

The "authentizotic" organisation: creating best places to work

Article

Accepted Version

Kets de Vries, M. F. R. and Rook, C. ORCID: https://orcid.org/0000-0002-1646-1245 (2022) The "authentizotic" organisation: creating best places to work. Organisational and Social Dynamics, 22 (2). pp. 220-225. ISSN 2044-3765 Available at https://reading-clone.eprints-hosting.org/112771/

It is advisable to refer to the publisher's version if you intend to cite from the work. See Guidance on citing.

Published version at: https://www.ingentaconnect.com/contentone/phoenix/osd/2022/00000022/0000002/art00006#Supp

Publisher: Phoenix Publishing House

All outputs in CentAUR are protected by Intellectual Property Rights law, including copyright law. Copyright and IPR is retained by the creators or other copyright holders. Terms and conditions for use of this material are defined in the End User Agreement.

www.reading.ac.uk/centaur

CentAUR



Central Archive at the University of Reading Reading's research outputs online

Submission Date 27 October 2020

Accepted by Editors 4 May 2022

Final copy confirmed by author

The "authentizotic" Organization:

Creating best Places to work

Manfred F. R. Kets de Vries

Clinical Professor in Leadership Development and Organizational Change, INSEAD, France, Singapore, Abu Dhabi & San Francisco.

INSEAD, Rue de Constance, 77300 Fointainebleau Cedex

Manfred.KETSDEVRIES@insead.edu

Manfred is the Distinguished Clinical Professor of Leadership Development and Organisational Change and the Raoul de Vitry d'Avaucourt Chaired Professor of Leadership Development, Emeritus, at INSEAD. He is the founder of the INSEAD Global Leadership Centre.

Caroline Rook

Lecturer in Leadership, Henley Business School, UK.

Henley Business School, Greenlands, Henley-upon-Thames, RG9 3AU UK

C.Rook@henley.ac.uk

Caroline is a Lecturer at Henley Business School. Her research relates to creating healthy workplaces. She has been involved in research and practice related to leadership, well-being and coaching at Lord Ashcroft International Business School, INSEAD and University of Exeter.

Abstract

Worldwide, only 20% of the workforce is engaged (Gallup, 2021). In the current

political, social, and economic context that has developed over the last decades and has

been described as the VUCA (volatile, uncertain, complex and ambiguous) world,

leaders would be wise to create healthy places to work—places that contribute to, and

reinforce adaptive functioning. The best places to work can be described as

"authentizotic"—derived from the Greek words authenteekos and zoteekos. An

organization that is authentic inspires employees through the integrity of its vision,

mission, values, culture, and structure. Zoteekos, meaning "vital to life", when applied

to an organizational context implies that people are invigorated by their workplace and

find in it a sense of balance and completeness. We describe 12 patterns that differentiate

authentizotic organizations from more run-of-the-mill places of work. While sceptics

may find the idea utopian, it argues that now more than ever leaders would do well to

imbue their organizations with authentizotic qualities and concludes with a checklist to

help the reader identify authentizotic characteristics in their own workplace.

Keywords: authentizotic, trust, team culture, fair process, value-based leadership

2

Good leadership requires you to surround yourself with people of diverse perspectives who can disagree with you without fear of retaliation.

—Doris Kearns Goodwin

Culture is the deeper level of basic assumptions and beliefs that are shared by members of an organization that operate unconsciously and define in a basic 'taken for granted' fashion an organization's view of its self and its environment.

-Edgar Schein

Introduction

As only 20% of the workforce globally are actively engaged (Gallup, 2021), the majority of employees either just show up to work but do not feel excited or fulfilled by their or are completely disconnected. Possible reasons for low engagement levels are the dissolution of the psychological contract and changing working preferences due to generational preferences and the experiences of the Covid-19 pandemic, resulting in the big resignation of workers who want more flexible work arrangements, a different career or indeed time to recover from the perils of working during the pandemic (Cassidy & Forsdick, 2022). Beyond low engagement levels, 1.7 million people in the United Kingdom suffer from work-related illness, Covid-19 related sickness accounts for 93,000 cases per year. However, the number one cause for work-related sickness remains before and after the Covid-19 pandemic, work-related stress, anxiety or depression (822,000 cases per year; Health and Safety Executive, 2022).

What is missing from current practice is that leaders have not provided employees with the right conditions to engage in work that they find meaningful, work in a way that fits new expectations after the pandemic, receive support to recover from the exhaustion of living through a traumatic period. Several organizations seem to have become a place where people do not enjoy their work and just show up to get a pay check at the end of the month, a place where they do not trust their leaders as there seems to be constant change. We need organizational leaders who infuse their organizations with meaning and care. They effectively articulate what they want to accomplish through communicating a vision of what the organization stands for, highlighting its fundamental raison d'être, and recognizing each employee's contribution to its success. Subscribing to the credo 'Profit with purpose', they create a balance between 'what's good for the organization' and 'what's good for the people who work there'. This mindset creates a culture of trust, mutual support, recognition, and engagement that unites people around a common vision—a people-centric culture where employees engage in meaningful work and give their best to the organization, leading to feeling of engagement and well-being.

Since 1998, *Fortune* magazine has published an annual ranking of the "most admired US companies" based on criteria that include corporate values, innovation, financial growth, leadership effectiveness, maximizing human potential and trust (http://fortune.com/best-companies/). Organizations that excel across all these domains are what we call *authentizotic*, a designation derived from the Greek *authenteekos* and *zoteekos*. Authenteekos—staying true to one's values—is manifested within an organization by behaviours and practices that are aligned with the company's stated vision, mission, and values. Zoteekos—being vital to life—implies

that people are invigorated by their workplace and experience a sense of balance, well-being, and fulfillment (Kets de Vries, 2001).

As numerous studies have shown, the 'best places to work' have lower voluntary employee turnover than their competitors, recruit the best people, provide top-quality customer service, and create innovative products and services—all of which contribute to their overall financial success. Furthermore, such organizations provide procure higher job satisfaction and employee engagement (Glassdoor, n.d.). In short, people who are happy at work are more committed to the job.

Authentizotic Organizations: the Differentiators

A number of underlying features distinguish authentizotic organizations from others:

1. They have a compelling mission—that everyone understands and signs up to. A values-based mission statement makes employees feel like they're part of something bigger, beyond the daily routine. Each understands the role he or she plays in achieving that mission. As the saying goes, 'people work for money but die for a cause'. The organization's fundamental purpose goes beyond simply profit maximization; employees believe that they are creating products or services, or serving a cause, that add value to society. They feel good about the purpose and impact of their work. They not only stick around longer but enjoy a higher degree of job satisfaction and are more engaged. Such companies are more likely to be responsible contributors to their community and to the world at large. They

recognize that for reasons of sustainability they must be responsive to all stakeholders.

- 2. The organization's culture and practices are aligned with the values they espouse. These values are embraced at all levels—they are part of the 'organization's DNA'. Unlike companies who merely pay lip-service to what they say are their core values but turn out to be nothing more than an exercise in public relations—in authentizotic organizations, employees who do not 'live the values' are asked to shape up or leave.
- 3. **Employees trust the people they work with and for.** The culture of trust goes both ways: employees implicitly trust their leaders to make the right decisions, while leaders trust employees to put the organization's needs first as they interact with various stakeholders. People are treated with respect and dignity. The culture of trust is also reflected in the way its leadership communicates the problems as well as the successes.
 - 4. **Leadership is not a solo act but a team sport.** These organizations are the opposite of "Darwinian"—where everyone is out for themselves. Instead, people help and support each other. Politics are inevitable in any organization, but political dynamics are minimal in authentizotic ones. Internal competition and individualistic thinking are side-lined in favour of collaboration, thereby creating an enriching place to work.
 - 5. The work environment emphasizes high-quality day-to-day relationships. Employees enjoy working together and have fun. From a mental health perspective (since so much of our working lives are spent in organizations), it is obvious that if people get along with those they work with—they like and respect them—they derive a sense of belonging. Not surprisingly, working with people who are

supportive and understanding fosters deeper personal connections and professional growth.

- 6. Fair process the perception of a level playing-field for all. As might be expected, fair pay and benefits are fundamental components of this, but equally important is the feeling that the leadership cares and is interested in employees' well-being. In authentizotic organizations, lay-offs are a last resort. Being treated fairly is a great motivator, going beyond anything that monetary rewards can procure.
- 7. **People feel that they are listened to.** Employees feel that they have a voice, and that their input is valued. The leadership creates a culture that is participatory—one where people can speak up and criticize without fear of reprisals, and where top management shares information with employees. They actively listen to their views, and implement useful suggestions. Senior executives—who trust the people who work for them—push decision-making power downward to their subordinates. They give them as much autonomy as possible to choose when they work, where they do their work, and how best to get their work done. They recognize the difference between working hard and working smart. Also, they create places to work where entrepreneurial endeavours are encouraged.
- 8. **A culture of recognition.** Efforts never go unappreciated and praise flows generously. Too often, appreciation doesn't come easily and attention is only given when an assignment goes wrong. Conversely, recognizing employees for their personal or team achievements creates a more meaningful experience. When people feel appreciated, higher levels of engagement and retention result.
- 9. Ongoing opportunities and incentives to develop and grow. Leaders recognize that people inherently want to be challenged so they can acquire new

skills, and go out of their way to provide opportunities to accelerate their personal growth. Furthermore, management makes a concerted effort to figure out ways to unlock each employee's potential, knowing that it will benefit both the individual and the organization. While acknowledging that not all careers are built the same, management provides effective leadership development programs, resources for education outside of work, and platforms for coaching and mentoring.

- 10. **Leaders really make a difference**. Top management walks the talk—they embrace and exemplify its values and goals, setting the direction in a way that can be described as "true north". They ensure that everyone in the organization is treated with respect and care. They encourage senior executives to recognize the people that they supervise for the positive contributions that they make.
- 11. **Information is shared**. Leadership ensures that communication and transparency are engendered at every level; they never stop thinking of how they can improve the communication flow upward, downward, and laterally. Putting transparent information systems in place helps employees to make more informed decisions.
- 12. Leadership realizes that people have a life outside of work. Taking a holistic, long-term perspective, they acknowledge the importance of work/life balance. They go to great lengths to avoid employee burnout. They recognize that commitment is a give and take, not give or take. Again, this positively impacts organizational loyalty and commitment, making for a sustainable psychological contract between employer and employee.

Utopian or not, every organization would do well to strive for the qualities that characterizes these best places to work. Those that tick every single box are rare but at

their core authentizotic organizations are distinguished by the high level of trust people have in their leaders, of pride and passion for their jobs, of enjoyment working with their colleagues, and the sense of meaning derived from the organization and its core values.

The authentizotic Organization Checklist

The following may provide a modicum of insight into whether your own organization is authentizotic. Answer each question with *True* or *False*.

- 1. Do you subscribe to the core values and mission of your organization?
- 2. Does your work provide you with a strong sense of meaning?
- 3. Do you enjoy working with the people in your organization?
- 4. Does your organization manage to get the best out of you?
- 5. Do the people in your organization live the values?
- 6. Is trust a key element of your organization's culture?
- 7. Do you believe that you are treated fairly in your organization?
- 8. Does your organization have a team-oriented culture?
- 9. Do you feel that you have a 'voice' in your organization—that you are being listened to?

- 10. Is it common in your organization to celebrate success and work well done?
- 11. Is open communication a key characteristic of your organization?
- 12. Is constructive feedback and coaching an ongoing process?
- 13. Does your organization have a commitment to learning and development?
- 14. Does your organization encourage entrepreneurial abilities and provide the resources to be creative?
- 15. Do you have confidence in your organization's leadership?

The more often you answer "True", the more authentization the organization. If the majority of your answers are "False", your work environment may be draining rather than infusing you with energy.

Conclusion

While working for an authentizotic organization is desirable, very few organizations possess all the qualities needed to qualify as a best place to work. In too many organizations, the culture can be dysfunctional, people work in ineffective ways, morale and motivation is low, and teams operate below par. Why this happens may ultimately come down to human nature: our ability to trust one another so far but perhaps not far enough, and our self-centeredness—our inability to see past our own needs. As has

been said many times over: to win in the market place, you first have to win in the workplace.

The main ingredient that makes for an authentizotic organization is trust. When trust is part of the organizational culture, people are more confident and more productive, and the organization becomes a vibrant, networked web, connecting people up and down the hierarchy. If there is such a thing as a magic recipe for trust, it may simply be that each individual treats other people as they would like to be treated.

References

Cassidy, F. & Forsdick, S. (2022). Is there really a 'great resignation'? Raconteur.

Retrieved from: https://www.raconteur.net/workplace/is-there-really-a-great-resignation/

Fortune, n.d. *100 Best companies to work for*. Retrieved from: http://fortune.com/best-companies/

Gallup (2021). *U.S. Employee Engagement Data Hold Steady in First Half of 2021*. Retrieved from: https://www.gallup.com/workplace/352949/employee-engagement-holds-steady-first-half-2021.aspx

Glassdoor, n.d. *Best places to work 2020. Employees' choice*. Retrieved from: https://www.glassdoor.com/Award/Best-Places-to-Work-LST_KQ0,19.htm

Health and Saftey Executive (2022). *Health and Safety Statistics. Key figures for Great Britain* (2020/21). Retrieved from: https://www.hse.gov.uk/statistics/

Kets de Vries, M. F. R. (2001). "Creating Authentizotic Organizations: Well-functioning Individuals in Vibrant Companies," *Human Relations*, 54 (1), 101-111.