WHAT GREAT MANAGERS DO DIFFERENTLY

The principles of management excellence presented in this series are drawn from research by the Gallup Organization, which is the most extensive research of this type ever undertaken. To identify the factors that separate "great" managers from average ones, measured in terms of impact on employee performance and business outcomes, Gallup conducted interviews with 80,000 managers and over one million employees, in 400 organizations, over a period of 25 years. The results of the data analysis are described in detail in First, Break All the Rules: What the World's Greatest Managers Do Differently, by Buckingham and Coffman.

The Gallup research confirmed the direct linkage, positive or negative, between individual employees' experience of engagement and corporate business outcomes. These business outcomes are defined in terms of four measurable hard and soft variables:

- productivity
- profit
- customer satisfaction
- employee retention.

Of the five factors perceived by high-performing employees as having the most impact on their work experience (work environment/procedures, immediate supervisor, team/co-workers, organization/senior management, individual commitment/service intention) by far the most critical factor is the relationship between employee and immediate supervisor. (See the DA paper *Critical Factors in Workplace Performance)*.

THE MOST POWERFUL LEVER: THE MANAGER

Addressing the behavior of managers as the ultimate leverage point, the thrust of the Gallup research was not just to identify and generalize good business practices, but specifically to identify the practices adopted by the "great" managers (identified by corporate perception and measurable performance) which distinguished them from "average" managers. The outcome of this research fies in the face of much conventional management theory and many assumptions about good management practices. But it also resonates with the wisdom of common sense, and it will benefit leaders and organizations who are open to it sooner rather than later.

The research supports the view that "human capital" is by far the most important resource for organizations to cultivate, now and in the future, if they are to thrive or even survive. An intriguing conclusion from the research is that managers, defined as those whose primary work is to supervise others, are the single most important element in cultivating this human capital, contrary to the trend to minimize the role of managers in favor of visionary "leaders" above and flattened, self-directed teams below.

However, the role is also redefined by the excellent managers. Put simply, managers are not necessarily "leaders in waiting"-- they reject Warren Bennis' famous statement that "managers do things right, but leaders do the right things." Rather, they see the distinction as a matter of orientation: Leaders are focused outward, shaping the organization with respect to the outer environment, and managers are focused inward, relating directly to people. More radically, they see their function not as being primarily about controlling or even teaching their direct reports, but rather as being a catalyst. And the single most significant, and widely shared, insight into how to catalyze excellence in their employees is this:

> *Don't focus on fixing employees' weaknesses or trying to change their basic styles, but put energy into identifying and drawing out their talents and strengths--help them become more who they really are.*

APPLYING MANAGEMENT WISDOM

Given that the most valuable asset of a healthy organization is a committed, high-performing employee, the components having the most impact on this person's workplace experience are measured by 12 criteria, (ibid.) and of these, the first six are the most fundamental:

1. I know what is expected of me at work.
2. I have the materials and equipment I need to do my work right.
3. I have the opportunity to do what I do best every day.
4. In that last seven days, I have received recognition or praise for doing good work.
5. My supervisor, or someone at work, cares about me as a person.
6. There is someone at work who encourages my development.

The research indicates a direct correlation between high/low scores on these statements and high/low performance of a department, team or business unit. Therefore, the top priority of the "great" manager is to create the conditions by which his or her employees would rate each of these criteria with a '5' for "strongly agree."

To understand how to accomplish this, it is instructive to contrast a conventional management approach with the data on the great managers' approach to four primary activities of a manager. These four activities, which are already a departure from the "planning/organizing/controlling" model, are based on the view that the main function of a manager is to manage people. The four activities are:

- selecting people
- setting expectations for them
- motivating them
- developing them

For each of these, a conventional management approach would likely advocate:

- select on the basis of experience, intelligence and determination
- set expectations by defining the right steps
- motivate by helping identify and overcome weaknesses
- develop by helping them learn and get promoted

In contrast, the approach advocated by the excellent managers is:

- **select for talent** (innate recurring traits), not experience or high IQ
- set expectations by **defining the right outcomes** (not the right steps)
- motivate by **focusing on strengths** (not weaknesses)
- develop by **finding the right fit** (not promoting to the next rung on the ladder)

THE FOUR KEYS

These four principles are identified as the **four most important keys** to excellent management, and their application is directly related to cultivating the conditions represented in the six criteria (Q1-6) listed above. Selecting for talent supports Q-3, defining outcomes supports Q1 and Q2, focusing on strengths supports Q4 and Q5, and finding the right fit supports Q5 and Q6.

These four keys form the backbone of the Gallup model, and are described in more detail in the DA paper *The Four Keys of Great Managers.*

Reference:

Buckingham, Marcus & Coffman, Curt (1999) *First, Break All the Rules: What the World's Greatest Managers Do Differently.* New York: Simon & Schuster.