

Report

# The Qualities of Effective Managers



# Introduction

## When it comes to succeeding at work, **managers matters.**

Ask any seasoned employee to name the best boss they ever had, and a specific person will come to mind: The manager who made a great job even better; someone who made a less-than-desirable work experience more enjoyable.

Eventually, when those employees go on to become managers themselves, they'll work to replicate the most memorable traits of their best bosses — and avoid the pitfalls of their worst.

**Some will succeed at it. Many won't.**

It's one of the great mysteries of the modern workforce: **What really makes a good manager great, and how can companies repeat their success?**

This question has been the central topic tackled in countless studies over the years. However, **what much of the research misses is the element of engagement.** Because it's both highly confidential and exceptionally candid, employee engagement data offers a unique opportunity to uncover which teams are most passionate and productive at work. And since there's a strong correlation between high-performing teams and highly competent leaders, the data can be leveraged further to identify, with greater precision, what makes an outstanding management style so effective.

**It's one of the great mysteries of the modern workforce:**

**What really makes a good manager great, and how can companies repeat their successes?**

### **What the data revealed**

For this report, 15Five's employee engagement experts analyzed data from more than 70,000 employees. The data revealed:

- What managers of highly engaged teams have in common
- How these shared traits can be replicated
- Examples of impactful management techniques



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## The Qualities of Effective Managers

# Our Methodology

## Why We Use Engagement Data

At 15Five, researchers rely on engagement data to uncover trends in manager-employee relationships. The reason: **It allows companies to get an accurate read on the impact managers are having on their teams, which, in turn, makes it easier to identify what makes successful leaders so effective.**

**Companies get an accurate read on the impact managers are having on their teams.**

**Making it easier to identify what makes successful leaders so effective.**



# Here's How We Do It

## Measure

**Here's how we do it. First, engagement is measured across an entire organization.**

Feedback is solicited via confidential surveys designed with safeguards in place to provide anonymity and honesty.

Each survey includes Likert scale-style responses such as:

- I am inspired to do my best work.
- I'm excited about how my work matters to our team.
- Time goes by very quickly when I am at work.

## Ask

**Next, results are segmented by individual departments, teams, and locations.**

This allows us to single out the highest scoring groups for further study. Short SmartPulse™ surveys are often used to get an even better understanding of how engaged employees are being supported by their managers.

These include follow-up questions such as:

- How does your manager help inspire you?
- What is your manager doing that helps you feel excited about current projects?

## Act

**Lastly, we follow up with leaders of highly engaged teams.**

When meeting with company executives to discuss quarterly engagement results and provide coaching.

15Five engagement strategists examine results at the manager level.

Through interviews and qualitative research, they work to identify what the most effective managers in the organization are doing differently and how those strategies can be replicated across other divisions and departments.



# Who We Surveyed

**We pulled engagement data from a group of nearly 70,000 employees in 15Five's database and began examining teams comprised of five to 25 employees.**

Within this grouping, we identified 1,264 individual work teams that participated in two consecutive quarterly 15Five assessments. (To protect confidentiality, 15Five does not report results for teams with fewer than five employees.) We then extracted the 219 teams that experienced increases in their overall engagement scores from one quarterly survey to the next and removed outlying high engagement scores that were not sustained quarter-over-quarter.

**Thus, the subjects of this report represent teams within our data set that experienced the biggest improvements to engagement.**

The cohort of engagement scores included in our analysis were 5.1% higher than the average 15Five engagement score across all other groups. To further understand what has made the managers of these groups successful in increasing engagement, we interviewed a representative sample to learn more about some of the things they're doing.

**Scores included in our analysis were 5.1% higher than the average 15Five engagement score across all other groups.**

**We interviewed a representative sample to learn more.**

## The Qualities of Effective Managers

# Key Insights

## The Critical Drivers of Engagement

**With assistance from academic experts, executive leaders, and HR veterans, we've developed a way to quantitatively measure employee engagement against 14 drivers.**

When you scientifically measure engagement for hundreds of unique organizations across multiple industries ... you learn a few things.

These engagement drivers quantify the presence or absence of workplace qualities that positively affect engagement. This data can then be used to benchmark employee

engagement initiatives and make it possible to identify the greatest areas of need within an organization's culture, so you can implement real, impactful change.

Of the 14 engagement drivers that 15Five measures\*, four emerged as essential to effective manageremployee relationships. They are:

- Trust
- Professional Development
- Feedback
- Fairness

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**Four emerged as essential to effective manager employee relationships.**

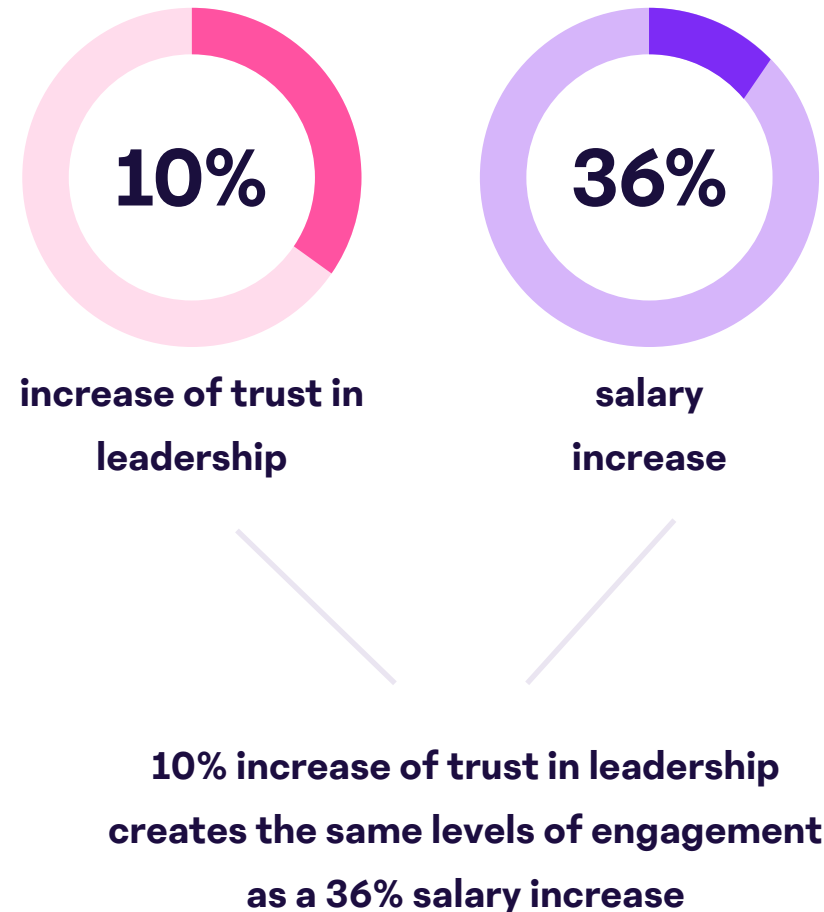


# Trust

Employees feel there is trust and respect in the working environment, specifically among the people with whom they work most closely.

As neuroscientist Paul Zak explains it, trust happens when employees feel a manager “has their backs.” It can truly make or break whether an employee wants to stay at a company. In fact, research has shown that a **10% increase of trust in leadership creates the same levels of engagement as a 36% salary increase.**<sup>1</sup>

It's little surprise that the managers in our analysis made it clear they could be trusted to do what's best for their teams — whether by recognizing and celebrating great work, by cultivating cultures of openness, or by allowing greater autonomy.





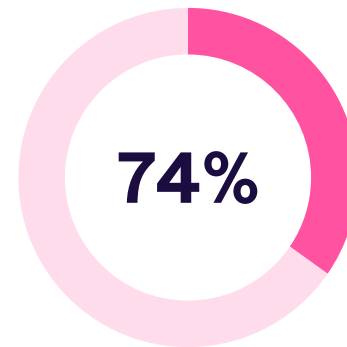
# Professional Development

**The presence of someone who promotes and encourages an employee's professional development.**

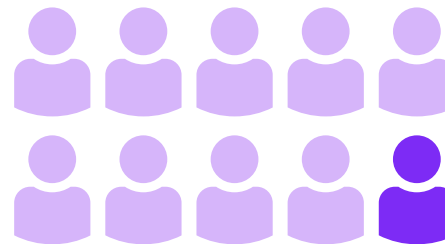
Providing ample opportunity for personal growth is one of the most important factors when someone decides between staying or leaving a company. Yet it remains one of the most difficult to accomplish. **One three-year research project revealed that 74% of workers feel they're not achieving their full potential, with nine out of 10 stressing the importance of workplace training.<sup>2</sup>**

So, how do the managers 15Five interviewed succeed in this area? Many have had success by taking a creative approach to professional development. Some have worked on opening

doors to more robust virtual training opportunities; others focus on mentorship. The key is to look for ways an organization can match pre-existing programs to the new and emerging needs of its modern workforce.



**74% of workers feel they're not achieving their full potential**



**with nine out of 10 stressing the importance of workplace training.**

# Feedback

**Employees feel they receive adequate and helpful feedback.**

Receiving adequate and helpful feedback helps employees understand whether or not they're meeting expectations, where they're having the most success, and how they can improve. The importance of this engagement driver has played out in many of the manager-employee relationships studied at 15Five.

Constructive feedback not only increases engagement but can serve to strengthen leadership as well.

Feedback must also be a two-way street.

Organizations that give and receive employee feedback are more aligned and better equipped to make impactful decisions for their teams.

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# Fairness

**Employees feel that rewards and treatment of individuals within the organization are fair.**

This may sound like a big, lofty topic to tackle. But it comes down to two fairly straightforward factors:

## Treatment

How do employees feel they're being treated, within both a team and the organization at large?

## Rewards

Do compensation and other rewards match the work that's being done and the goals that are being achieved?

Different people have different expectations of what they consider fair, so it's important for leaders to listen to and understand each employee's needs to ensure their work experience aligns with those expectations. It's no coincidence that managers who play an active role in making sure employees are treated fairly also tend to have highly engaged teams.

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# The Importance of Psychological Safety

**Of the three psychological conditions included in our engagement analysis,\* safety emerged as most critical for productive manager employee relationships.**

Within the context of employee engagement, “psychological safety” refers to how much an employee trusts that work can be pursued without fear of negative consequence to self-image, status, or career. As Harvard Business School management expert Amy Edmondson explains, a lack of psychological safety in the workplace can keep people from speaking up when they have ideas, questions, or concerns:

*“Don’t want to look ignorant? Don’t ask questions. Don’t want to look incompetent?*

*Don’t admit weakness or mistake. Don’t want to look intrusive? Don’t offer ideas. And if you don’t want to look negative, by all means don’t criticize the status quo.”<sup>3</sup>*

When employees work within a team where psychological safety is not present, the entire organization suffers. Individuals can become so caught up in managing impressions and keeping negativity at bay that they don’t make meaningful contributions to move the business forward.

However, the opposite can occur when employees work for a manager who takes pains to foster a sense of safety. Once people are assured there’s no need to fear punishment or humiliation for speaking up, they become far more likely to be assertive on important issues.

**When employees work within a team where psychological safety is not present, the entire organization suffers.**

In 15Five's analysis, there was a strong correlation between high engagement scores and psychological safety. Managers of the most engaged teams were also the ones who focused heavily on creating a climate of openness. They did this very intentionally by leveraging a variety of strategies, including:

- Holding daily stand-up meetings to keep tabs on current projects and quickly identify any issues as they arise.
- Scheduling 1:1 meetings where employees are encouraged to share feedback, ask for help, and address concerns.
- Providing small-but-meaningful gestures to help employees feel valued, such as supplying cold drinks to construction workers on a hot day and then sitting with them to chat.

# The Role of Proficiency & Competency

**Each of the managers interviewed had a high level of competence when it came to understanding the work they were overseeing.**

In many cases, these managers had done the jobs themselves and had a wealth of experience to contribute. As a result, they were able to empathize with challenges, share lessons learned, and, ultimately, provide reliable coaching.

This correlation between proficient managers and engaged employees has been borne out in studies where people overwhelmingly prefer competency over traits like social warmth.

One recent study found that when money is on the line, “most people would rather work

for a very competent jerk than a nice but less competent boss.”<sup>4</sup>

In various experiments, as much as 77% of participants chose colleagues described as “highly competent” but “not very warm, friendly, or sociable.”

That doesn’t mean that kindness and collaboration aren’t crucial to success— they are. But within the workplace, where individual success so often hinges on the competence of an entire team and its leader, people are prone to prioritize proficiency over likeability and warmth — a tendency researchers refer to as “reward interdependence.”

**In addition to key engagement drivers and psychological safety, the managers of teams in our study also shared one very important trait: Proficiency.**

# What Does Manager Proficiency Look Like?

Here are two telling examples of highly competent, proficient managers from our study sampling.

**They foster a sense of teamwork and camaraderie.**

One manager at a custom concrete business took on the leadership role only after devoting years of his own career to working in construction himself. Revered by employees as the quintessential team player who wasn't afraid to "roll up his sleeves and get his hands dirty," the manager created a strong culture of trust, fairness, and psychological safety by making himself available. When praised for progress, he was quick to side-step credit and remind others that accomplishments were the direct result of team efforts.

**They have a deep knowledge of the tools employees use.**

Before becoming the head of global marketing operations at her current organization, one marketing manager spent close to a decade learning the very technology her current employees use. She has a deep understanding of the tools and systems her team is charged with selecting, implementing, and managing — and is able to lean on that knowledge when helping employees navigate changes and challenges.

**One marketing manager spent close to a decade learning the very technology her current employees use.**

**She has a deep understanding of the tools and systems her team is charged with selecting, implementing, and managing.**

# Recommendations

## Give Employees A Voice

**There's a reason fairness and trust emerged as key drivers in our analysis. They help keep the lines of communication open and allow managers to address potential problems before they become full-blown crises.**

However, it's not always easy to get employees to speak up. Making people feel comfortable enough to offer candid feedback is a common challenge for many managers. Team leaders can make improvements in this area by focusing on three techniques frequently used by the organizations in our study:

**Make regular one-on-one meetings a top priority.**

Frequent cancellations and rescheduling will send the message that employees aren't important. By making appointments and sticking to them, you let people know how valuable their feedback is.

**Look for different ways to give employees a voice.**

At 15Five, we define “employee voice” as the amount of voluntary effort a person is willing to put into communicating suggestions, opinions, concerns, and ideas that can be used to move the business forward. Managers who proactively seek input are the ones who tend to have success in creating team cultures of collaboration and camaraderie.





## Create a culture of openness.

This is often most easily achieved by modeling behavior. When employees hear a manager share personal stories, particularly about mistakes that have been made and corrected in the past, they become more comfortable speaking up themselves. Get into the habit of recognizing and thanking employees when they speak their minds during one-on-ones, daily standups, and other meetings.

Learn more about the value of employee feedback.

## Allow Greater Autonomy

**For many managers, it simply isn't practical (or productive) to learn every aspect of every job that's being overseen.**

And that's OK. Just because a manager isn't an expert in a particular skill, it doesn't preclude that person from becoming a great leader. In these instances, autonomy comes into play.

**Managers: Stop Delegating and Start Autonomizing**

Based on 15Five's research, one of the most important steps managers can take is to allow greater autonomy. As a key driver of engagement, autonomy shows employees that they're trusted by management to use their expertise — whether that means making decisions on how to best do their jobs, seeking mentorship from seasoned colleagues, or offering feedback on how to make improvements.



When employees are given more freedom to inject projects with personal meaning, the result is greater motivation and satisfaction on jobs well done.

**How to Motivate Employees  
Through Passion and Purpose**

**Autonomy shows employees that they're trusted by management to use their expertise.**

## Regularly Solicit Feedback

**It's important to reiterate that the managers included in this report were all overseeing teams where employee engagement was steadily increasing.**

These high levels of engagement were influenced largely by a cycle of regular, ongoing feedback.

By inviting employees to participate in confidential quarterly surveys, leaders can glean insights and identify issues — and then act quickly to address problems. It's one of the easiest and most effective ways to foster a psychologically safe environment where employees feel free and encouraged to make their voices heard.

**Read more about why a  
quarterly cadence works.**

**By inviting employees to participate in confidential quarterly surveys, leaders can glean insights and identify issues — and then act quickly to address problems.**

## The Qualities of Effective Managers

# Conclusion

## Making Good Managers Great

**A surprise resignation here; a rumor of resentment there ... these are indications there's room for improvement within an organization's management team. As revered management consultant Peter Drucker says, "The greatest challenge to U.S. business ... may well be the development of its management people."<sup>5</sup>**

The good news is, there are several proven methods that can be used to turn things around. By following the recommendations laid out in this report, managers can better identify what employees need to be fully engaged at work.

## The next step for strong leadership

These recommendations are still just the start. Each organization will have its own unique set of needs and day-to-day dynamics that impact manager-employee relationships.

## That's where measuring employee engagement comes in.

Measuring engagement across an entire organization allows a company to get a clearer picture of the challenges and successes within individual departments and teams. It's a helpful tool for managers who want to better understand their teams. This feedback in turn allows leaders to recalibrate and identify opportunities to help teams make progress.



Put simply: measuring engagement lays the groundwork needed to support supervisors with the tools they need to become better leaders.

### **Bottom line**

Managers have a tremendous impact on the overall engagement of employees and success of a company. Emulating the tactics used by already-successful managers will lay a strong foundation. Evaluating individual performance can reveal even bigger, better opportunities to empower managers and inspire teams.

“

**“The greatest challenge to U.S. business ... may well be the development of its management people.”**

**PETER DRUCKER**



# Resources

## Appendix A: Glossary of the Drivers of Engagement

### **Authenticity**

Employees have a sense that leadership is honest about the business and themselves.

### **Autonomy**

Employees are trusted to use their expertise to make decisions about how to do their jobs.

### **Capacity**

Employees must feel capable of pushing physical, intellectual, and emotional energy into their work — and have access to necessary resources.

### **Competency**

The match between employees' abilities and the challenge of their work.

### **Fairness**

Employees feel that rewards and treatment of individuals within the organization are fair.

### **Feedback**

Employees feel that they receive adequate and helpful feedback.

### **Friendship**

Employees have close relationships and feel cared for by another person (or persons) at work.

### **Manager**

A broad assessment of the relationship between the employee and his or her manager that looks at respect, feedback, fairness, development, and advocacy.

### **Meaning**

A belief that being immersed in work gives employees value, whether through a sense of purpose, compensation, status, or influence.

### **Professional Development**

The presence of someone who promotes and encourages an employee's professional development.

### **Psychological Safety**

Psychological Safety is a sense within an individual that they can show and employ their true selves at work without fear of negative consequences to self image, status, or career.

### **Purpose**

Employees know why the business exists beyond making a profit.

### **Rest**

Employees' sense that they can take time off when needed.

### **Role Clarity**

Employees can connect their daily work tasks to the purpose of the business and have clarity about what that work is.

### **Shared Values**

Employees share common work attitudes and personal values with their coworkers.

### **Trust**

Employees feel there is trust and respect in the working environment, specifically among the people with whom they work most closely.

### **Utilization**

Employees feel that the organization effectively uses their abilities and skills.



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