must work with individuals, empowering them to recraft the way they work to suit their needs<sup>27</sup>. It is the responsibility of the leader to facilitate this process effectively ensuring each individual, including themselves, finds a way to work most effectively toward the team's goals while feeling their wellbeing needs are met.



### WHERE TO NEXT?

To meet the challenges associated with changing technology, increasing competition and the changing nature of work, there is a need to implement thriving strategies as effectively as possible. To bridge the gap between wellbeing and organisational performance there is a huge opportunity to build thriving organisations. Thriving organisations have leaders who connect with their people, work with their teams to redesign their work, create psychological safety around them, change the environment where they can and look after themselves.

### ASSESS YOUR WORKPLACE FOR THRIVING

Not sure where to start? Use our quick quiz below. How many can you tick off as an emphatic 'yes'?

- Individuals understand how to look after their own wellbeing and thrive through their work
- Leaders build strong relationships with their people
- Everyone in the organisation understands work design that supports thriving
- All levels of the organisation have the skills, tools and empowerment to redesign their work
- People work within a psychological safety climate
- The organisation's policies (e.g. flexible work) or services (e.g. EAP) targeted at wellbeing are effective
- There is an integrative and holistic mental health and wellbeing strategy aligned to the organisation's strategy
- Mental health and wellbeing are being measured reliably to enable response to opportunities and threats

Our quiz can help you to see where you need to prioritise your efforts

0-2: Whoever said thriving was easy! A problem shared is a problem halved – get in touch with us for a good discussion and further ideas of how to start.

3-5: Well done – you've embarked on the well-being journey. Let's see if you can take it all the way to thriving. We're happy to chat about small tweaks leading to big results.

6-8: Congratulations – you're creating healthy organisations and enabling thriving! We'd love to meet you to learn more from your organisation.

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Nora Koslowski is a Principal Consultant with over 8 years' experience as a thought leader, facilitator and researcher. Holding a PhD in Management and a BA in Psychology, Nora specialises in applying the latest ideas and concepts from the world of research to a commercial setting. Prior to joining Maximus, Nora was Head of Department of Human Resources and Organisational Behaviour, Lord Ashcroft International Business School, Cambridge, UK, where she led a team of 12 researchers and educators, managing a client portfolio including Barclays Bank, Volvo, UPS, and the British Armed Forces. Nora has a track record of speaking at international conferences and being invited to deliver expert commentary by the media.



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