Spotlight on Manager Effectiveness:

# Why It Matters and How to Improve It



The last few years have brought about rapid changes in the workplace. Many things related to work have shifted including where we work, how we work, what we value in a workplace, and what it takes to be a truly good leader.

As we enter into this new era of work, the success of your organization lies in one thing: your people. More specifically—your managers.

The manager-employee relationship is a node with influence that touches almost every aspect of the work experience, yet many managers today are floundering as they navigate the evolving workplace and the challenges that come with it. Without support or investment in their growth, these managers can have a negative impact on their teams and the organization as a whole.

### **CONSIDER THESE FACTS**

Managers account for at least 70% of the variance in employee engagement scores across business units. (Gallup State of the American Manager: Analytics and Advice for Leaders)

Managers who are not engaged or who are actively disengaged cost the U.S. economy \$319 billion to \$398 billion annually. (Gallup State of the American Manager: Analytics and Advice for Leaders)

**63%** of those with a bad manager are thinking of leaving their company within the next 12 months. (Predictive Index)



# The Impact of Ineffective Managers

Many problems that may be occurring within your organization right now can be directly traced back to one source—ineffective managers. Here are some examples of the negative impacts of ineffective or underdeveloped managers.

### Low morale

Ineffective managers often fail to adequately praise their team members for their wins. Without this praise and recognition, it is easy for employee morale to fall, as employees feel that the hard work they are doing is going unnoticed. This creates a negative cycle, wherein employees that feel underappreciated or undervalued become demotivated to perform well. Their performance suffers as a result, leading to even less likelihood of praise or recognition from their manager. Over time, the employee gets stuck in a low-energy state, their performance continues to suffer, and the team fails to meet goals. It's a lose-lose for everyone involved.

### High turnover

Turnover rates are perhaps the most clear-cut indicator of how effective an organization's managers are. According to Gallup, one in two employees have left a job to get away from their manager at some point in their career. Of course, a manager who is toxic and causes a high level of stress will push employees right towards the door—but a manager does not need to be a cartoon-style level of evil to contribute to high turnover rates. Even well-meaning managers who simply do not have the necessary skills to empower their team to be their best selves and do their best work will cause employees to look for work elsewhere.



### High Burnout and Absenteeism

Ineffective managers take more than just a psychological toll on employees. The level of stress caused by ineffective management can actually lead to physical illness and burnout. When employees that are burned out have to miss work, it causes a ripple effect, negatively impacting those who need to take on additional work to cover. And burnout tends to trickle down. When asked by Predictive Index if their team members seemed burnt out, 73% of respondents with burnt-out managers said yes, versus just 22% of respondents with nonburnt-out managers.

### Low productivity

Employees with ineffective managers quickly become disengaged. If they aren't receiving any clarity or guidance from their manager on what is important to focus on, they can become overwhelmed and find it more difficult to successfully prioritize and complete tasks. Beyond that, when employees don't feel that they are growing professionally, they are less motivated to perform in their day-to-day work. A recent survey from 15Five uncovered that 76% of employees said they work harder for an employer who shows they care about their growth as a professional.



# The Key Elements of a Successful Manager Development Program

Developing world-class managers and teams is all about building a culture of learning in the workplace, but this is easier said than done. Read on to learn more about what is required for a successful manager development program.

# Continuous Learning in the Flow of Work

Gone are the days of solely offering one-off training seminars or workshops for talent development. Sure, these things still have value, but they often provide a barrage of information that is quickly forgotten. Science backs this up—German scientist Herman Ebbinghaus developed the concept of the Ebbinghaus Forgetting Curve, which demonstrates how learners forget 90% of information that they take in within a few weeks if it is not reinforced.

Why would anybody want to take time to learn something if they are just going to forget it all within a few weeks? And why would executives invest in something that does not have a lasting impact?

A successful manager development program will be multi-pronged, and occur in the flow of work, so that talent development becomes a part of your managers' day-to-day work life. Be sure to offer development opportunities in a variety of formats—instructor-led skills intensives, 1-on-1 coaching, group coaching, etc.—and then ensure that there are mechanisms in place to help employees put what they've learned into action.

If we view managing as one great experiment, every day provides new opportunities for learning to be tested and improved upon. Managers and their teams are like an organizational petri dish for experimenting with what's been learned and what can grow from it—but they need to be given the space and tools to put that learning to work, and to keep track of it.

Which leads us to the importance of technology.

### **Incorporation of Technology**

Over the past decade or so, workplaces have been coming to terms with the power of technology at different speeds—some workforces became early adopters, while others remained resistant to incorporating technology into everyday work processes and workflows.

But 2020 threw all that resistance out the window. Now, it can't be denied that **technology makes** work happen.

Your talent development strategy is no exception. You should be thoughtfully incorporating software that can enable your talent development initiatives and accelerate behavior change. Having software for things like one-on-ones, engagement surveys, and goal setting makes it a lot easier for employees to initiate and maintain participation in these growth-oriented activities. And with software that can ping people and remind them to complete certain tasks, these activities become habits that are ingrained into the flow of work.

Incorporating technology also enables insight generation. For example, if you have a tool for engagement surveys, you can use that data to draw insights about the areas where your employees feel disengaged, or the leadership skills that may need to be developed. You can use that insight to develop a data-driven strategy, and you can continue to use the tools to track and iterate.

### A Strong Ethos

Whether you realize it or not, the way that you are framing manager development programs and learning opportunities can have a major impact on their effectiveness, for better or worse.

In many contexts, opportunities for growth and development are presented as "must-dos." When employees feel that learning is being prescribed to them—something that they are required to do in order to fix something or prevent something bad from happening—they are more likely to be resistant to it, or to resent the fact that they have to do it at all.

You can hack the framing of your talent development programs so that employees see it as something positive, rather than something remedial. You should send the message: "We are investing in talent development for you because we think you're incredible, and we want to unlock that potential so that you can thrive, and your team and the organization can thrive."



According to the 2020 LinkedIn Learning report,
94% of employees say that they would stay at a
company longer if it invested in their learning and
development. But a recent survey conducted by
15Five uncovered that 56% of employers don't
offer a clear path for advancement. Thus, framing
manager development programs as an investment
in employees' long term career growth can make a
world of difference.

# CONSIDER THIS: EXTRINSIC MOTIVATORS

Don't be afraid to create extrinsic motivators around talent development. We report and celebrate revenue wins to the company— why not celebrate leadership and talent development wins? Find ways to put leadership competencies that are important to the organization on a pedestal. Consider creating an award, or a series of awards. When these skills and competencies are celebrated, people see that it is valued in the organization, and they will start to pay attention and take steps so that their work can be celebrated, too.

### Community and Belonging

Whether or not employees feel a sense of community and belonging has a big impact on employee engagement and satisfaction. In a post-shutdown, hybrid world, employees are craving that sense of connection and community more than ever. When designing your talent development plan, be sure to bake in opportunities for employees to collaborate and connect along their talent development journey, and create a culture that incentivizes recurring conversations about growth.

A great way to do this is by facilitating group coaching sessions. A group setting can have two positive effects. First, it creates a sense of commonality and camaraderie, as members of the group are able to see that others are struggling with the same challenges that they are facing. Second, it opens employees up to new perspectives. While multiple people within the group may all be struggling with the same challenge, each person will likely have different ways that they are navigating that challenge. Employees can share insights and generate a strong shared knowledge. And having that diversity of perspectives and experiences accelerates learning and creates more opportunities for "aha!" moments.



# CONSIDER THIS: BLENDED COHORTS

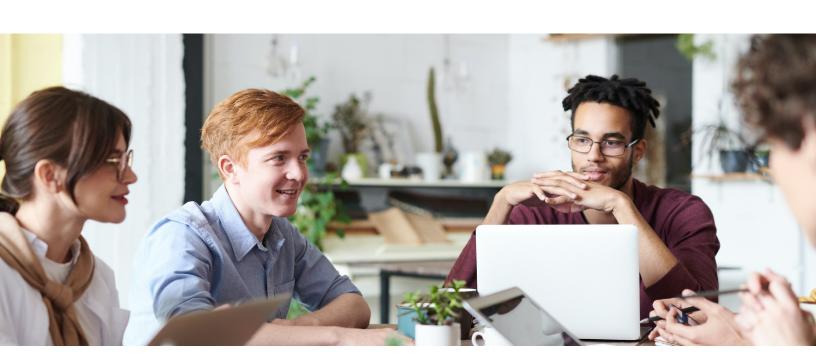
When creating these groups, the instinct may be to group together people who share the same level of experience. You may, for example, want to establish a "masterclass" for VPs, and a separate group for first-time managers. While these groupings can certainly have a value, consider the benefits of creating blended cohorts and placing people who have more experience in an environment with people who have less experience.



There is a very potent and dynamic energy that occurs when you mix people who are more seasoned with those who have newer perspectives. If done well, folks from all walks and careers get to contribute their knowledge and elevate the collective wisdom of the group.

### **EMILY DIAZ**

VP OF TRANSFORM COACHING
15FIVE



# How to Get Executive Buy-In

In order for a manager development strategy to be successful, leaders of the company need to support it wholeheartedly and visibly. But this is not always the case. The 2020 Linkedin Learning Report states that only 27% of L&D professionals feel that their CEOs are active champions of learning across the organization. If leaders themselves aren't sold on the importance of investing resources into manager development, why would anyone else be?

### Lead with Data

You can tell the most compelling story about why investing in manager development is important but at the end of the day, it's the data that will make it stick.

First, be sure to find the right data. It's not enough to say "This percentage of our employees are feeling disengaged." You need to go beyond conveying a general feeling of malaise, and choose data that tells a story. For example, if you are able to run an engagement survey and find that specific divisions are way under benchmark for key engagement metrics for a specific set of reasons, the C-suite will have to pay attention. By drilling down that deeply, you may even be illuminating a problem that executives had no idea existed.

Be sure to tie your data and findings to business results and/or risks. You might say something like: "This team is highly disengaged, and we are at risk of losing 20% of this team in the next two quarters if something doesn't change. For each employee we lose, we must be prepared to spend 2x their salary to replace them. If we lose 5 employees next quarter, it could cost the company X amount of dollars—why would we not be proactive and invest half of the amount that we risk losing in a solution instead?"

When you find the right data and are able to drill down into what that means for the organization, you're putting yourself in the best position possible to make an ask—like asking to use a specific software, or to partner with an organization that can provide a solution for your talent development needs.

Once you establish that baseline and get buy-in, continue to build out the program by following the trail of weaknesses shown in the data and building a strategy to address those weaknesses.

### **START SMALL**

You don't have to do it all at once. Start small by engaging a small group of employees, tracking performance over time, and see if what you are doing is actually moving the needle.

# Introducing: Transform

15Five recently launched <u>Transform Coaching and Education</u>, a blended learning solution designed to support your growth and development initiatives by offering skills intensives, group coaching, 1-on-1 coaching, and engagement action planning.

With Transform, we teach managers how to achieve business goals by:

- · Leveraging their own and their team's strengths
- Setting team objectives and making better decisions
- Motivating, communicating, and inspiring action
- Driving performance and measuring progress
- Providing feedback that drives growth and performance

The massive benefit of using Transform is that it is part of a full suite of performance management tools that can drive your growth and development strategy. In addition to our Transform offering, we have 3 products: **Engage** for engagement measurement, **Perform** for measuring and elevating team performance, and **Focus** for goal setting and tracking. With 15Five, you can habituate and track new skills with world-class software, all under the same roof.



Working with an external partner that outsources their facilitators and coaches is risky because those facilitators and coaches may not be aligned with your philosophy or approach, or the tools that you are using to execute on your talent development strategy. With Transform, however, you gain access to 15Five's inhouse coaches and facilitators, who already have a deep understanding of 15Five software and how it can be used to support your manager development initiatives, whatever they may be.

In addition, 15Five coaches actually adapt their coaching to address your unique business challenges. Unlike other coaches that may take a more general approach, 15Five coaches dig into your organization's engagement results and identify high-level, high-impact themes for the organization to focus on. They develop a coaching plan that targets those areas that need special attention, helping you drive engagement and business results at the same time.



"Developing the types of leadership capabilities needed for today's work world takes more than traditional training. Coaching, practice, and ongoing feedback are required in order to make sustained change, and most companies have found this type of development to be prohibitively expensive. Solutions like 15Five Transform can help companies foster these next-generation leadership capabilities in a scalable and efficient way."

### **KATHI ENDERES**

VP OF RESEARCH
THE JOSH BERSIN COMPANY



Before these trainings, my 1:1's were really awkward—no one really knew what to say. After I got into this new framework and structure, I started to build people up and their work. I learned to relate with them more intentionally.

TRANSFORM PROGRAM PARTICIPANT



### Conclusion

In order to develop world-class managers, you must build a strong culture of learning at work.

Doing this is no small feat, but with the right attitude, the right tools, and the right partners by your side, it can be done—and the results will be transformational.



### **About 15Five**

Founded in 2011, 15Five equips HR leaders to play a strategic role in their company's growth. HR leaders use 15Five to combine engagement, performance, and OKRs on one platform so they can make insightful decisions and take strategic action. Unlike other 'command and control' performance systems, 15Five uses the latest in people science to turn managers and employees into self-driven owners of performance and engagement. To further the impact of talent on company growth, 15Five also provides education, coaching, and community for HR leaders, managers, and employees. HR leaders at over 2,800 companies, including Credit Karma, Spotify, and Pendo, rely on 15Five's software and services to make their talent a growth driver.



To learn more, visit www.15Five.com